

Inventing The Future

The celebrated New York Times columnist and author Thomas Friedman recently spoke about the many changes happening in the USA (and indeed, the world) and his advice to governments, businesses, and individuals on coping with the same. His advice to the job seekers was that they should not anymore just try to get a job but make a serious effort to “invent” one. The implication, perhaps, was that this new world requires a redefinition of skill sets and acquisition of new competencies that are valuable to potential employers who can then create a job opening for the individual with those currently relevant skills.

This sagacious advice is quite applicable to entrepreneurs and business leaders too. There are some nearly universal, very powerful emerging themes when it comes to current and potential customers and consumers, and entrepreneurs and business leaders and marketers who can invent new products and / or a new way of doing business itself are the likely winners while those who are merely looking to retain customers or acquire new ones on yesterday’s basis (the product or way of doing business) could well join the ranks of losers and have-beens.

In the emerging themes relating to consumers, two stand out. These are to do with increasing poverty of time, and in most markets, increasing gap between demands and availability of financial resources. Consumers across the world, whether in the developed countries or in the developing ones, have to work harder and with lesser infrastructural support either at work place or at home putting unprecedented demands on time available to manage responsibilities relating to work, social needs, family needs, and personal desires and wants. Further, as the developed economies face stagnant, redundancy creating or job non-creating growth (Friedman very thought provokingly mentioned that the biggest success stories of the USA in recent years such as Facebook, Google, YouTube, Zynga, Groupon and the likes have created hundreds of billions of dollars in market capitalization but only a few tens of thousands in jobs) coupled with relatively high inflation, and the developing countries especially India grapple with very high inflation, consumers across the world are seeing reduced consumption or new goods and services at significantly lower prices.

In the emerging themes relating to the business environment around us, the two that stand out relate to arrival (or impending arrival) of some new technologies, and the rapid democratization of and access to multi-functional computing and communication devices for billions of consumers across the world including developing markets. The new technologies relate to further micro-miniaturization of devices that can perform all kinds of functions, to arrival of devices that can transmit sensations of touch and three dimensions, 3-D manufacturing and others. As far as new multifunctional communication and computing devices are concerned, the tablet is going to be perhaps the most transformational device invented in the 21st century which can be an extraordinary channel for the billions to communicate, to study and read, to shop and transact, and to be entertained.

There are enough early signs of the dramatic changes in the offing in the next few years transforming complete industries, creating new stars and behemoths while decimating several current iconic businesses. Amazon has recently entered the business of publishing by directly contracting with authors to write for them, potentially threatening or debilitating the established

publishing industry and distribution channels for printed books and other printed content. You Tube (now owned by Google) has announced plans to launch 100 new entertainment channels by entering into direct contracts with artists and independent content developers on themes covering music, sitcoms, fitness, food, travel and leisure, and many others. The disruptive effect on traditional media companies, and even on manufacturers of conventional entertainment devices (television sets) may only be a subject of conjecture at this time but is likely to be transformational. Digital commerce is making extraordinary inroads in just about every country, and across every product category of consumption. It is therefore no surprise that Amazon is widely expected to become the world's largest retailer within the next 10-12 years, creating widespread disruption for conventional retail businesses. Similar transformations are expected in sectors as diverse as education (Khan Academy, Academic Earth, and paid education sites such as The Great Courses give some glimpse into the future) and healthcare (chips implanted in human bodies for real time monitoring of bodily function, for instance).

These emerging themes throw up many challenges, but they also offer extraordinary opportunities. To use a term recently used by author Jim Collins, the coming decade will throw up many "luck events" ("Great by Choice: Uncertainty, Chaos, and Luck — Why Some Thrive Despite Them All", an essay by Jim Collins and Morten Hansen). The ones who would maximize their returns from such luck events are the ones who can anticipate and accept these disruptive changes, and invent or reinvent their future!

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