What is the risk of a new player disrupting and reshaping your industry?

New realities in the Networked Society present traditional companies with a critical choice. Transforming a large and established enterprise is risky, but in rapidly changing marketplace, inaction is the greatest threat. There’s no one-size-fits-all approach to digital transformation. Every business must start by assessing its current value proposition and the threat of potential disruptors.

**ANALYZE YOUR RISK**

What is the risk of a new player disrupting and reshaping your industry?

**High risk**

- Continue examining the nature of risks and opportunities by asking these questions...

- Where will your use of ICT have the greatest impact?
  - Front end: Consumption, Distribution, Business models
  - Back end: Production, Industrial structure, Broad changes in regulation

- What’s your capacity to innovate and undertake radical business model change?
  - High
    - Reassess business model, make changes needed to lead disruption in your industry
  - Medium
    - Become a provider to new players, improve your ability to offer enhanced capabilities
  - Low
    - Launch new initiatives, build new capabilities outside your current business, seek opportunities in adjacent markets and industries

**Low risk**

- Use ICT to reduce costs while improving the value and benefits of your offering

**SEIZE YOUR OPPORTUNITY**

**OPPORTUNITY 1**

**BE BIG**

- SITUATION: High risk of disruption, high innovative capacity

- ACTION: Make the move from individual products to connected services

**OPPORTUNITY 2**

**BE FAST**

- SITUATION: High risk of disruption, medium to high capacity to innovate

- ACTION: Expose your innovations on new platforms and channels, including those owned by others

**OPPORTUNITY 3**

**BE FIRST**

- SITUATION: High risk of disruption, medium innovative capacity

- ACTION: Build up new platforms, expand ecosystems and offer new value

**OPPORTUNITY 4**

**BE AN ORCHESTRATOR**

- SITUATION: High risk of disruption, low capacity to innovate

- ACTION: Break out of old boundaries, redefine your core abilities in relation to other industries and emerging value networks

**OPPORTUNITY 5**

**BE Viable**

- SITUATION: Any risk of disruption, low capacity or low urgency to innovate

- ACTION: Vitalize your business through digital transformation

To learn more about turning risks into opportunities, read Organizing for change: Creating business value in the age of connectivity

http://www.ericsson.com/industry-transformation/