

Perspectives from Southeast Asia

IT'S AS EASY AS 1,2,3

Entrepreneurship...
Now at a supermarket near you.

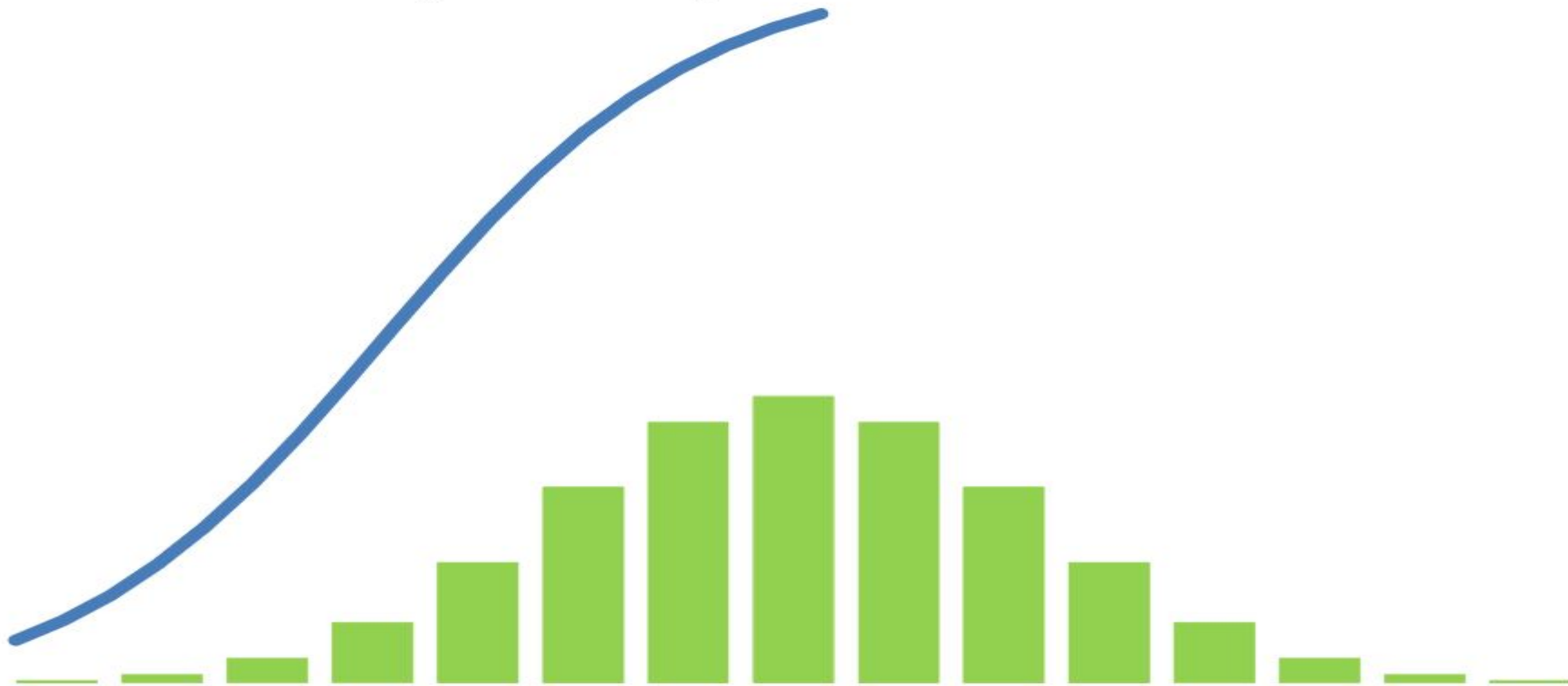
Innovative Ecosystems
versus
Ecosystems for Innovators.

SV versus DC (and other places)

