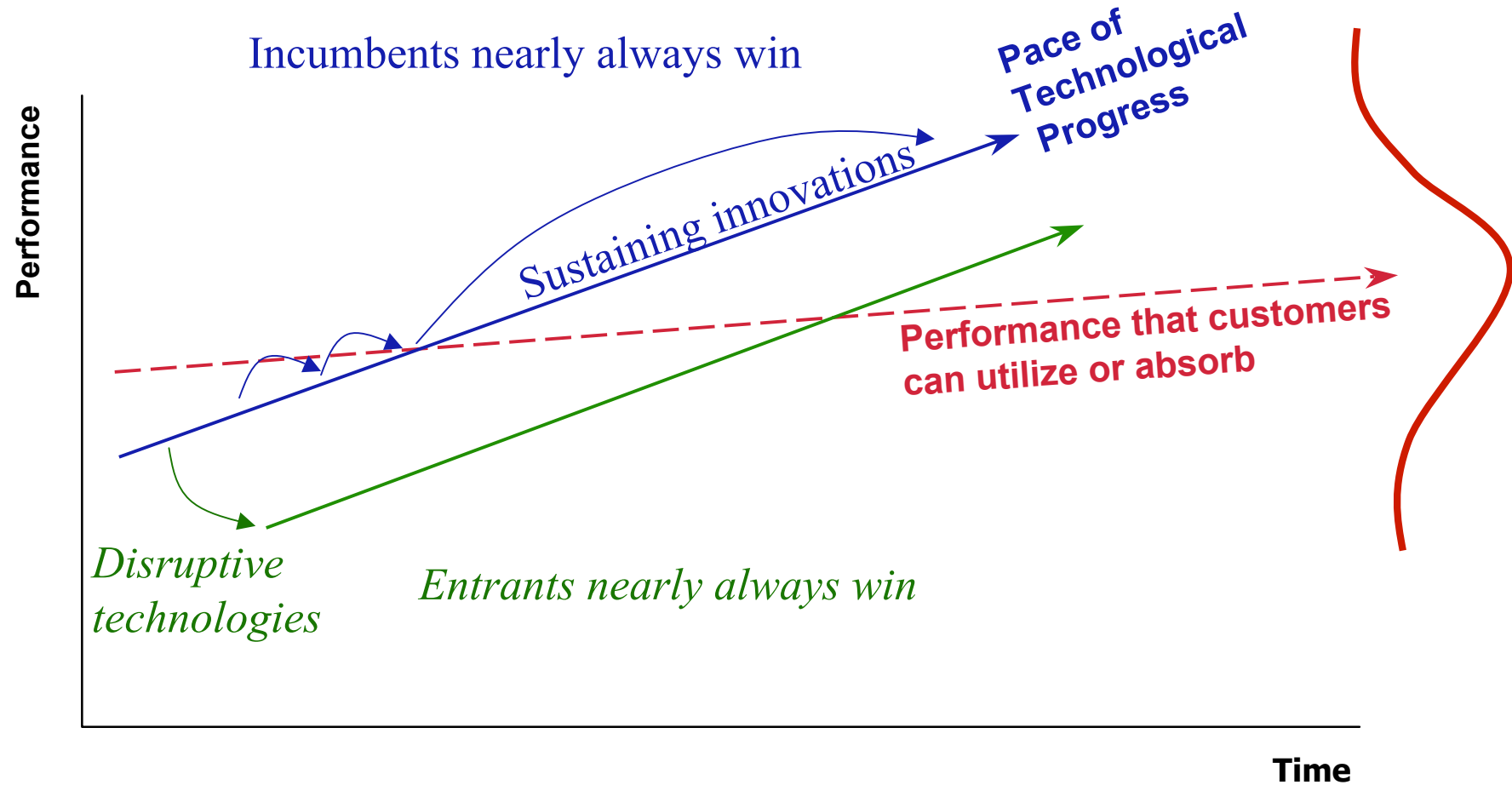
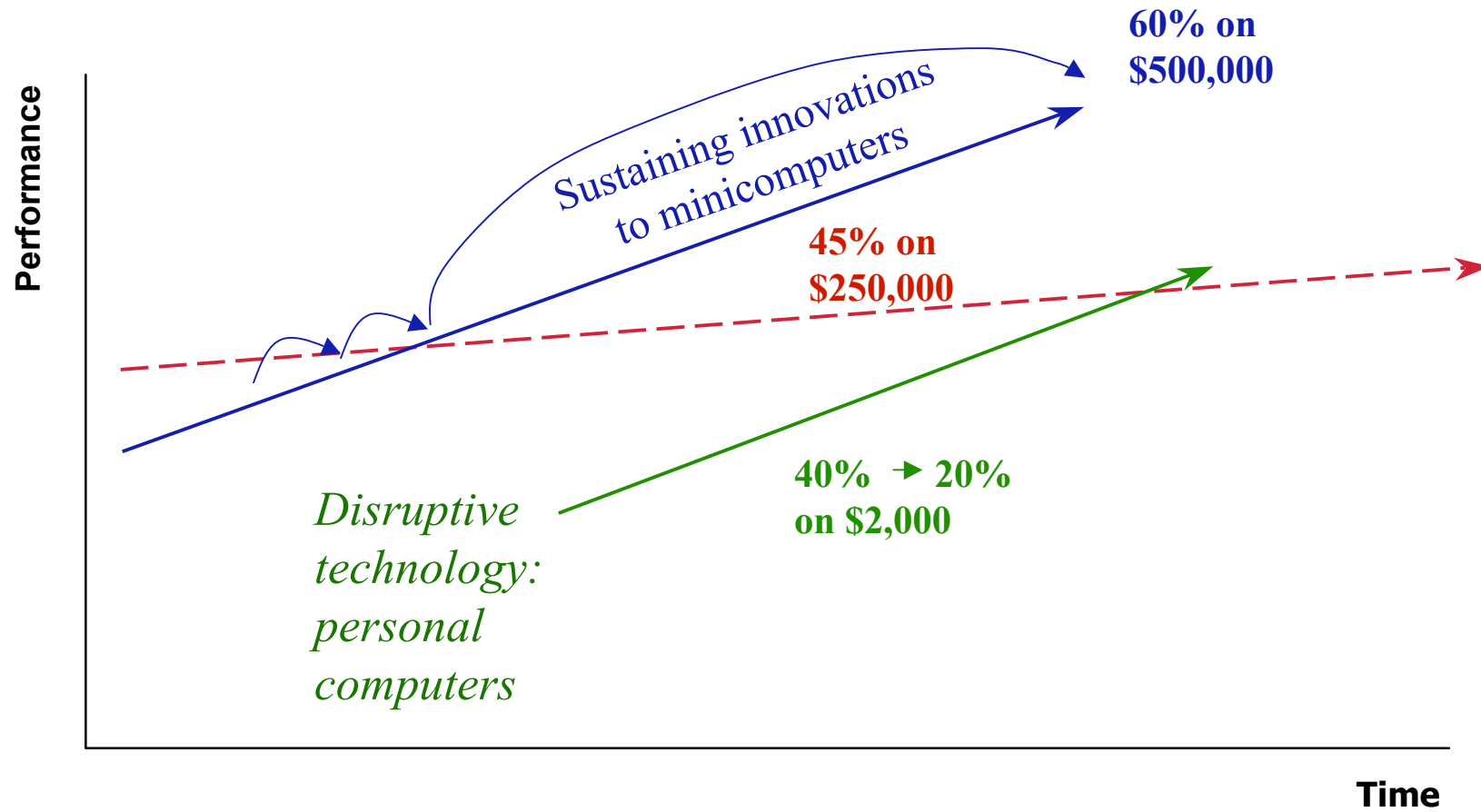


