Cambridge Judge Business School

Finding and creating opportunities

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Imperfect markets and change

- Changing circumstances
- Chaos
- Confusion
- Inconsistencies
- Knowledge gaps

The greater the change, the poorer the information, the less perfect the market, then the greater the potential for opportunity…
Types of Opportunity in Practice

- Products
- Services
- Experiences
- Production techniques
- Operating practices

What Business Models Can We Attach?

Increasingly necessary to bundle these to differentiate your offer and provide clear customer benefits
The genesis of opportunity

‘Our perception of need is constrained by our awareness of a potential solution’
‘Customers rarely ask for things they can’t imagine’…

"If I had asked my customers what they wanted, they would have said a faster horse."

Henry Ford

"It isn’t the consumers’ job to know what they want!"

Steve Jobs
Types of Opportunity

Needs (Problems)

Unidentified
Fantasy!

Identified
Market Pull

Solutions

Undefined
Technology
Push

Defined
Business
Formation

It’s OK to think inside out…
11 sources of opportunity….

- Meet poorly addressed needs, ‘remove the pain’
- Improve an existing product or service
- Match a new technology to an existing user need
- Fusion: combining new or existing technologies to match needs
- Build desire...
- Develop new ways of doing business (business models)
- Exploit new infrastructures – NFC, Galileo, 4G, ‘Internet of Things’
- Develop complementary products/services
- Take advantage of new legislation
- Develop new experiences
- Replication of successful ideas in other locations and contexts
Response to a poorly met need

- Need spotted out of frustration
- Nowhere to advertise a designer hat hire business:
  - National bridal magazines inappropriate, grossly expensive.
  - Local bridal magazines of very low quality.
  - Local press poorly targeted
- Very vibrant local wedding industry, poorly served by media

Result: Trade sale to Haymarket Group in 2005
How did a PLASTIC BOTTLE CHANGE THE WORLD?
Maslow’s Hierarchy of Human Needs

- **Biological and Physiological needs**
  - basic life needs - air, food, drink, shelter, warmth, sleep, sex, etc.

- **Safety needs**
  - protection, security, order, law, limits, stability, reliability, etc

- **Esteem needs**
  - achievement, status, responsibility, reputation

- **Relational needs**
  - family, affection, relationships, work group, etc

- **Self-actualization**
  - personal growth and fulfillment
Value Propositions

- Improved performance
- Desirable brand/improved status/be more attractive
- Saving money
- Saving time
- Greater reliability
- Lower risk
- More attractive price
- Improved convenience/usability
- Accessibility
- Design
- Newness
- Customization
- Pleasurable experiences

Easy for staff to use

- No cleaning required
- Large volume, ergonomic tray
- Works with existing needle and vacutainer systems
- Stackable

Better for infection control

- No HCAI cross-contamination risk
- Safe to use with one hand
- No need to bring mini-sharps bin to patient

Protecting staff and patients

- No exposed used needles
- Sharps are safe to carry
- Reduced risk of injury during use and disposal
- Reduced patient guilt which occurs if someone is accidentally infected from their used needle

Smart and cost effective

- Reduces needle stick injury
- Reduces overall cost of sharps waste management
- Low cost device which works with standard equipment

Better for the environment

- Made from 100% recycled paper pulp
- No chemical cleaning required
- Reduces incineration of waste as bin utilisation improves
11 Sources of opportunity….

- Meet poorly addressed needs, ‘removing the pain’
- Improve an existing product or service
Build a better product...
Deliver a better customer experience...
11 Sources of opportunity….

- Meet poorly addressed needs, ‘removing the pain’
- Improve an existing product or service
- Match a new technology to an existing user need
Some ‘Hot’ Technologies

- RF & NFC – Internet of Things
- PLEDs – OPVs
- Nano technologies
- Galileo (from 2016?)
- Optical Storage
- Fuel Cells
- Micro generation
- Genetic profiling
- Graphene
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Technology Fusion

- PDA, Phone, Camera, MP3, GPS = Smartphone
- BlueTooth + CO2 monitor = baby safe
- Video Game + INS = Nintendo Wii
- PDA + RF tag = Museum guide
- Internal combustion + electric motors = Prius
- GPS + INS = X-Nav

'The combination and transformation of core technologies'
11 Sources of opportunity….

- Meet poorly addressed needs, ‘removing the pain’
- Improve an existing product or service
- Match a new technology to an existing user need
- Fusion: combining new or existing technologies to match needs
- Build desire…
Building desire...
£2.00

£58.00

£13,000

£10.98

£51.00

£8320

£40,000

Sorry, sold out!
11 Sources of opportunity….

- Meet poorly addressed needs, ‘removing the pain’
- Match a new technology to an existing user need
- Fusion: combining new or existing technologies to match needs
- Build desire...
- Develop new ways of doing business (business models)
Develop a new business model
Develop complementary products/services

Over 500,000 apps since July 2008
11 Sources of opportunity….

- Meet poorly addressed needs, ‘removing the pain’
- Improve an existing product/service
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- Build desire...
- Develop new ways of doing business (new business models)
- Develop complementary products/services
- Exploit new infrastructures – NFC, Galileo, 4G, ‘Internet of Things’
- Take advantage of new legislation
- Develop new experiences
- Imitation - replication of successful ideas in other locations and contexts
Finding hidden opportunities

- Analyse and follow trends – PEST(EL)
- Constantly prime your mind with problems - they are potential opportunities
- Ask better questions ... Like IDEO
- Watch people, then *listen* to them. *Where is their pain, their desire?*
- Expose yourself to new and diverse ideas, people and environments
- Take your mind out of auto-pilot, develop insatiable curiosity
- Relax and have fun (*whatever that means to you*)!
- Adopt new problem solving perspectives
‘Ideation’

Imagine what a product, service or experience would look like were it to be offered by a variety of different brands.

• If Google did pharmaceuticals?
• If IKEA did cars?
• If Apple did thermostats?
• If Prada did an airline?
• If Ryanair did a university?