

## Lessons From The iPad

In April 2011, a noted politician depicted the iPad as well as its creator, Steve Jobs, as evil. In emotional political rhetoric, he asserted that due to this new technology, Borders bookstores were closing, publishers of both books and newspapers faced going out of business and China was taking US jobs.

Pundits reacted swiftly. Amazingly, CNBC actually did an interview with 2 individuals who seriously debated whether the iPad was indeed the cause of jobs being lost to China.

### They Missed The Point

The pity that most are missing the point. The iPad is not evil but it is a leading indicator of major shift in consumer behavior. Many people no longer want or need hard copy; the same material on a readable display works just fine. Many people are now quite content to view their favorite movie or video on an iPad instead of on their TV.

This single, fundamental shift in consumer behavior affects multiple businesses and industries providing some with immediate opportunities and threatens the survival of others.

Rather than fear the impact of new technologies on their business, CEOs and boards should understand, embrace and encourage investment. The technology to create an iPad or similar devices is available in many countries other than the US. Those who believe that by condemning Apple or that these new innovative technologies can be legislated or otherwise controlled are deluding themselves.

### Reinvent or Perish

The real lesson for CEOs and directors is that if we don't continuously reinvent our business, products and services with new ones that customers want, we might go out of business.

One example of the failure to reinvent a company is Polaroid. They knew more about the behaviors of consumers who wanted to view their photos quickly. Polaroid provided breakthrough products for years that gave us good photos in 60 seconds. They did this well with the potential to completely change consumer photography. If there was ever a company that understood consumer photo behavior and unmet needs, they should have been that company.

How did they fail to see the impact of digital photography where consumers could view their pictures within seconds instead of one minute? This would change their business model, make their protected intellectual property less valuable and go against all that had made them successful. Polaroid never launched quality digital products in that market and eventually disappeared.

### Re-assess Your Business Every Year

Every CEO should take their board through an annual technology update and competitive assessment. This review should include an objective review of current investments and what potentially disruptive technologies are under development. Then proactive investments can be made in new products and technologies to rather than hoping everything will continue as in the past.

### Learn From Disruption

The rapid acceptance of the iPad and other new disruptive technologies signals an increased speed of technology adoption that we have never seen. Companies have a very short period of time to understand and react to new technologies and products. In the past, significant change would occur slowly over a decade or more. Today, that same amount of change can occur in 6-12 months leaving little time for companies to react.