Some Basic Innovation Theory...The Adopter's Curve



Some Basic Innovation Theory...Adoption Into Market



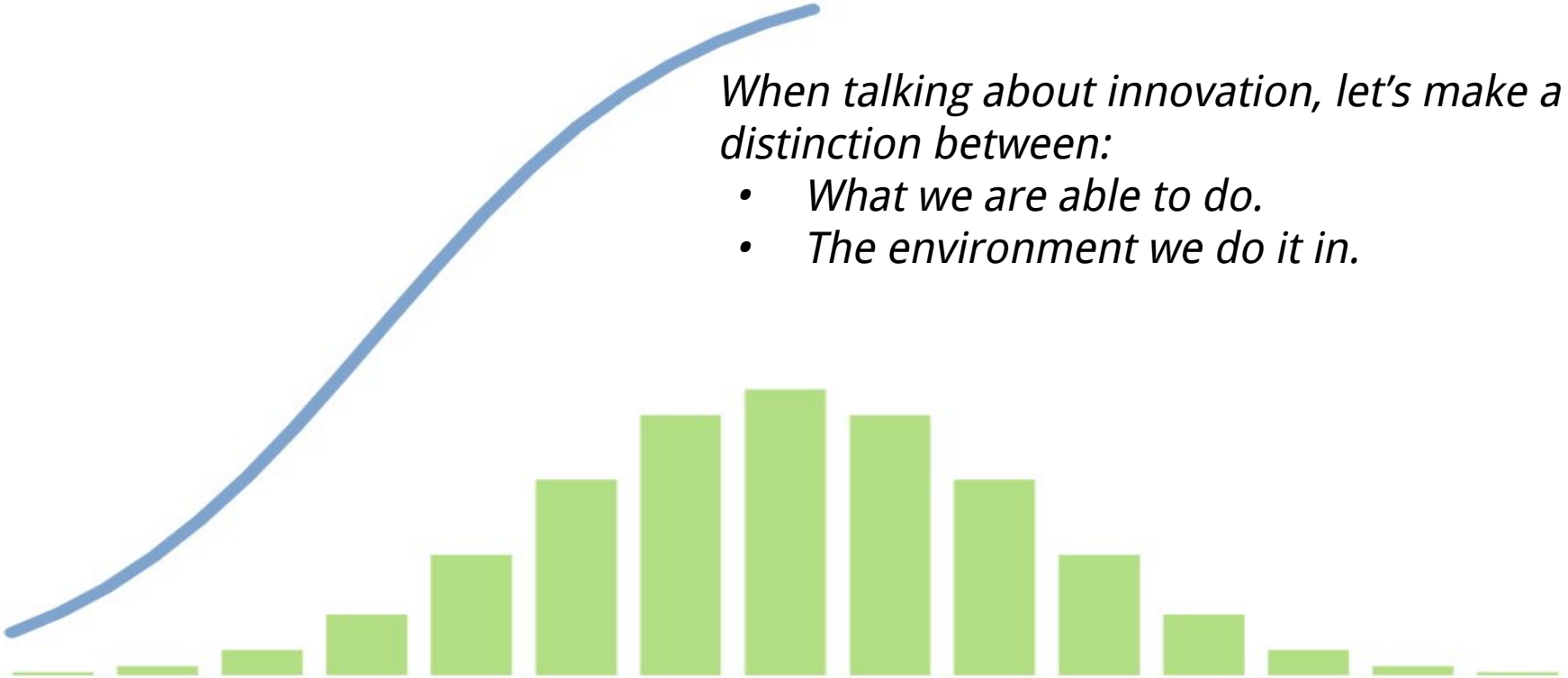
Adoption Into Market: What Customers Think



Innovation: Let's Understand Some Differences...

When talking about innovation, let's make a distinction between:

