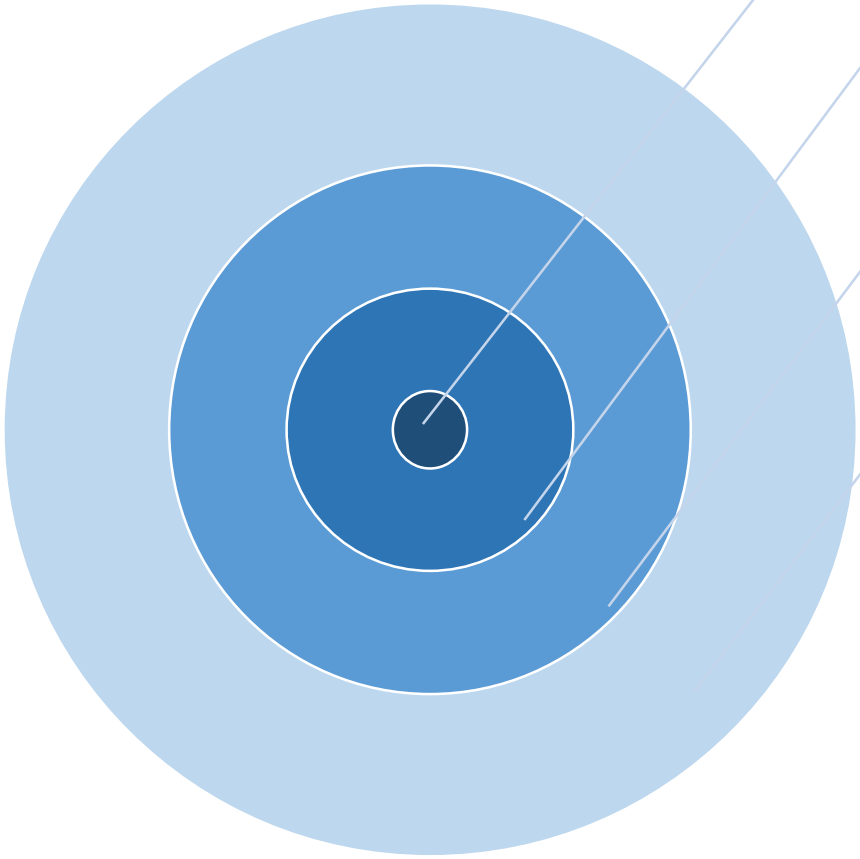
Impact of Market-Creating Innovation on Job Creation



Direct Employment

- Hired directly by company, on firm payroll
- Easiest to track precisely; smallest of effects?

Value Network Employment

- Employment supporting purchased inputs and distribution
- Large effect; generally new-to-world capability creation

Empowering Employment

- Jobs created due to adoption of product or service by entrepreneurs
- Almost always an “upside surprise” of market-creating innovation; relates to the unexpected ways in which customers put our products to use

Indirect Employment

- “Spillover jobs” created in the social and economic environment in which the business and its ecosystem exist: grocery stores; retailers; restaurants; etc.
- Most difficult to estimate of all of the effects; generally calculated using multipliers