

Ford's 1908 Model T changed the transportation industry. Mass production enabled Ford to replace horse-drawn carts because it made cars affordable.

FOR YOUR BUSINESS

Game changers

Disruptive companies don't challenge industries, they transform them



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by ANNIE MAKOFF

The terms “innovator” and “disruptor” often get bandied about in the business world. Many companies aspire to be both, perhaps without really understanding what these terms mean.

“Disruption tends to displace an existing market, industry or technology aggressively, like Uber has with taxis or Airbnb has in the hotel business,” explains Rob Moore, disruptive entrepreneur and co-founder of property education and investment company Progressive Property (progressiveproperty.co.uk). “Innovation tends to evolve existing platforms or drive progress gently,” he adds.

The *Costco Connection* recently spoke to several disruptor entrepreneurs to discuss how they are changing their lines of business.

Understand your customer

“Customers are your loyal fans,” says Janan Leo, founder of women’s footwear brand Cocorose (cocoroselondon.com), which created the world’s first foldable shoe.

She got the idea when she became fed up with changing from heels to flats mid-commute; she wanted a simple solution to help liberate women. “You need to understand your customer inside and out,” Leo says. “Who are they? What do they want?” Her product line is so innovative it didn’t fit into existing footwear categories. Retailers as far afield as China have since replicated her idea.

Identify a gap

“Look for a gap in the market,” advises Phil Morse, technical liaison at Ansible Motion (ansiblemotion.com), creator of Driver-in-the-Loop simulation technology, which enables experienced car testers to virtually test-drive vehicles in realistic conditions. He says his research revealed that there were no virtual test systems that really helped car manufacturers improve their testing process.

Be prepared to adapt and change

“Don’t be afraid to pivot,” advises Nicholas Shekerdemian, co-founder of Headstart (headstartemployment.com), an app-based recruitment platform that matches graduates to jobs, based on psychometrics, personality, skills and interests, which is being used by big companies such as L’Oréal and Vodafone. “When you first set out, you assume you’ll be building the same product in five years’ time. You rarely are.”

Give ’em the goods

Dana Tobak, CEO at Hyperoptic (hyperoptic.com), a company that launched fibre-to-the-premises (FTTP) delivery services in 2011, advises firms to focus on providing leadership that other incumbents can’t offer. It’s what Hyperoptic did with its new breed of broadband. At speeds 128 times faster than traditional broadband, FTTP is now being used by Virgin Media and BT.

“If you disrupt and cause market realignment, then you are achieving leadership,” says Tobak. ■

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Brace yourself

“There will be attacks and criticisms,” warns David Nicholson, co-founder of Living DNA (livingdna.com), provider of a groundbreaking ethical DNA

test, which breaks down DNA on clients’ mouth swabs and tests it in their labs. “There will be lawsuits; people will be upset because you’re challenging an entire industry and companies

want to protect their market share. But challenge is necessary—it forces incumbents to improve their offering. It raises the bar. And that’s no bad thing.”

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