- What we are able to do.*
- The environment we do it in.*

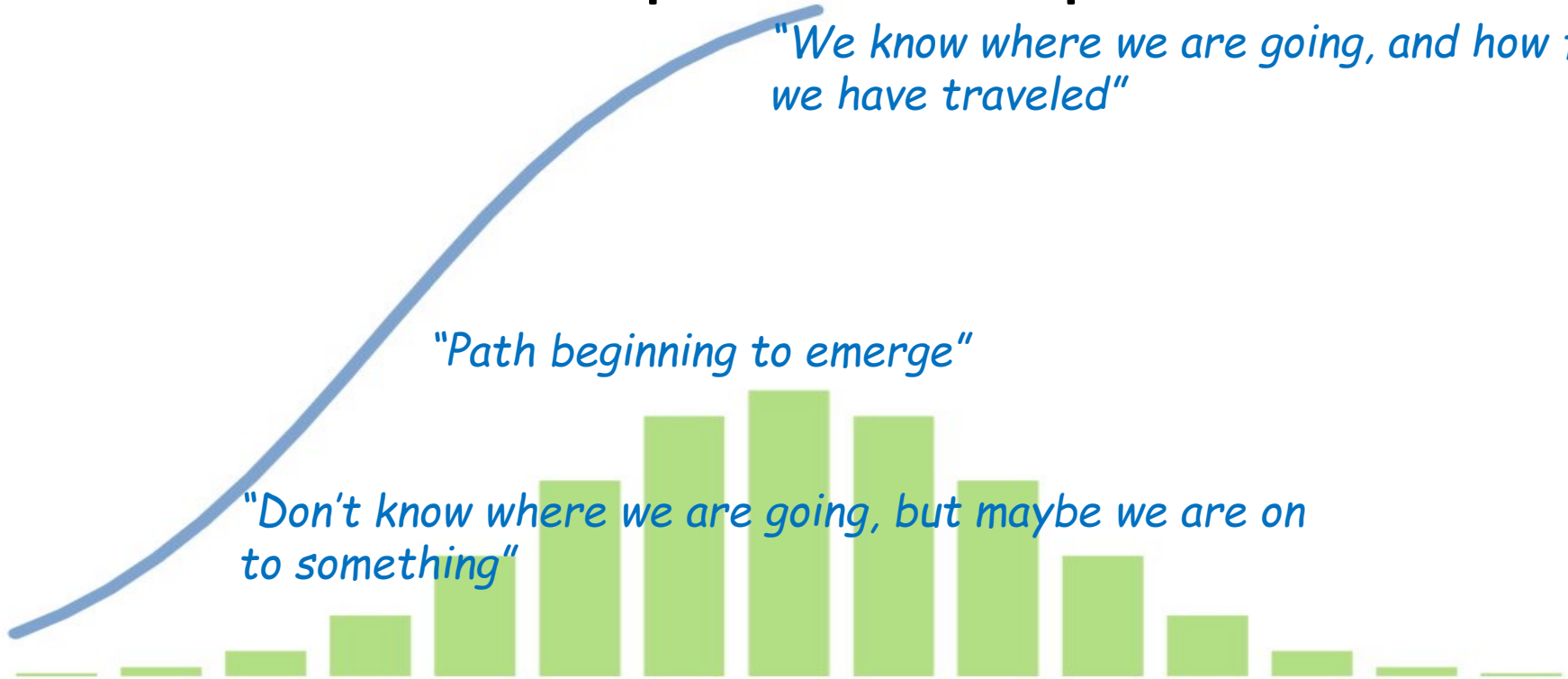


Can we apply this to the activity of “entrepreneurship”?

“We know where we are going, and how far we have traveled”

“Path beginning to emerge”

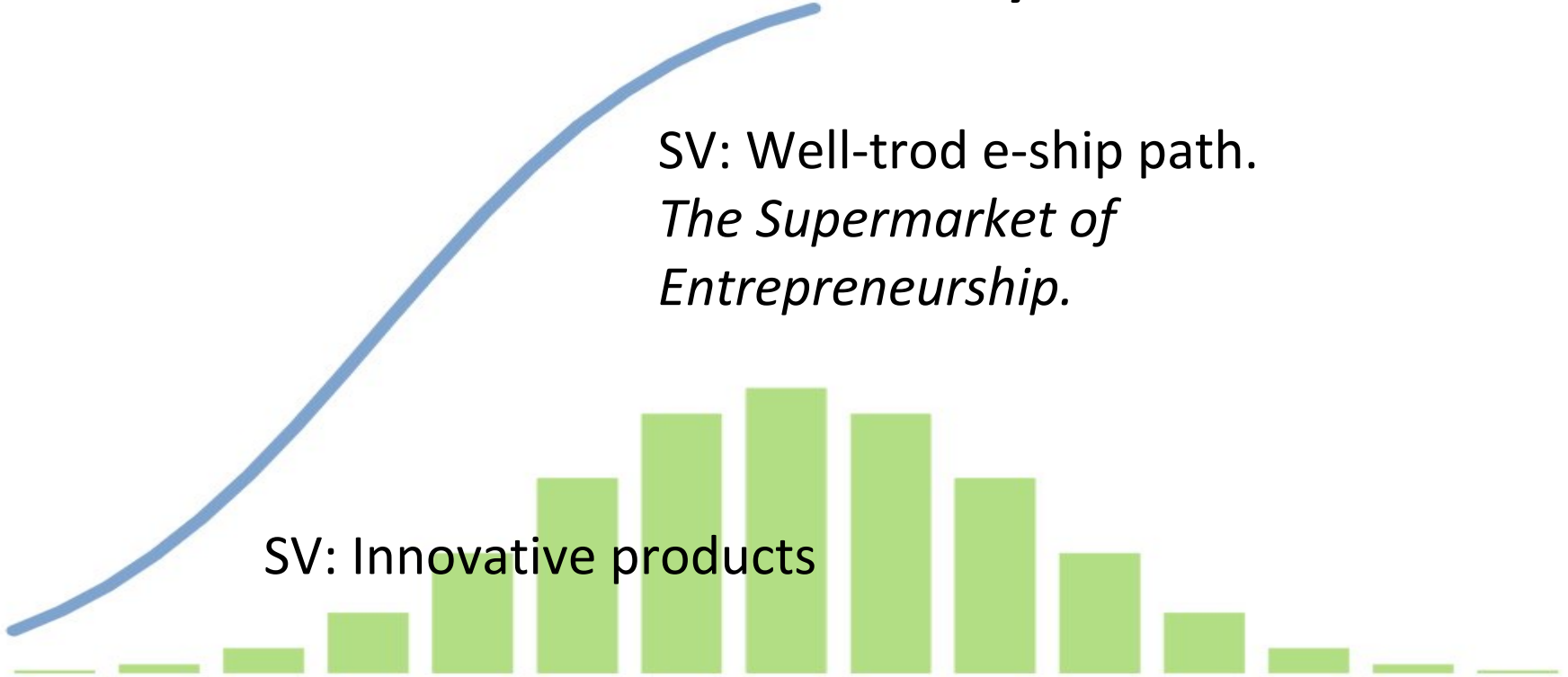
“Don’t know where we are going, but maybe we are on to something”



