Mike Friedman Makes His 2013 Breakthrough Innovation Predictions for CPG

by Mike Friedman

Nostradamus, Carnac the Magnificent and of course those pesky Mayans have all made predictions regarding the future, right or wrong, and with varying degrees of gravity - each using their own unique system. Kalypso is proud to have our own seer, Mike Friedman, and he’s taken the time out from helping our clients realize their own brighter futures to make a few predictions for breakthrough innovation in 2013 in the consumer packaged goods (CPG) industry.

Mike splits his predictions for breakthrough innovation into two categories: New Business Model Platforms and the Challenges to Innovation.

New Business Model Platforms

1. 3D Printing

3D printing will continue to grow, become more affordable and revolutionize how manufacturing is done. This will spawn many new business models and disrupt many established businesses. Imagine what it will mean to toy makers when young adults can build their own toys at home of their own design!

2. “Direct-to-Consumer” in the Virtual World

We will continue to see an explosion in direct-to-consumer advertising and distribution, disrupting the whole function of marketing, traditional brick and mortar value chain distribution models and new business models (like electronic books, etc.). Lines between manufacturers and retailers will continue to blur, as more manufacturers will go direct and more retailers will develop their own brands. New formats will continue to grow in influence (i.e. Amazon) and market shares will shift dramatically.

3. Medical Treatment

The traditional medical treatment model will continue to be disrupted, with shifts to team treatments, pinpoint tumor treatments (versus destructive entire body blasts), sharing of medical records to enable better prevention and new ways of diagnosing and prescribing treatments (i.e. virtual care, Nurse Practitioners).

4. A New Driver in Town: Big Data

Big Data will become more and more essential to driving successful innovations of the type seen in the first three examples. We will see continued disruption in winning companies’ ability to leverage Big Data for competitive advantage.

Challenges to Innovation

The following will present the biggest challenges to innovation in 2013:

1. Social issues

Factors will include:

- Privacy
- Special interest group pressure
- The aging of the world – with different needs, capabilities and growing numbers
- Millennials – the “wired” generation; they entered the world with the internet and its associated elements shaping their reality in a way never before seen
- Finding ways to stay relevant in a world that is changing at breakneck speed on all fronts

2. Government

Factors will include:

- Taxes – How to address taxation in a global, virtual world
- Privacy – What data is okay to collect and share and who owns the data?
- Polarization – So many special interests insisting that the majority adopt what’s right for the minority
• Political Paralysis - “My way or the highway”

Originally published on December 21st, 2012

What's your view? Add your question or comment
About the Author

Mike Friedman
mike.friedman@kalypso.com

Mike brings over 35 years of consumer products management experience to Kalypso. As the Strategy & Operations practice lead, he focuses on leading development in the areas of sustainable organization capability, commercialization and innovation capability integration.