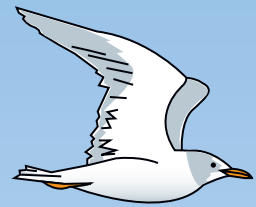


WHEN OPPORTUNITY KNOCKS, WILL WE KNOW WHICH DOOR TO BE STANDING BEHIND?

by Simon Kooyman

With patience and diligence, we can seize the chance to create innovative products, brands, and companies



During the recent Soccer World Cup, we saw the Italian team win the championship, rather unexpectedly. The team that invented catenaccio soccer—which is based on a watertight defense and preying mercilessly on the opponent’s mistakes—showed a refreshing transition to a version of total soccer, in which players continuously look to create opportunities.

But can one “create opportunities”? It sounds like a contradiction in terms, an oxymoron. Opportunities tend to arise; we say that they “knock,” or “come up”—and when they appear, we size them and then seize them. But *creating* opportunities seems more difficult, if not impossible.

Perhaps the truth is that there is not such vast difference between creating and discovering opportunities. The first sounds

artificial and manufactured, while the second is pure happenstance and good fortune. Business reality almost always lies somewhere in between.

There is an old saying: “Luck happens when opportunity and preparedness meet.” I would propose an alternate equation—“Opportunity happens when luck and preparedness meet.”

An opportunity is indeed part luck. When we trace the word opportunity to its Latin roots, we find “a wind blowing toward a harbor”—not much human intervention there, let alone creation.

And when we think about industries, companies and products, we can see many instances when an external event—something no one predicted—has changed the mix. Think, for example, of the

steep rise in crude oil prices, and the ways it could reverberate throughout the economy and business, from consumers' reduced desire to attend sporting events to the amount of discretionary income they have for lattes.

Every market stressor is, of course, an opportunity, if you happen to be in the right business. A few years ago Hummers were the rage; something tells me I would rather be in the hybrids business now. And the once-marginal subject of "green investing"—including alternative energy sources—is now trendy enough to merit a feature story in *BusinessWeek*.

Why does the word opportunity generally have such a positive connotation, while the derived adjective *opportunistic* is often used in a unfavorable context? For instance, "opportunistic soccer" is often played when time is running out, your team is behind, and team tactics are thrown overboard.

BY HAVING THE RIGHT DASHBOARDS AT HAND, WE CAN "CREATE" OPPORTUNITIES WITHOUT ONCE SITTING AT THE DRAWING BOARD.

Are the seagulls that follow the fishing trawler "downright opportunistic" or simply smart survivors? Their observation of the ship leaving the harbor, their intuition of where the nets will be thrown in the water (not too far from the coast, please), and their physical fitness to swoop down at the critical

moment—all define a set of skills and tactics that have sustained the species for centuries.

Here is where preparedness comes into play. We observe that product life-cycles are getting shorter and shorter, that the available time to bring a product or service successfully to market is decreasing, and that the new-product failure ratio is increasing. This environment invites companies to act opportunistically.

The ability to recognize and capitalize on opportunities is one of the classic differentiators of successful businesses and organizations. They cultivate this ability throughout the organization and build it into all phases of their activities.

In addition to flexibility and open-mindedness, another key element of preparedness is being properly informed—having the right information at your fingertips at the optimal moment, and feeling that you can trust your learning

source implicitly. For one key client, Knowledge Networks developed an always-ready resource for assessing competitive threats, using on-going surveys that measure drivers of brand appeal and reasons for product failure or success. This on-demand database allowed company marketers

and executives to quickly decide—in a category known for frequent product introduction—whether to respond to or ignore a competitor's moves.

The first element of a seagull's success is knowing where the trawlers are; in the same way, marketing information lets companies

be in the right place at the right time, ready to recognize and execute on an opportunity. For example, in the midst of the low-carb craze, KN was able to help a key CPG company recognize which elements of in-the-moment consumer demand would persist in their long-term eating habits, and which would fall away as the craze subsided. The result was a complete (and successful) overhaul of the client's product strategy.

This is where the line between creating and discovering opportunities further blurs. By knowing what is worth studying, and having the right dashboards at hand, we can "create" opportunities without once sitting at the drawing board. Good things happen to us because we have allowed them to; if you are standing at the station, you will catch a train. (Because, as the story goes, the rails have already been laid.)

Like professional sports teams, companies need to be both opportunistic and systematically prepared. A good baseball team trades for top-quality players when they are available, but also has a reliable stream of young talent coming up through its own farm teams and scouting organization.

The culture of an organization needs to nourish opportunities within. Think of the entrepreneurship movement we saw in the '90s—companies thrived when they stimulated agility, speed, and the ambition to act on good ideas. It was an antidote to the negative side effects of continuous efficiency improvement, quality assurance, financial planning, and systems integration. Those businesses that did not balance the scales are now paying the price with chronic innovation anemia.



At Knowledge Networks, we believe that reliable marketing information is essential to all of these strategies—opportunism and entrepreneurship, creativity and vigilance. Well-executed research is now more than ever an enabler to innovation, to creativity; the availability of quicker, more richly colored learning that is still highly accurate enables all to play the game with greater confidence and success. Just look at how the Italian soccer team prepared itself and adjusted its playing style for every game to capitalize on the opponent's weaknesses. ▀

Simon Kooyman is Chief Executive Officer of Knowledge Networks.