Apply this to being an entrepreneur: Silicon Valley

SV: Well-trod e-ship path.
*The Supermarket of
Entrepreneurship.*

SV: Innovative products



Apply this to being an entrepreneur: Developing countries



DC: Perhaps less innovative products.

DC: Have to make our own path.

SV vs DC

- SV: entrepreneurs do not need to innovate in the entrepreneurial process
 - *Although they may be making some very innovative products*
- DC: entrepreneurs need to find their own path, without clearly defined rewards
 - *Although their opportunities may come from more commonplace products or services*

People elsewhere are trying to copy
Silicon Valley.

Copying *SV ecosystem*...what does that mean?

- Make more Googles
- VC-driven investment
- Spaces with bean bag chairs
- E-shop as a supermarket product

What happens when you bring a
supermarket to an undeveloped market
(Or you are an undeveloped market and
you want a supermarket)?

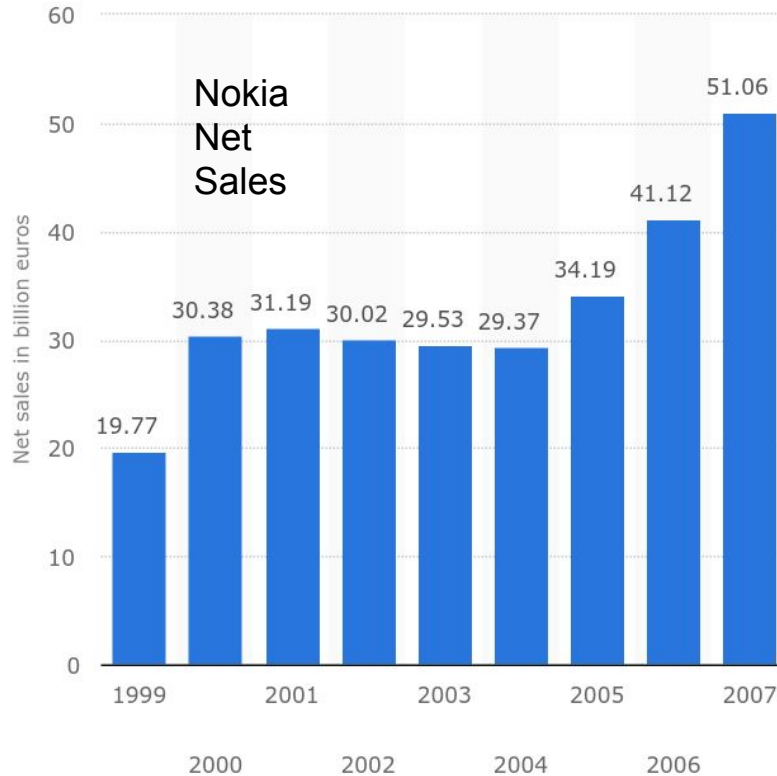
A Story About Apple and Nokia

What year was the Apple iPhone released?

