

# SD5906

## Globalization

### Where is Business Being Disrupted?

### Definitions and History

School of Design  
The Polytechnic University of Hong Kong

# Disruption

disruption

/dɪsˈrʌpʃn/

*Noun*

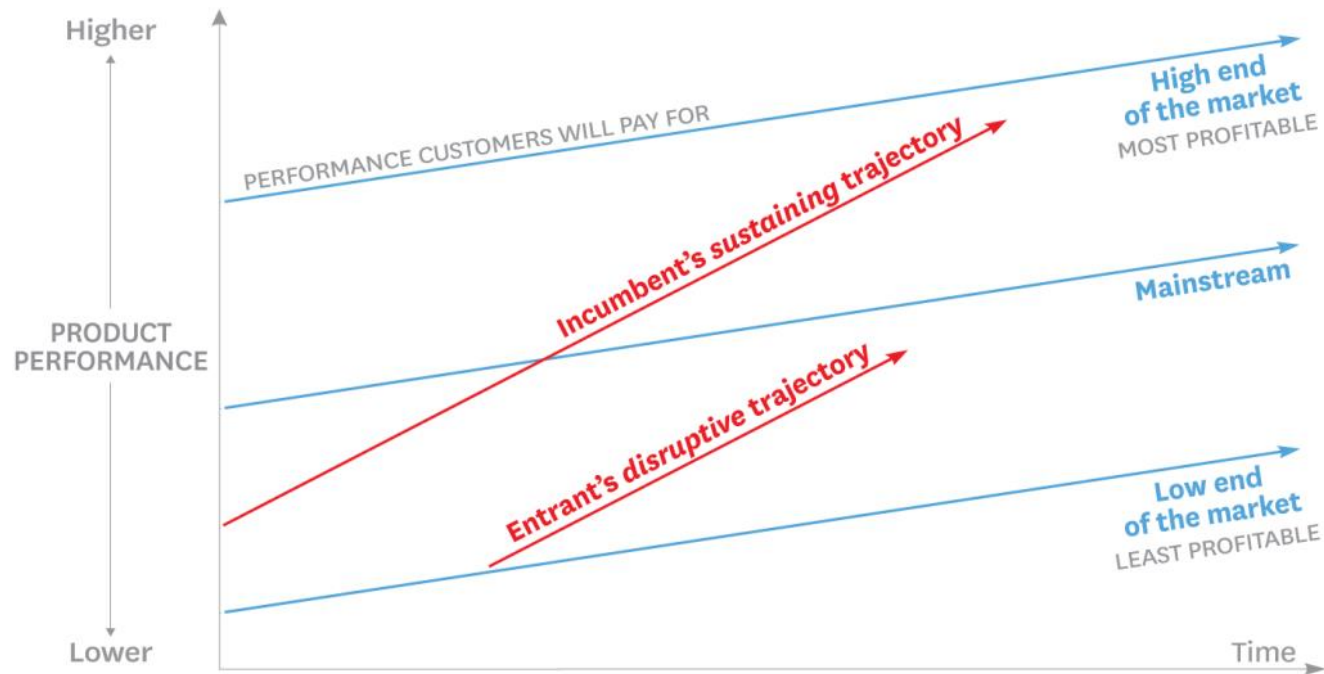
disturbance or problems which interrupt an event, activity, or process.

## Disruption in business – first definition

“Disruption” describes a process whereby a smaller company with fewer resources is able to successfully challenge established incumbent businesses

- Clayton Christensen, 1995

# Business Model



**SOURCE** CLAYTON M. CHRISTENSEN, MICHAEL RAYNOR, AND RORY MCDONALD  
**FROM** "WHAT IS DISRUPTIVE INNOVATION?" DECEMBER 2015

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# Disruption – Overused/Misused?

1. Victim of own Success
2. Widely misunderstood
3. Overused/misused

<https://hbr.org/2015/12/what-is-disruptive-innovation>

# Disruption in 2015

1. Disruption is a process.
2. Disrupters often build business models that are very different from those of incumbents.
3. Some disruptive innovations succeed; some don't.
4. The mantra “Disrupt or be disrupted” can misguide us.