Disruptive Technologies:

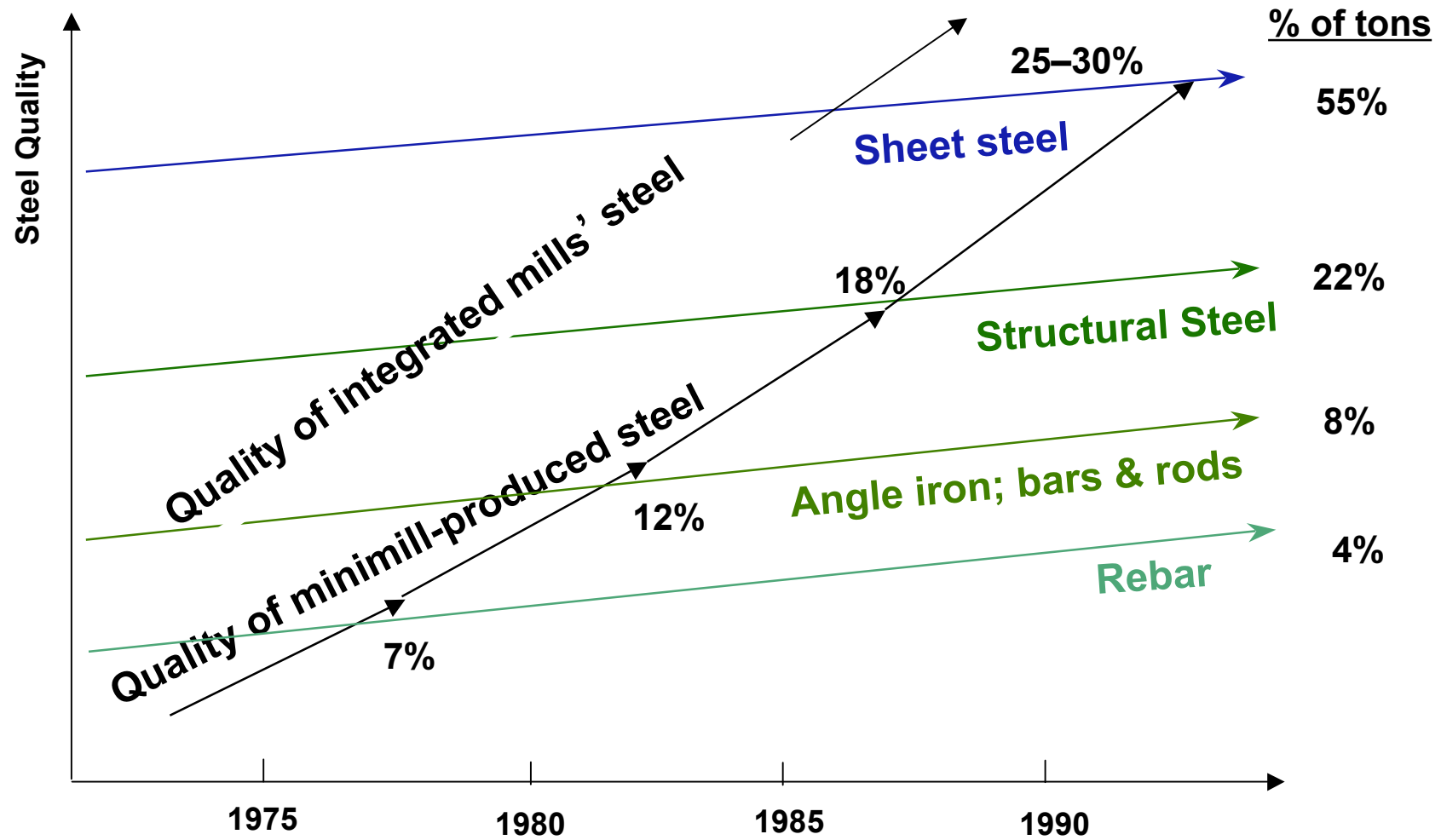
A driver of leadership failure and the source of new growth opportunities