2007

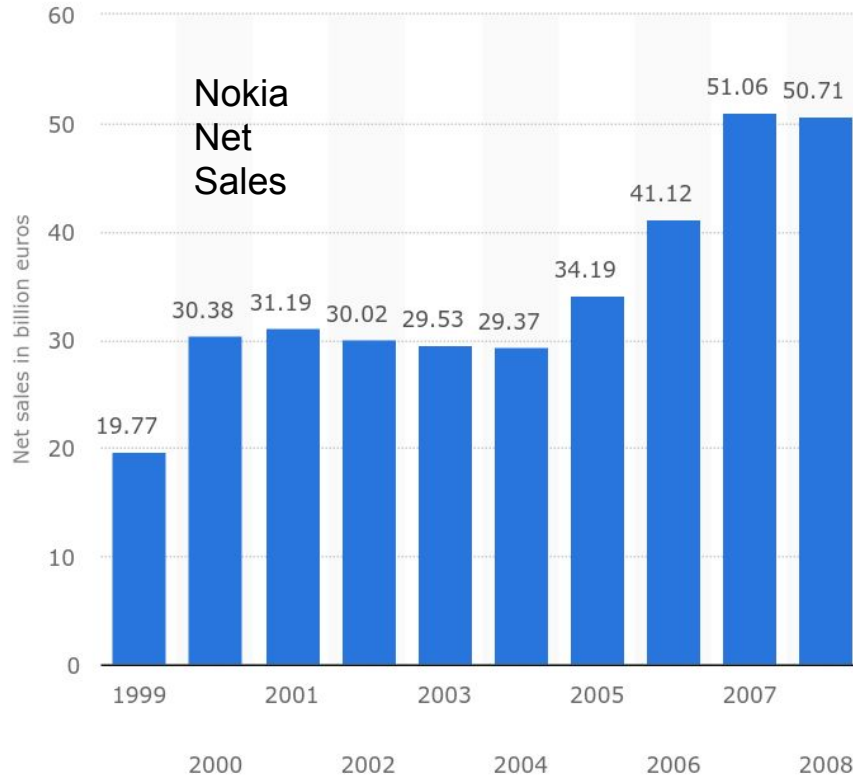
A Story About Apple and Nokia

Apple
Release
2007



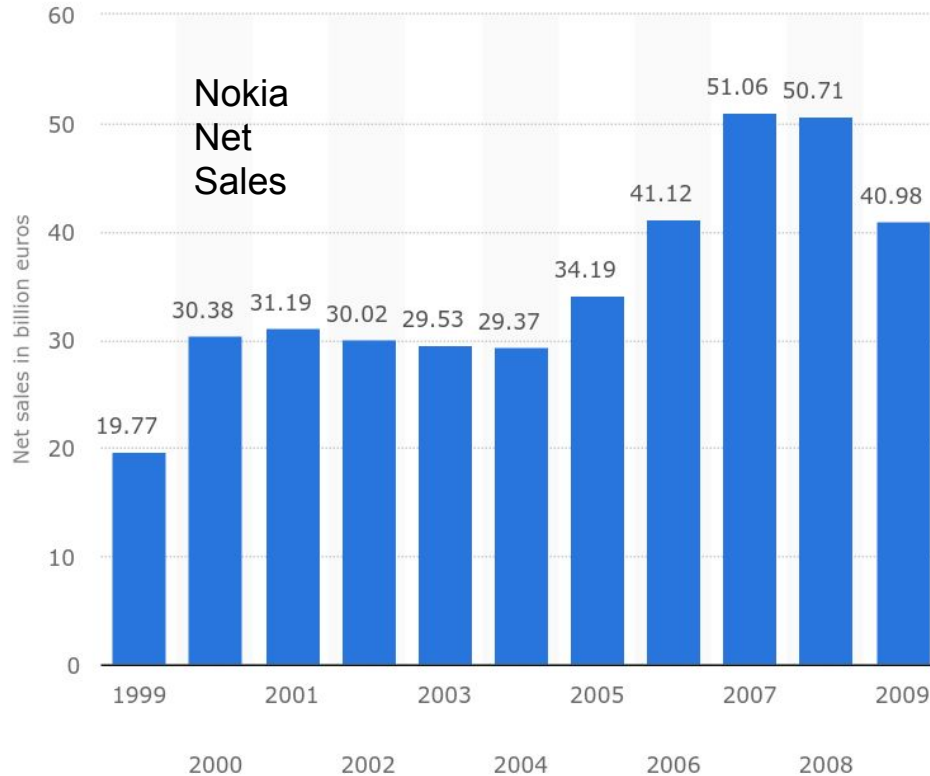