- Clayton Christensen, 2015

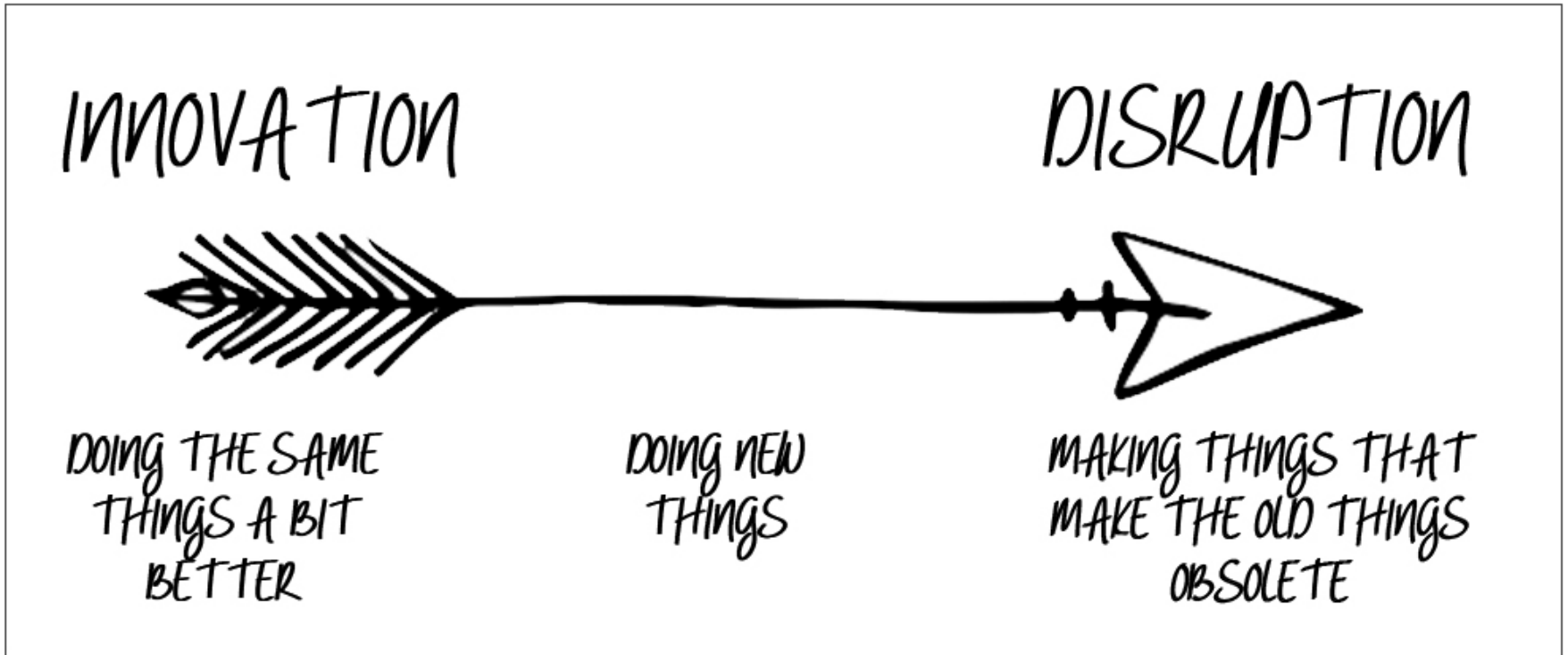


Figure 1: Disruptive innovation can hurt if you are not the one doing the disruption. (Source: Gartner.com)

# Gillette Guard (India) – innovation or disruption?

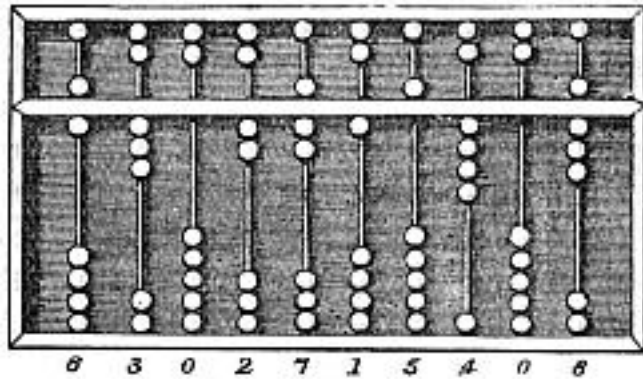


Razor for \$0.30  
Cartridge for \$0.15  
3% of Fusion ProGlide

[www.gillette.in](http://www.gillette.in)



# Mechanical calculator to Digital calculator



# Xerox – Disruptive



# Digital Cameras replacing film



# Amazon



Did Amazon disrupted retail?

# Alibaba – Disrupting sourcing



<https://www.phys.org>

Disruptive?



# Electrics Cars

Electric cars are disrupting the support network of gasoline pumps & cars

Milan Zeleny, 2009

# Wikipedia

Encyclopedia Britannica was shut down in 2012, after 244 years of operations



# Disruptive Business Model?



# Digital Payments disrupting Banks

How many of use WeChat pay?

How many of you have visited bank in last one month?

So the question is..

Can you plan for disruption or is it always retrospective?

# Questions?

Thank You

References:

<https://hbr.org/2015/12/what-is-disruptive-innovation>

<https://hbr.org/2012/04/how-pg-innovates-on-razor-thin>