

Industry Status: Industry Lifecycle

The role of “industry status”

- **Industry conditions** frame the knowledge and demand factors
- **Industry status** addresses industry *lifecycle* and *structure*
 - Emphasizes growth opportunities
 - Explores industry evolution
 - Provides insights into an industry’s timeliness for new entrepreneurial entrants

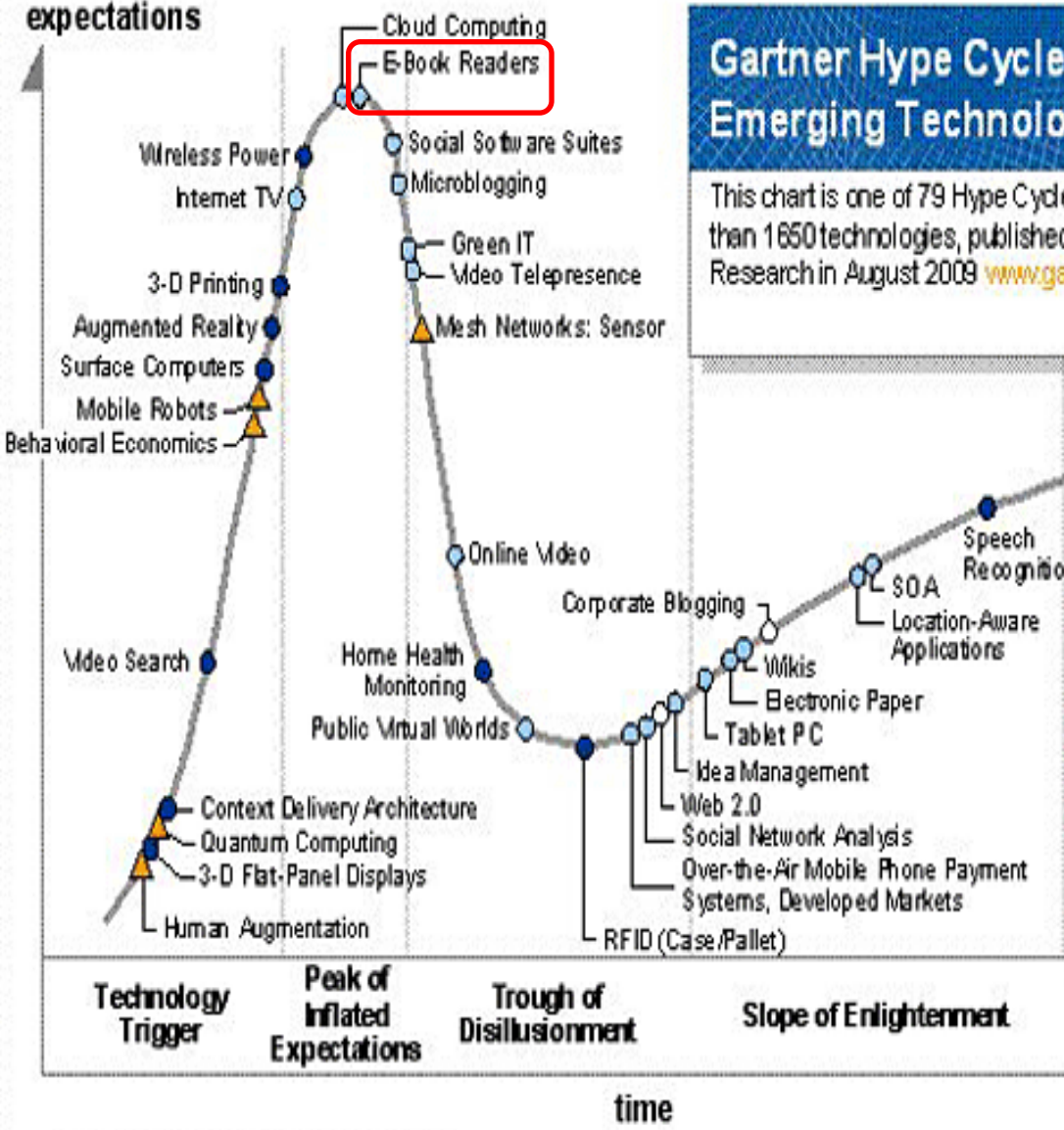
Industry Lifecycle

- Stage of development of the industry affects new ventures' performance in the market
- Dependent on customer adoption of new products and services
 - Beginning, middle, or end (causing a deceleration in the market)
- New firms perform better in younger markets, as it's easier to attract customers when demand growth is high

expectations

Gartner Hype Cycle of Emerging Technologies 2009

This chart is one of 79 Hype Cycles, tracking more than 1650 technologies, published by Gartner Research in August 2009 www.gartner.com