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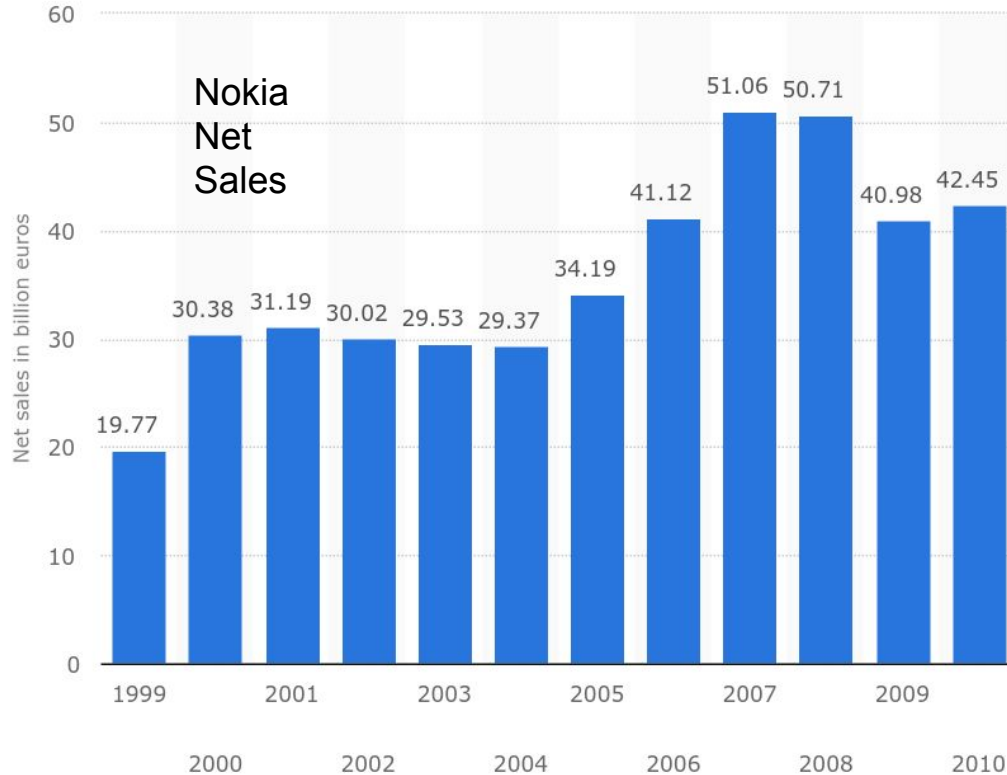
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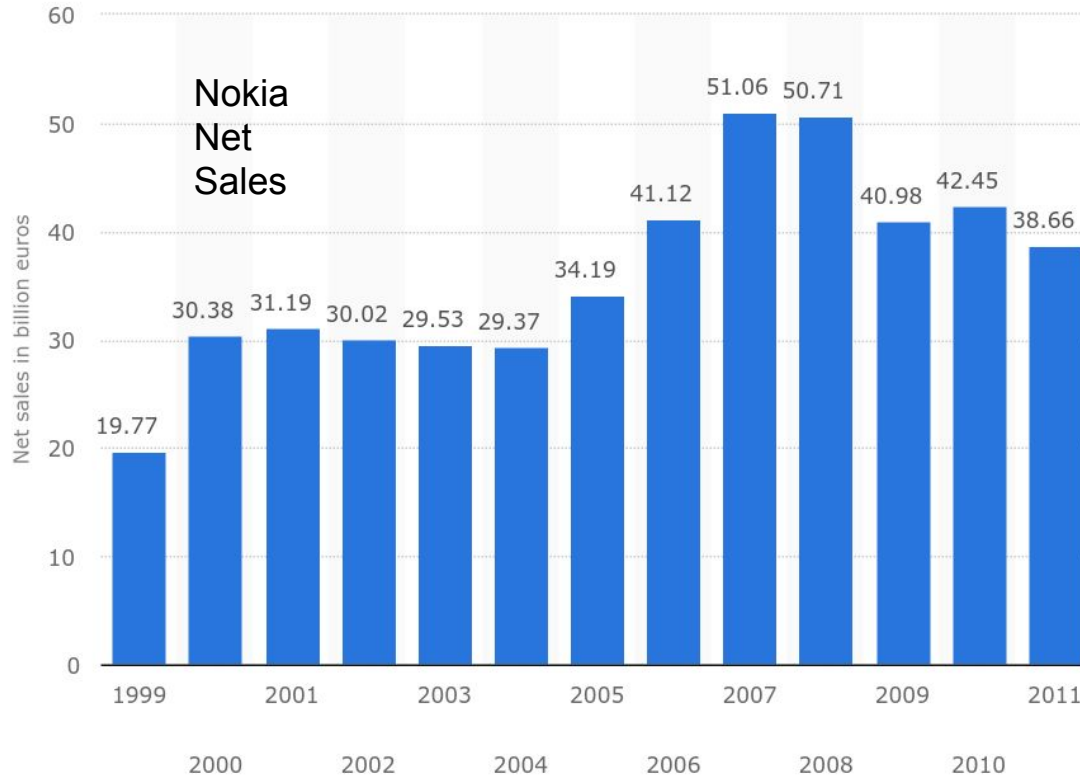
