

Addressing the laws of innovation

Genesys Interactive Intelligence forum reveals that only innovations that diminish a limitation and change market rules will become disruptive

In an era of innovation, everyone has an opportunity to disrupt the market, but few will succeed, according to Henning du Preez, disruptive innovation evangelist.

Du Preez talked about disruption at the recent [Customer Centricity Forum 2016](http://www.genesys.com/uk) in Johannesburg hosted by Genesys® (<http://www.genesys.com/uk>)*, the global leader in [omnichannel customer experience](#) and [contact centre solutions](#).

He said 52% of Fortune 500 companies had disappeared over the past 15 years, while disruptive and innovative companies such as Uber and Airbnb were thriving. New disruptors have the potential to move from idea to a \$1 billion valuation in just a few years. "What drives this rapid growth is innovating exceptional value for customers," he noted. "Innovation is about perceived value: the market has to be enthusiastic about it. But most of the products designed today aren't wanted. To succeed, innovation must meet the inventor's and the market's perception of value and make it a 'must have' product."

To assess and affect the adoptability of any innovation, innovators have to focus on two key principles, according to du Preez: "Innovation can only create value if it can diminish a limitation," he said. "Innovation alone is not sufficient, however. The market must also adopt new rules in order to realise the full value of the innovation."

An example of this was the invention of buckets or containers to carry water, he said. In themselves, the features of the bucket were sound, but the fact that they freed people to move further away from fresh water sources made the innovation remarkable. On the other hand, Material Requirements Planning (MRP) software which should have proved revolutionary took 15 years to deliver value, because the companies implementing it did not change their operations to fully benefit from the potential. "Innovators should not ask 'What problem am I solving?' but rather 'What limitation am I ending?' and at the same time, change the market rules."

Also speaking at the event, Deon Scheepers, Genesys senior manager of operations, Africa, noted that digital innovation has to be harnessed to drive the customer experience. "Gartner predicted that 89% of companies expected to compete on the basis of customer experience by this year," he said. "And the pace of change is picking up. Digital capability enables disruption, and now we find ourselves entering the fourth industrial revolution."

Scheepers pointed to the cloud, augmented reality, virtual reality, artificial intelligence and chatbots as transforming the customer experience and, with it, contact centre operations. "As companies pivot their operations around a new customer-centric model, digital technologies will prove the enabler," he said.

News articles based on forum presentations, photos and more can be found at <http://www.itweb.co.za/event/interactive-intelligence/customer-centricity-forum-2016/>.