Estimated years to mainstream adoption

○ less than 2 years

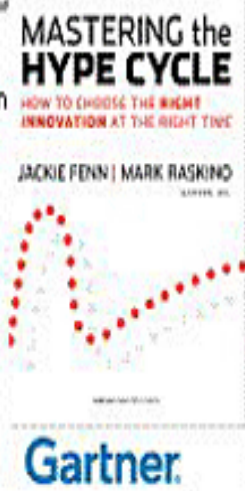
● 2 to 5 years

◆ 5 to 10 years

▲ more than 10 years

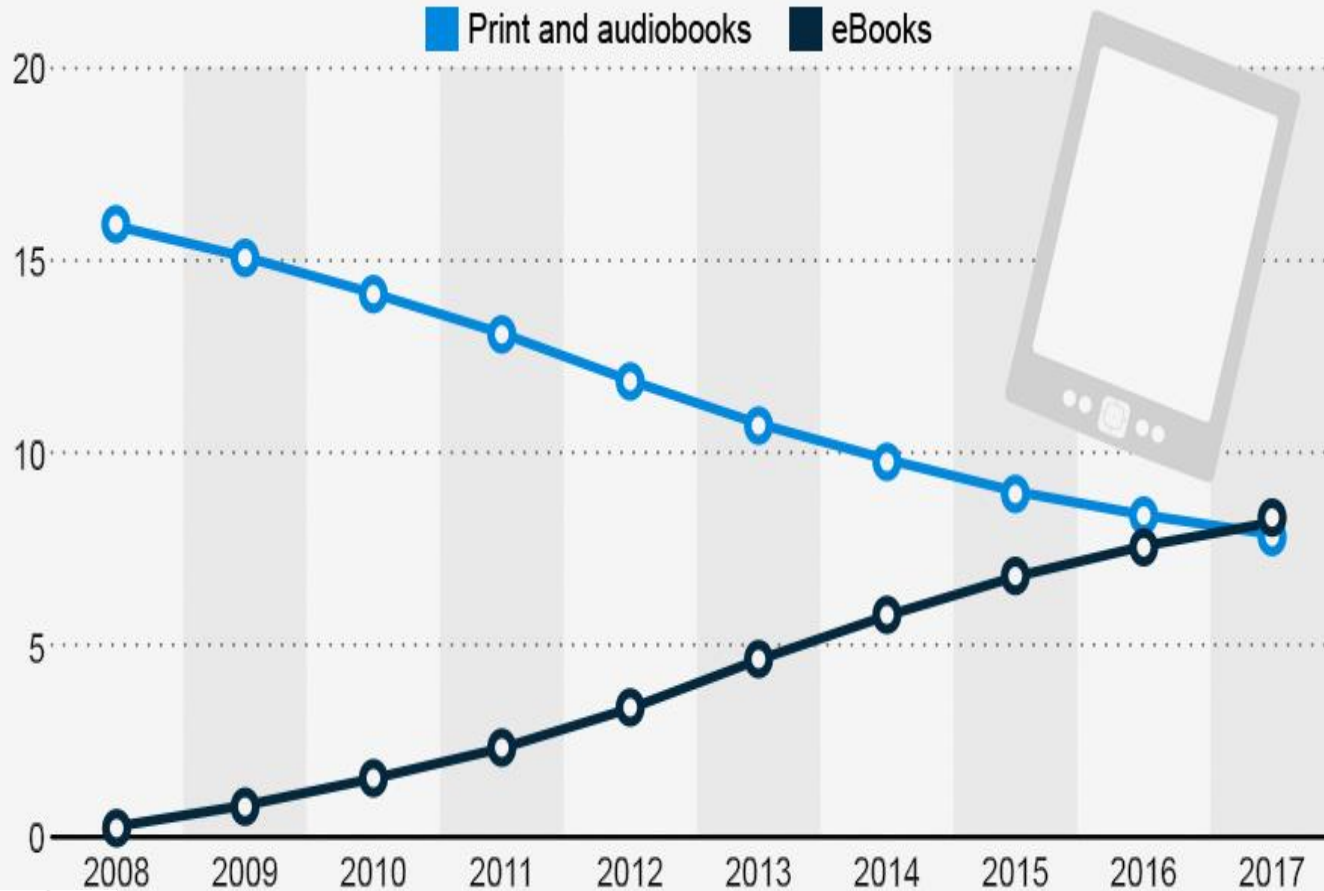
○ obsolete

⊗ before plateau



U.S. eBook Sales to Surpass Printed Book Sales in 2017

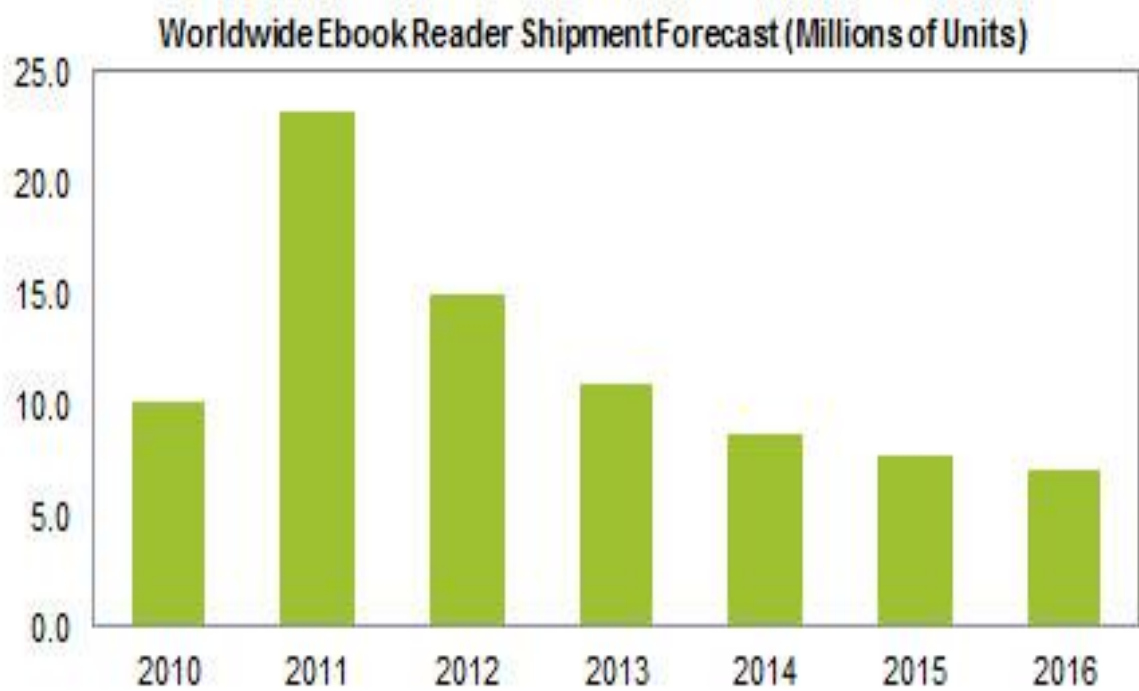
Consumer book sales in the United States from 2008 to 2017 (in billion U.S. dollars)



statista
The Statistics Portal

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@StatistaCharts

Source: PwC



Source: IHS iSuppli Research, December 2012



Source: siliconangle.com

Young industries are most favorable to new ventures

- In young industries, there is substantially less competition vs. established industries
- Competing companies are operating on a more level playing field
 - Learning curve allows firms to use their experience operating in an industry to improve their efforts to meet customer demand.
- Little to no dominant design or technical standard



Chamelio iPad 2&3 Product Video

from **ZeroChroma** PRO 9 months ago NOT YET RATED

Misc Tablets

iPad

iPhone

iPod

Large Tablet

iPad 2, 3rd/4th gen

iPhone 5

Touch 4th gen

iPad Mini

iPhone 4S/4

Touch 5th gen

Nano 7th gen



Summary

- New ventures perform better in younger industries
 - Immature industry structures
 - Less competition versus established industries
 - More level playing field
 - Limited customer loyalties