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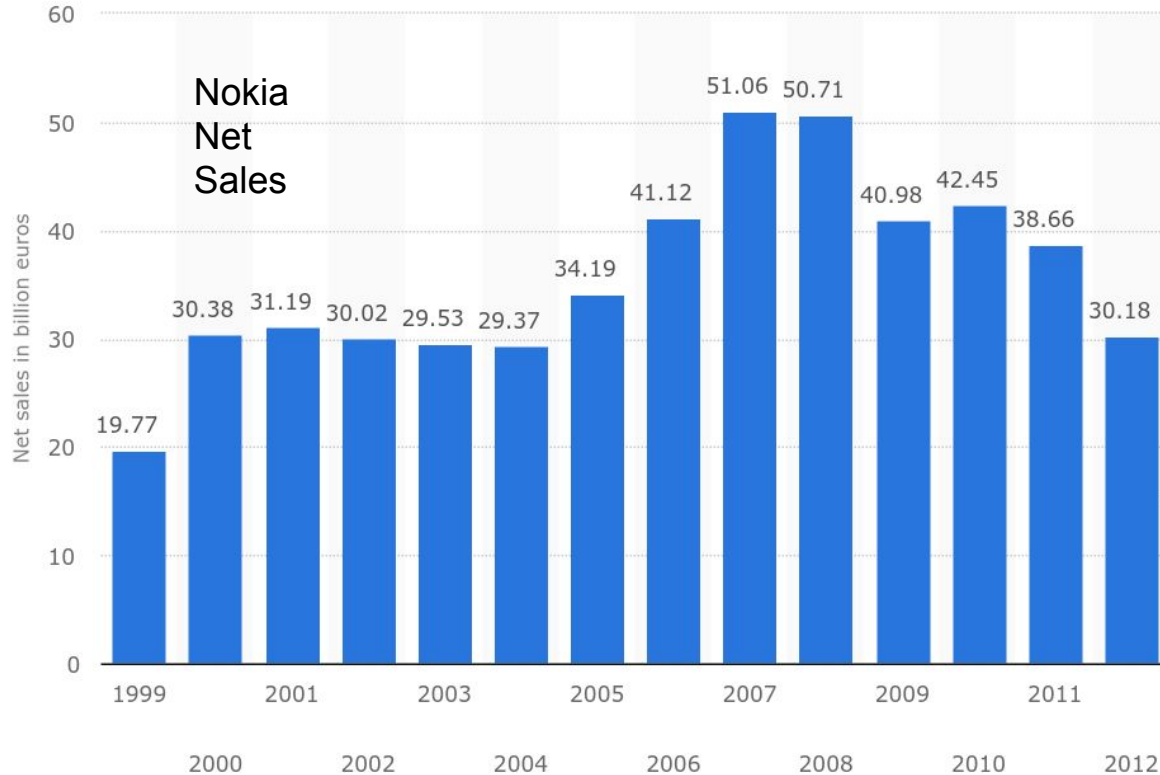
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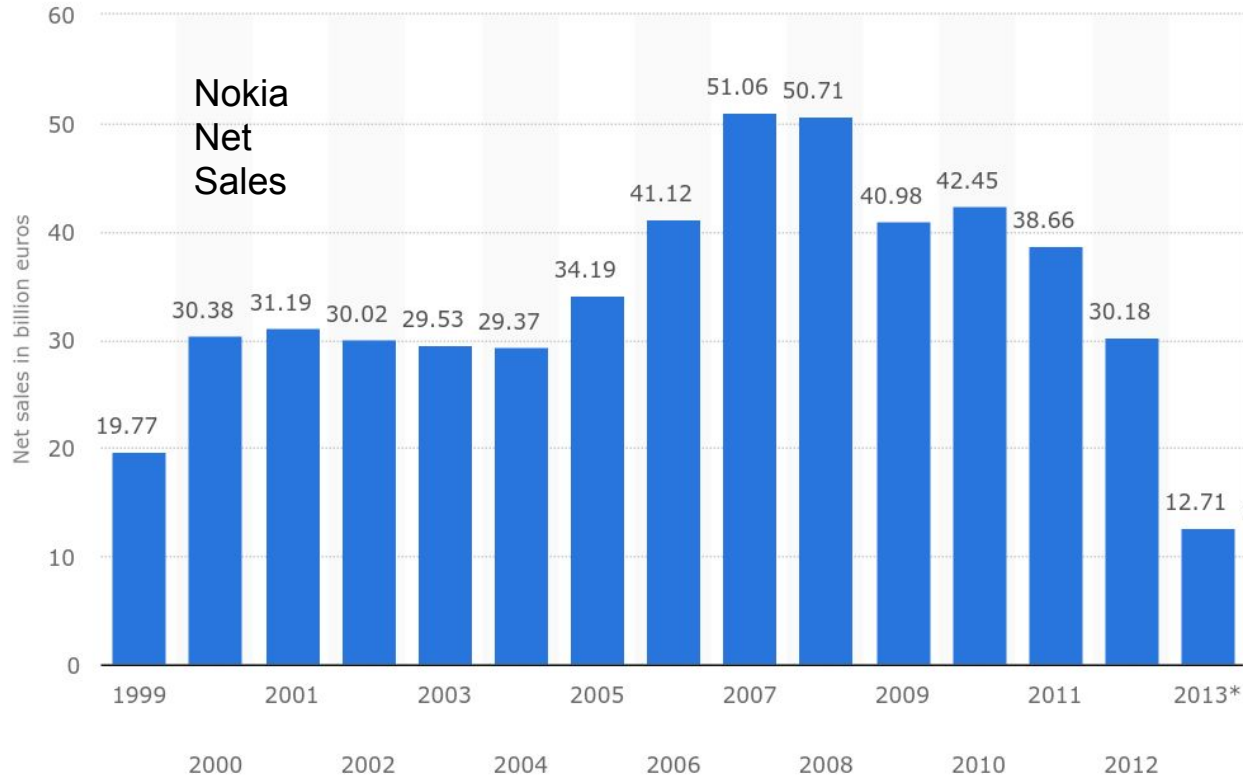
