



How to Predict the Future -- And What to Do About It

Predicting the future isn't hard, really, especially regarding technology and the introduction of new products and services. It's the same continuum that's been reflected in Moore's Law for the past quarter century. As participants in product development and management, we've seen it over and over. We've even created products that accelerated the trend.

The following are not so much laws as they are inevitabilities. We call them:

The Teleconvergence Tenets

- **If it's wired, it'll become wireless.**
- **If it's fixed, it'll become mobile.**
- **If it's already mobile or wireless, it'll become intelligent.**
- **Once it's intelligent, it becomes shared.**
- **If it begins as a product, it won't remain one indefinitely. In turn, it will be:**
 - **Bundled**, then
 - **Interfaced**, then
 - **Integrated**, then
 - **Combined to become multifunctional**, then
 - **Turned into firmware**, then
 - **Turned into software**, then
 - **Finally, it will lose all identity** except as an application or a service

Want some examples? Just remember, the process isn't immediate and it's sometimes sloppy, meaning laggards stick around for decades, and they co-exist, just like Cro-Magnons and Neanderthals, both already obsolete.

- Stereo preamplifiers and amplifiers
- Dedicated fax machines, copy machines, (ultimately) printer-only printers
- AM radios, FM radios, FM/AM radios
- Plain telephones, answering machines

How about some more recent examples? A good way to look at it is that **most single function entities are ultimately doomed**. Here are today's downward sliding candidates:

- PDAs
- 5-day movie rentals
- Simple cell phones
- MP3 players, most standalone cameras, CD players
- GPS products

Interestingly, we can do this in reverse as well. Think about intelligent networked products that are ripe for morphing, beginning with already ubiquitous products like a Redbox DVD kiosk or your local ATM machine. Why should RedBoxes be limited to DVDs? Why should ATMs just handle money? Why should the Post Office, with its splendid network of branches and home delivery, *in fact*, a superb distribution service, be limited to just mail delivery? Of course it's losing money!

Since you can easily buy shoes over the internet and hire a programmer in Sydney or Sri Lanka in less time than it takes to find one in Columbus, then isn't it obvious that virtually everything is up for grabs?: Is there really any product you'd be surprised to find on Amazon today? Or is there really any Internet-related service you'd be surprised to find coming from Google?

Another tenet, not original, but nevertheless belonging with the others:

What's expensive becomes less expensive and then becomes free or as close to it as possible.

Want some examples?

- Office/productivity software.
- The daily news
- E-mail and web browsers (AOL's dilemma)
- Directory Assistance
- Classified Advertising (Remember when newspapers used to make money?)
- GPS
- On-line photo or file storage
- Local telephone service, long distance telephone service, voice mail
- Video conferencing
- Fax service

Not only have these products and services become free or almost free, but someone inevitably makes a lot of money in the process, usually by bundling their product or service with something else and then charging for *that*.

Now think about what will happen when Amazon enters the business-to-business business? Think of it as a virtual Wal-Mart. How many businesses *won't* be affected?

Are you sure yours will be one of them? *How* will you adapt to these changes and adopt them to meet your purposes? What happens when -- in most cases, it's no longer if -- someone takes your products or services and starts giving them away? How *will* you compete?

And even if that doesn't happen tomorrow, do you really want to wait to find out when it will? Or when a company impacted by Amazon or Google in its traditional business begins to enter yours because it's less competitive? The business world two or three years from now will be dramatically different than today's or the one following the dot.bust recession. Customers will be leaner and wiser, more interconnected, with greater resources and with different needs and expectations. Are you confident you'll have their solutions?

Let's ask the question again, because it is the critical one facing every business going forward. *How will you compete?* How will you adapt and move forward to retain and acquire those customers who appreciate the value you add and are willing to pay for it?

Here's one way. The number of persons in the United States for who English is not their primary language will continue to grow, although it is already large. According to the 2010 U.S. Census, The U.S. Hispanic population, for example, grew by 43% between 2000 and 2010. If you don't focus on this growing market (and how many markets

are actually growing these days?), your competitors surely will. Can you offer your Services in Spanish (or Korean or Chinese or Portuguese)? If you have only a few people who speak the language, that's not good enough unless you can augment their availability and presence through technology that answers customer calls and questions, turns e-mail into voice mail and vice versa, possibly translating it in the process. This is where you can make technology work for you rather than against you. It's also an example of how Teleconvergence can help you prepare for that inevitable future.

Another trend is toward virtualization, although it's not always recognized as such. As companies reduce overhead costs rather than just headcount, more and more of them reduce office space as well. They close offices and have employees working from their homes. Many branch offices today fit into a corner of a bedroom. But the need persists to maintain fixed and mobile communications among a company's employees, and especially among employees and customers. Achieving that rapport and constant presence by creating a viable virtual company across multiple states and countries, sometimes in multiple languages, is critical to success, if not survival itself.

It's important to realize that almost no industry will be immune. Remember, there were many companies a decade ago that thought the Internet wouldn't really impact their business.

- Do you remember how many travel agencies there used to be? How many more newspapers and magazines existed?
- Do you remember when many businesses paid full price for business equipment, or for airfare and hotels when employees traveled?
- Can you believe that people once actually paid full price for consumer electronic products? Think Egghead software and Circuit city and CompUSA and you'll realize the answer. They proved that even discounting in itself wasn't the answer. Do you have yours?

Communications-related technologies today both undercut and support virtually all standard business assumptions. They constitute a powerful, inexorable wave. Companies can ride it or they will go under because of it. Since Teleconvergence doesn't sell anything, we're not partial to any particular solution, focusing only on our clients' needs first, and only afterwards on available alternatives. There are no guarantees, of course, but Teleconvergence exists to help you get your footing, determine your objectives, formulate your long term strategic plan, (and plan b), and to work with you to create a sustainable competitive advantage.

It's your call. It's your future. We can help you prepare for it. But it won't wait. So call us.