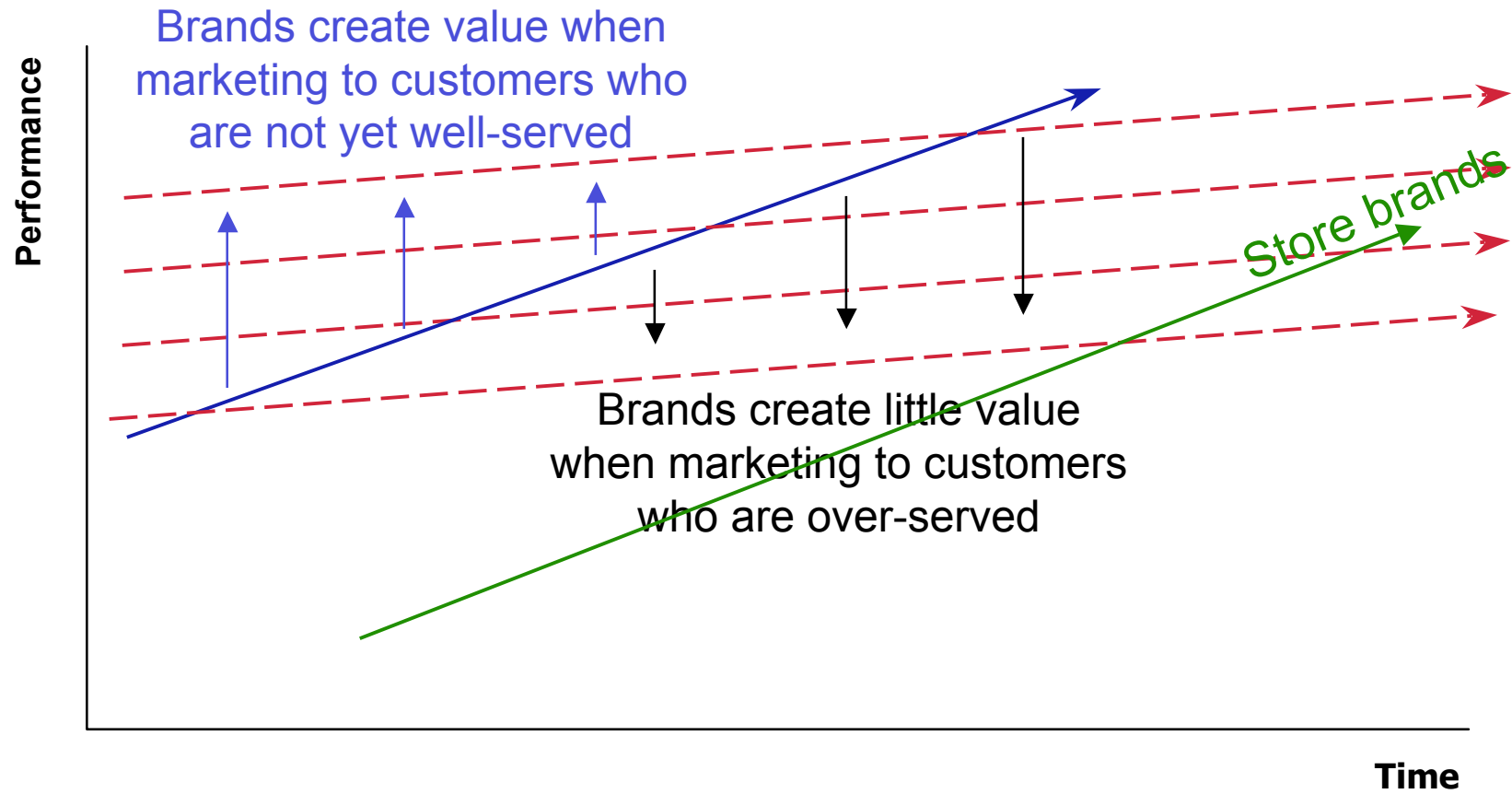
The Innovator's Dilemma



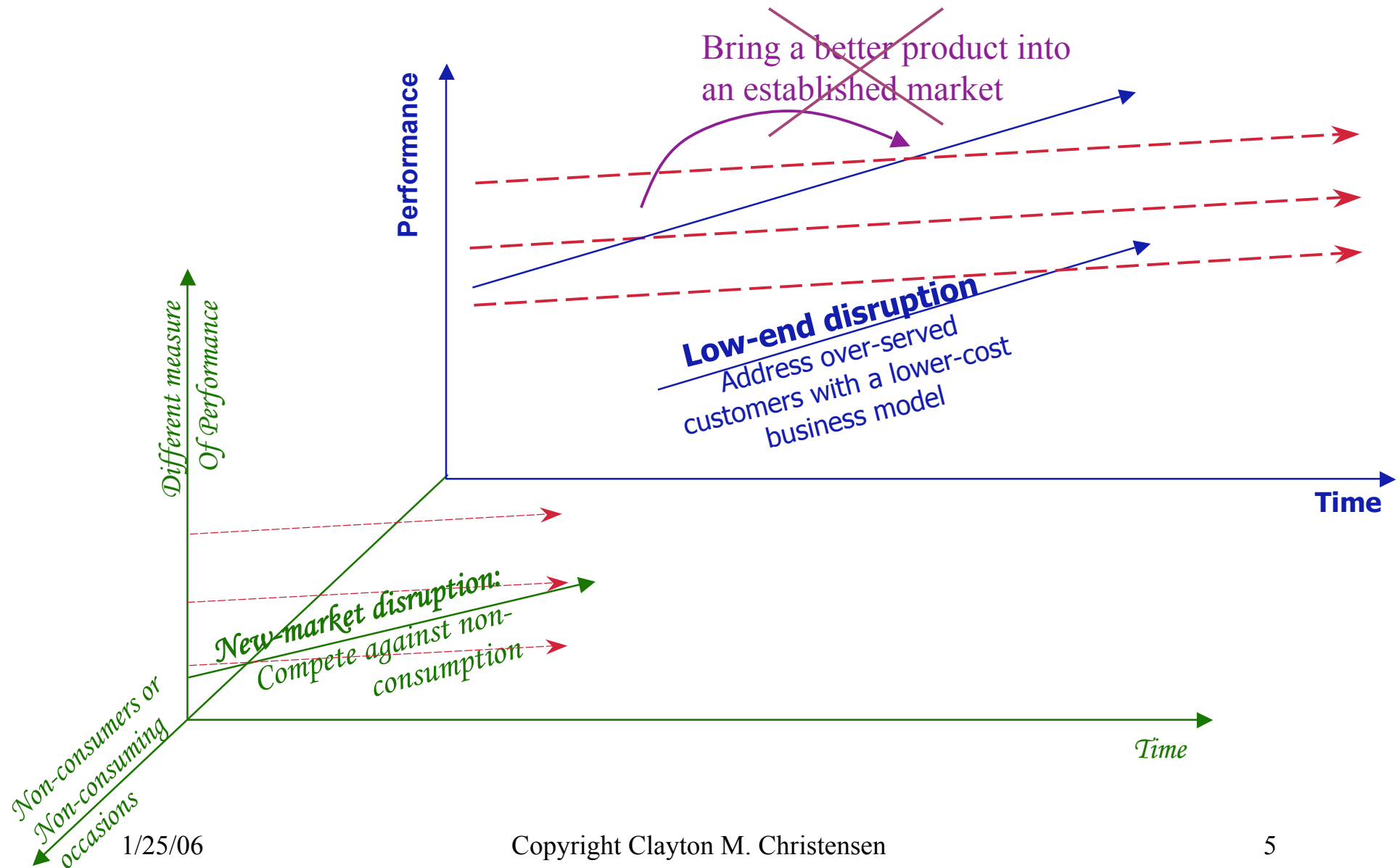
Beat competitors with asymmetry of motivation



