

The business of disruption

 By [Nicci Botha](#)

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We're facing a brave new world, where disruption technology and e-commerce are forcing traditional industries to re-examine their take on doing business to include innovative solution-based thinking if they want to stay in the game.

Speaking on the Business of Disruption and the Ripple Effect of Game-changing Technologies at the [SA Innovation Summit](#), Dion Chang ([@dionchang](#)), founder of [Flux Trends](#), used emerging case studies from various industries to illustrate this point.

“ Brilliant presentation by [@dionchang](#) on The Business of Disruption [@innovsummit #SAIS2015](#)
[pic.twitter.com/XKGiYz1sSn](#) - EzlynBarends ([@EzlynBarends](#)) [August 26, 2015](#) ”

When the travel bug bites

The travel and hospitality industry is a prime example with the advent of apps such as [Airbnb](#). When the concept was initially proposed that people could use an app to book accommodation in someone's home, it was pooh-poohed. Now they've taken it a step further, he says.

"Most international flights arrive at six in the morning, but you can't check into your hotel until the afternoon. And there is nothing more you want than a hot shower. So the company launched [Airpnp](#), where people let out their bathrooms for weary travellers looking to freshen up," he says.

Driving innovation

Chang explains that ¼ of building a car today is about software not nuts and bolts, and innovation, in this case, is going to play out in the driverless cars and car-share markets.

Of course [Uber](#) is the poster child for disruption in the transport industry. They have taken on the established taxi cartels and are gaining ground.

He also cites the example of [DriveNow](#), a joint venture between BMW and Sixt, which operates in several cities in Europe and the US where mobility is at a premium in high-density urban areas. As recently as November 2014, the company already had 2400 vehicles and over 330,000 customers in six cities. It's no different to any car hire company except you don't have to go to a depot to pick up a vehicle. You simply locate the nearest vehicle to you through the app and drive off. Also you can park it anywhere and someone else will pick it up.

"Of course, people say it'll never work in South Africa, but [Locomute](#) has already launched locally. In this case you still need to go to a depot to pick up the vehicle, but it is the first step," Chang says.

"With driverless cars, features such as park assist are already being advertised. But like planes, my prediction is that the driver will still have their hands on the wheel in urban areas, but when you hit the open road, the technology will take over."

"This type of innovation means that banks and other institutions that finance vehicles and ancillary transport businesses such as car hire companies will start evaporating," Chang says.

Taking care of your health

"The next Golden Egg is the healthcare industry and care data. We already have wearable tech, but the future includes robotic surgery, 3D printable medication and remote diagnosis," he explains.

Life Tiles are already here. You decide which of your vital signs you want to track that day, and simply clip the relevant tiles onto a necklace or bracelet, so you become your own mobile doctor.

In addition, robotic surgery has arrived in South Africa with a sophisticated technology known as [Da Vinci](#).

Putting your money where your mouth is

"Financial services are also having to rethink their approach. Disrupted social norms need to be watched closely - include same sex marriages and delayed parenting - if they want to succeed. All the algorithms that insurance companies use to work out their risk have changed. Nowadays, people are putting kids through varsity and retiring at the same time."

Moving into the future

"How do you anticipate disruption? It's not big versus small, but fast versus slow. Businesses have to be agile. You have to employ solution-based innovation and budgeting for failure. You've got to try everything but understand that not everything is going to work."

"I have one thought to leave you with. Technology and humanity are starting to merge, and how do you deal with that?" he asks.

The SA Innovation Summit is taking place at the Cape Town Stadium from 26-29 August. For more info, go to www.innovationsummit.co.za.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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