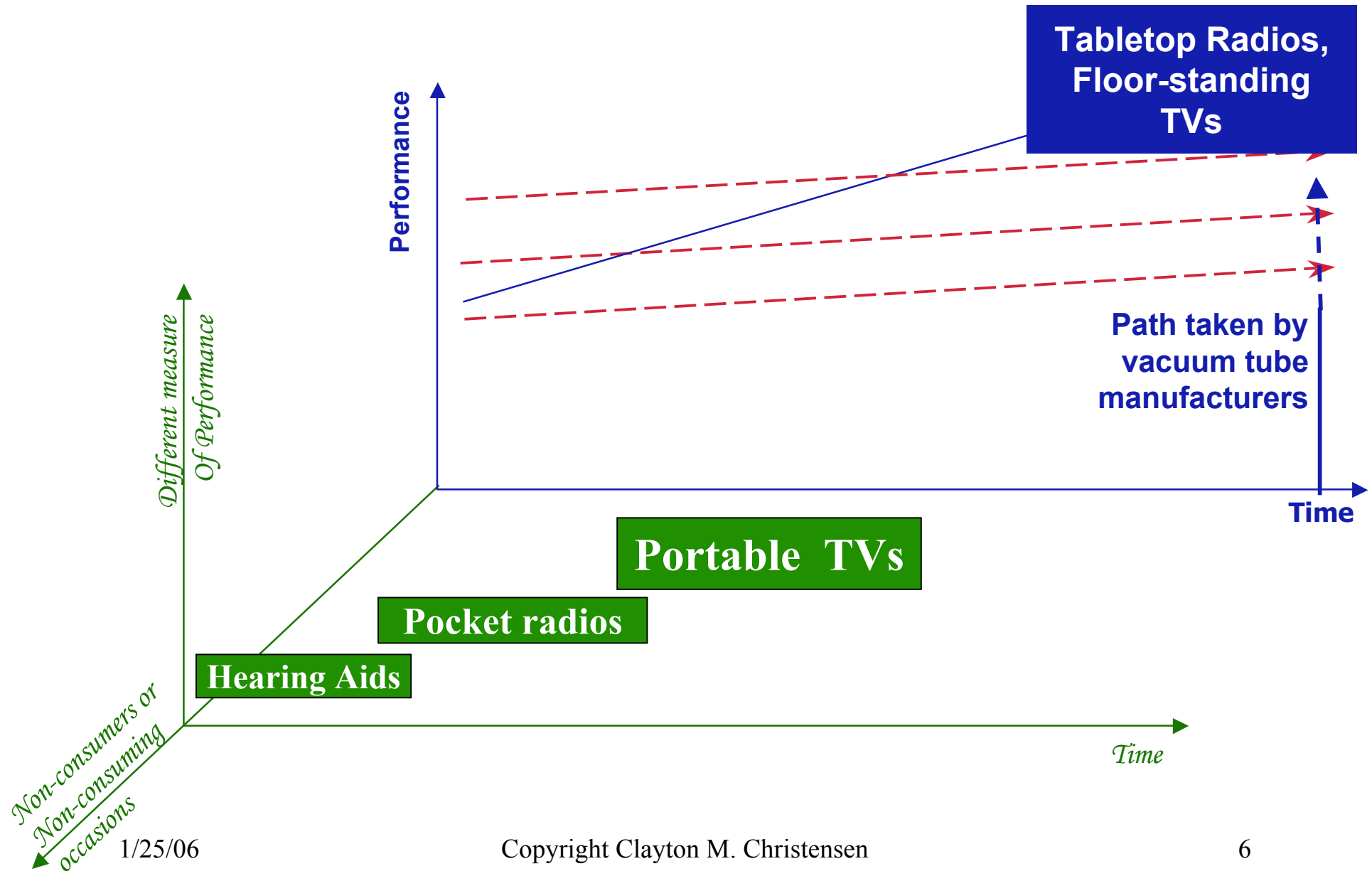
Brands can be disrupted



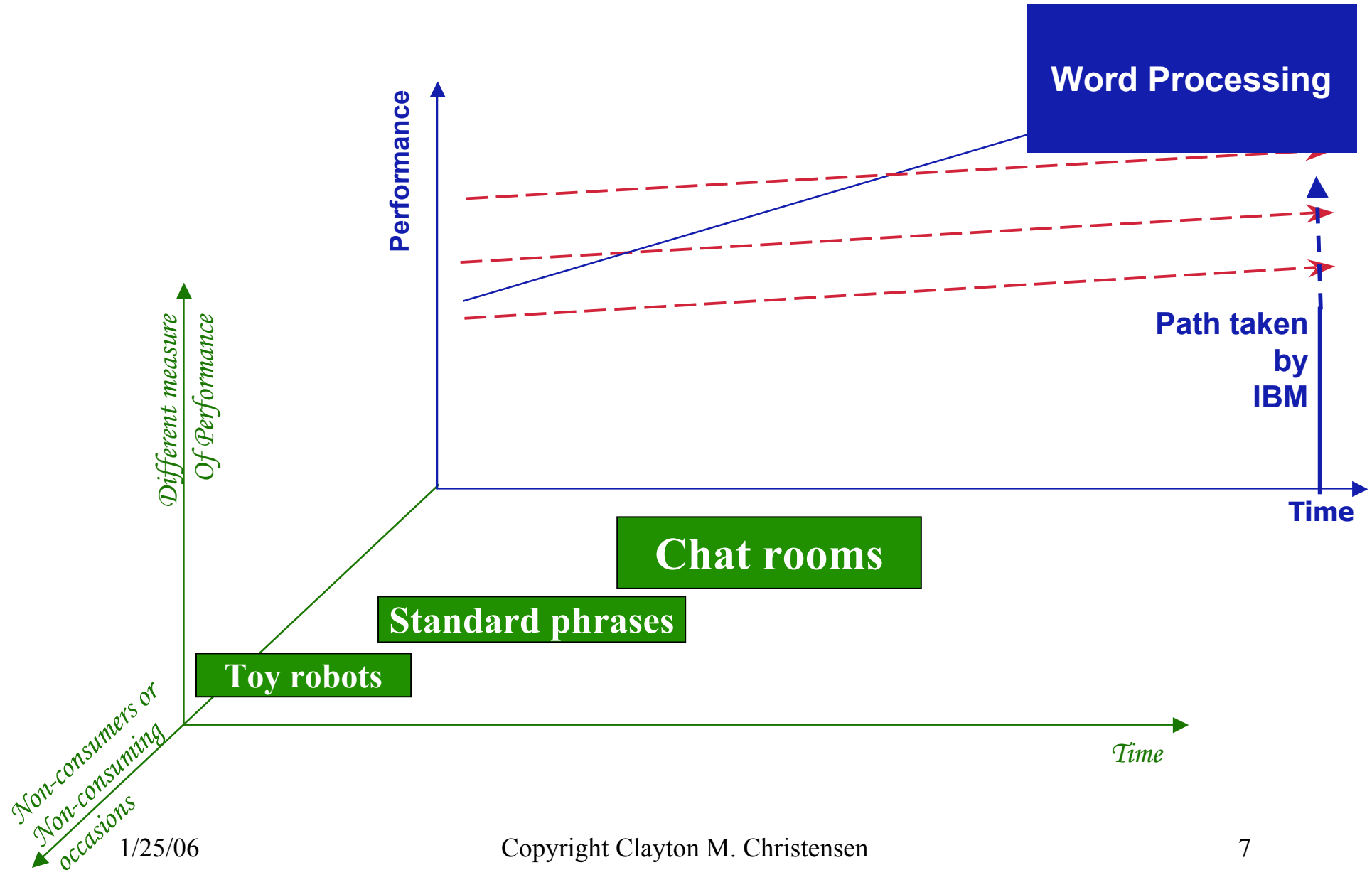
Two strategies for asymmetric competition



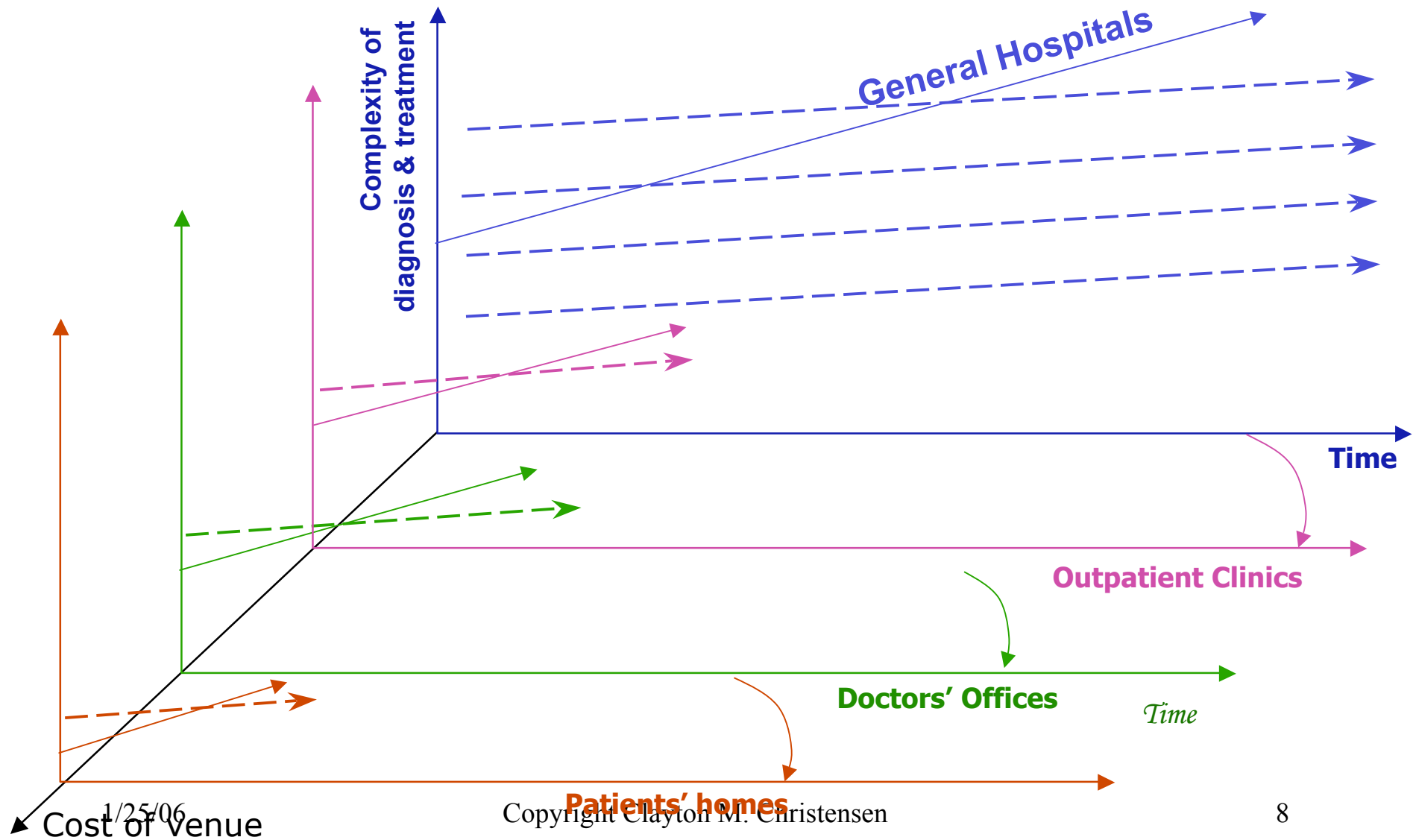
How Transistors Disrupted Vacuum Tubes



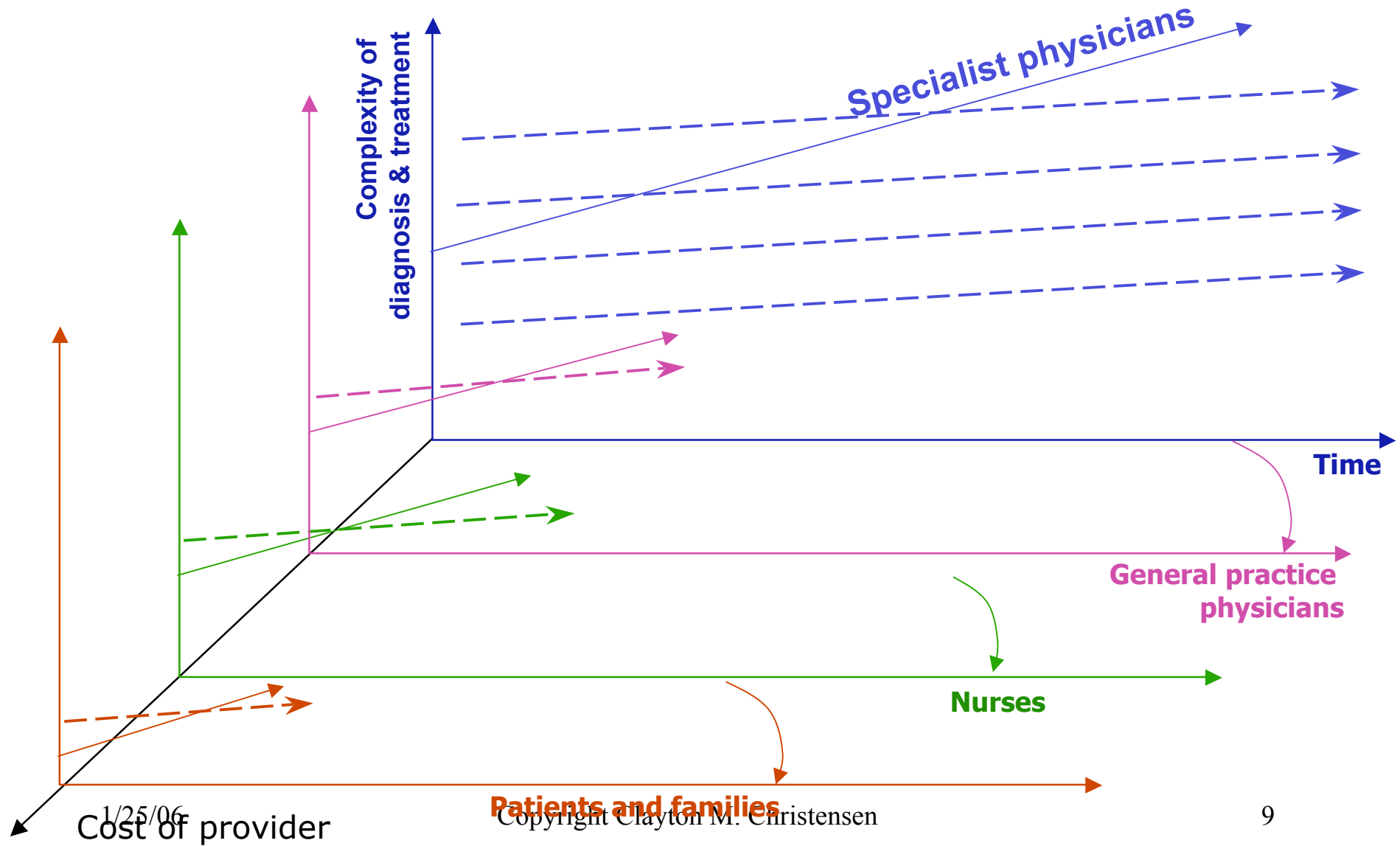
Voice Recognition as Disruption



Disruption among Healthcare institutions



Disruption among healthcare providers



Tertiary hospital

General Hospital

Outpatient Clinic

Office

Home

Sick child

↑ **Ambiguous** Deep
Clarity of the rules
↓ **Simple** Little

← **Simple** **Clarity of the rules** **Ambiguous**
Little **Skill required to follow the rules** **Deep**

Parent

Nurse

Family doctor

Specialist

Scientific understanding, built upon the ability to diagnose unambiguously, shifts the method used to diagnose and treat disorders from an unstructured, experimental problem-solving process, towards a rules-based regime.

Sick child

Parent

Nurse

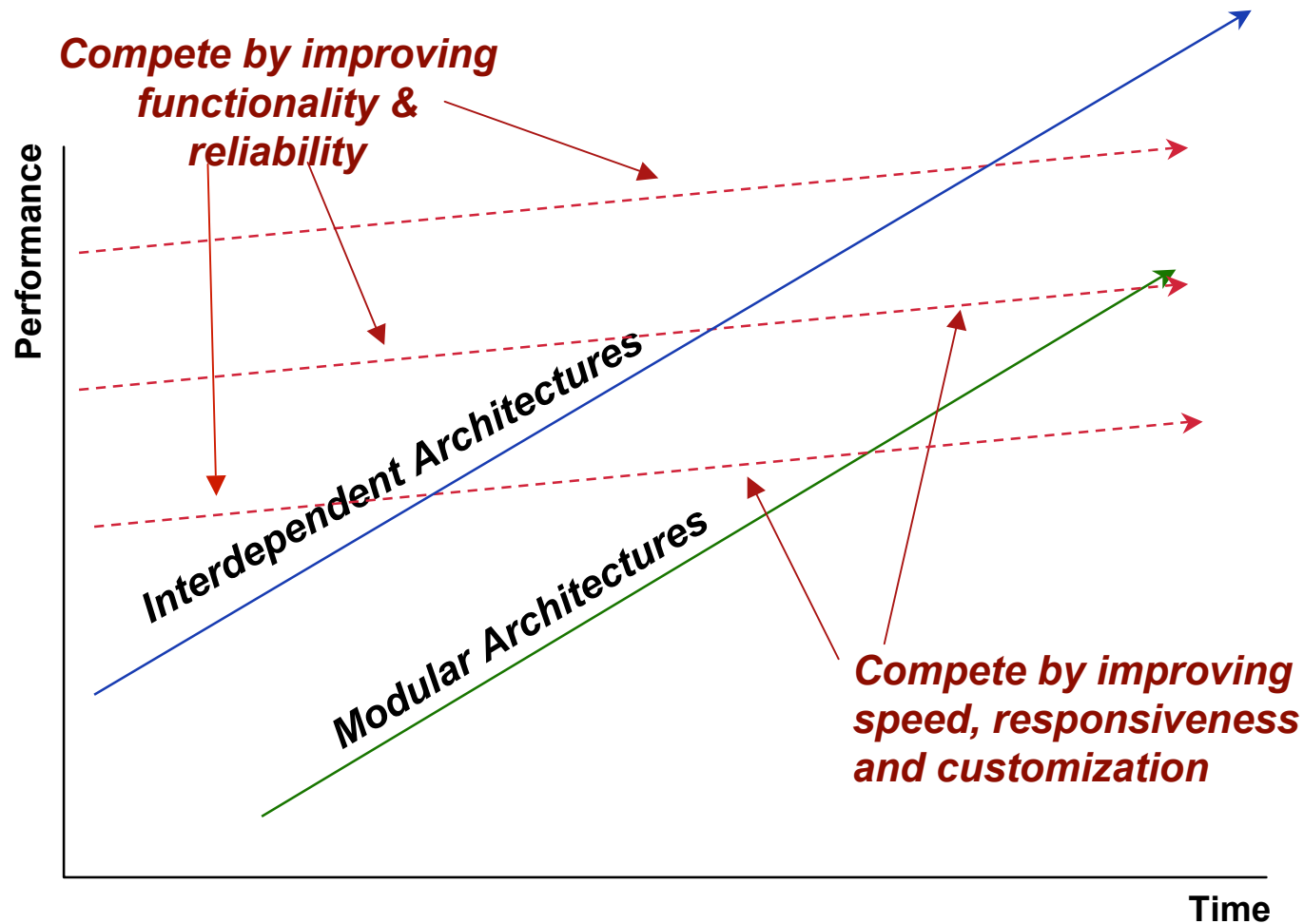
Family doctor

Specialist

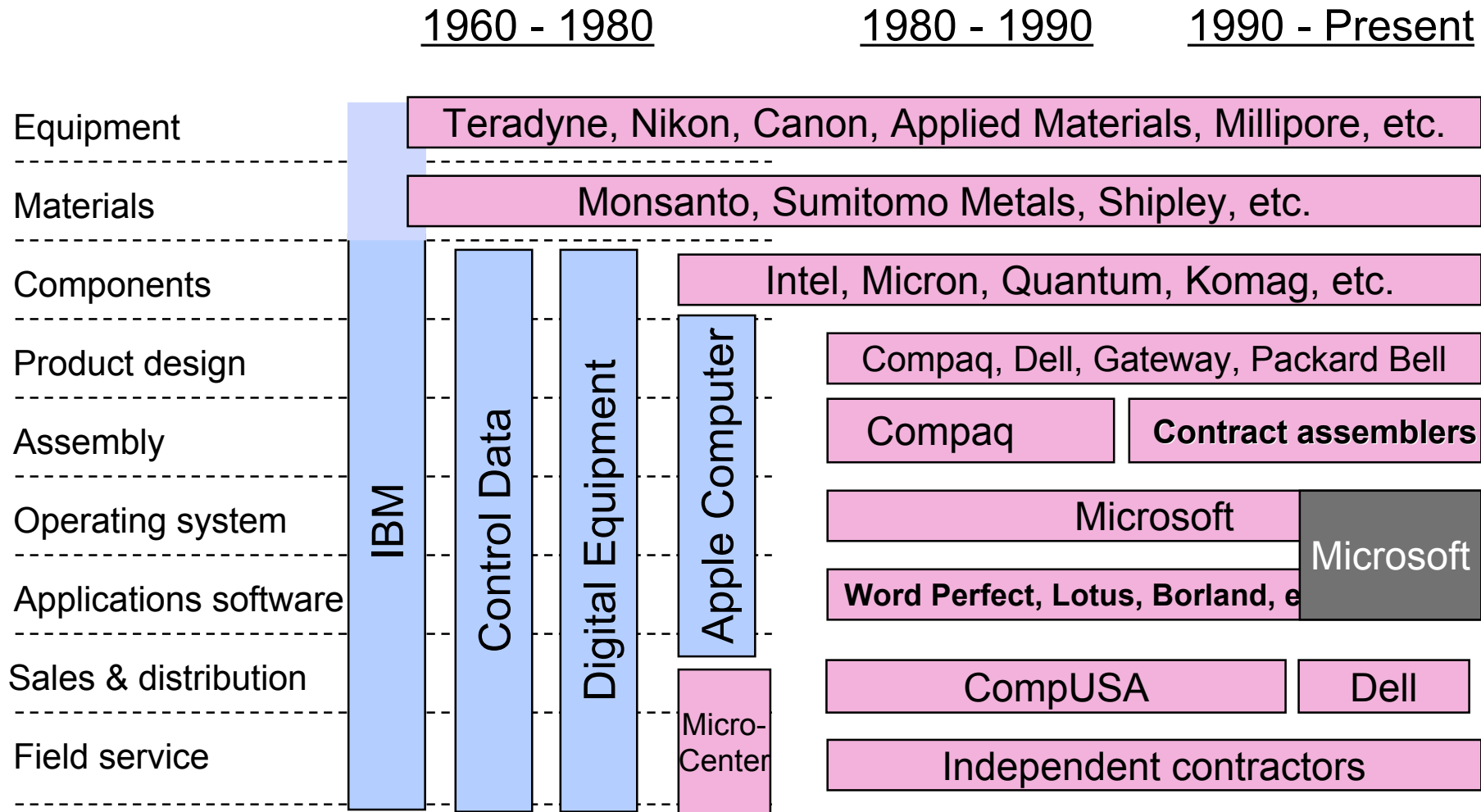
copyright

sense

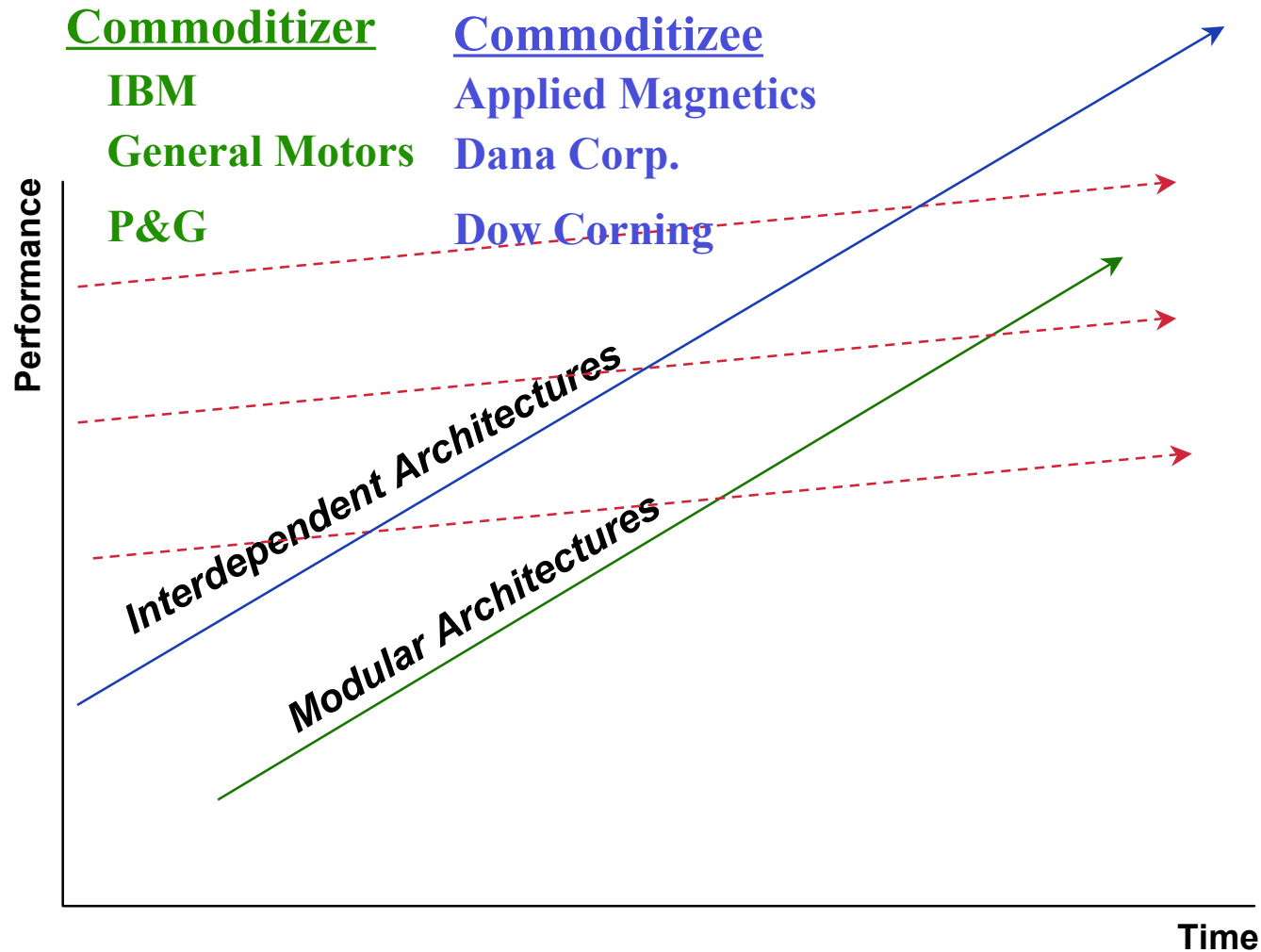
Integrated firms have the advantage when products aren't good enough. Focused firms overtake over-served markets.



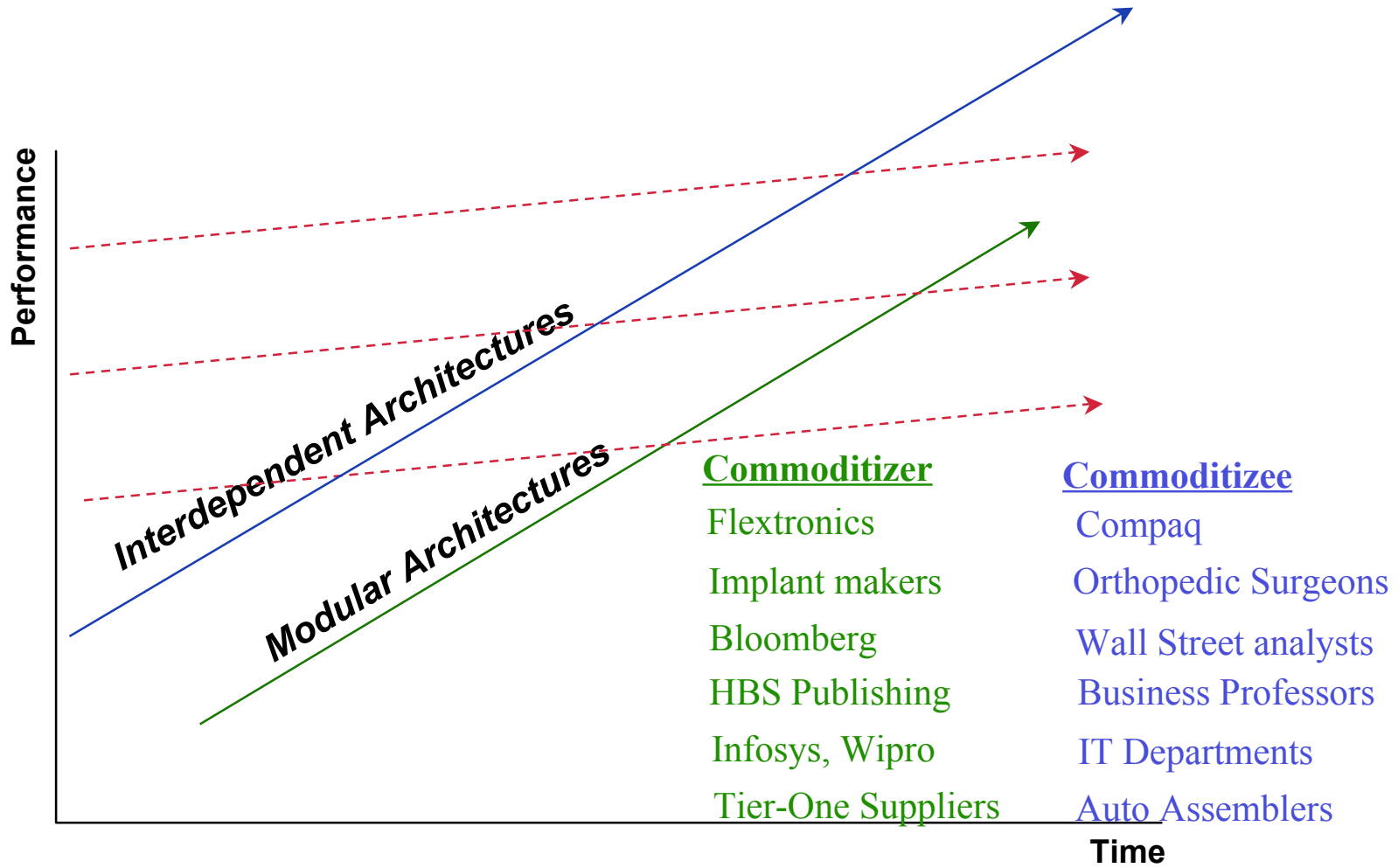
Changes in integrality/modularity have profoundly changed the structure of the computer industry



Integrated companies with proprietary products typically commoditize their suppliers



When an industry's value chain dis-integrates, assemblers of modular products must begin outsourcing. Their suppliers then can commoditize their customers



Products find a certain market only when they help customers get done the jobs that they already have been trying to do

Milk shakes

Internet appliances / simputers

Digital cameras

Electronic learning

Structuring the market in terms defined by data that are easily collected obfuscates the right targets for innovation.

Define the Market as a class of products (wireless hand-held)

Competition: Palm, Sony, Hewlett Packard, Nokia

- Digital camera
- Word
- Excel
- Handwriting recognition
- Wireless e-mail
- Phone

Define the market in demographic terms (the business traveler)

Competition: wireline telecom and notebook computers

- CRM software
- E-books, e-magazines
- Stock trading
- Travelocity
- E-mail
- Voice

Define the market in terms of jobs that customers need to get done

Competition: Nokia, Wall Street Journal, CNN Airport News, boredom

- Voice phone
- News summaries
- Always on
- Simple, mindless games

- When companies segment their markets by job, they find
 - The market is much larger
 - Their share is smaller
 - Their real competitors aren't in their product category
 - Growth potential is greater, because non-consumption is usually a major competitor
- Methods for discovering job segments
 - Catch customers right after they hired a product
 - Don't ask why. Understand & write a case about the *situation*.
 - Ask what the customer hired or did when in that same situation, but didn't hire your product