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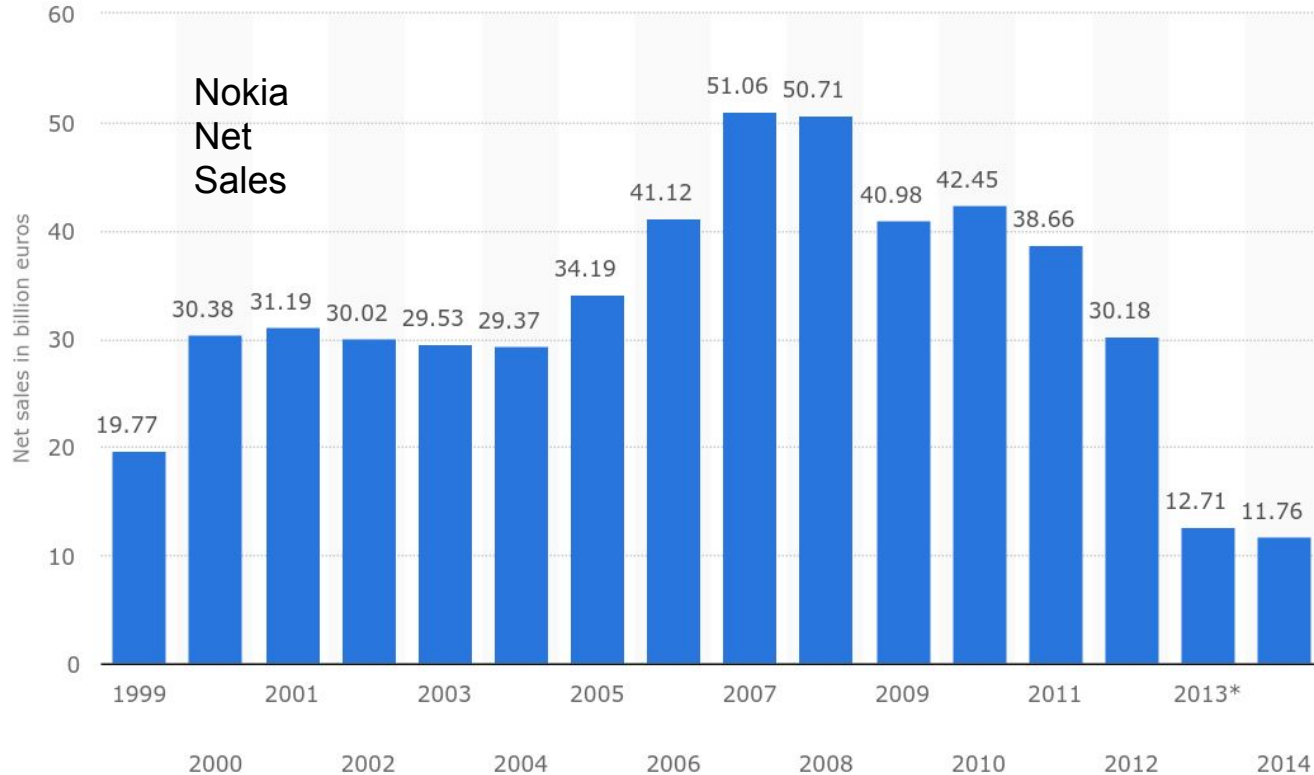
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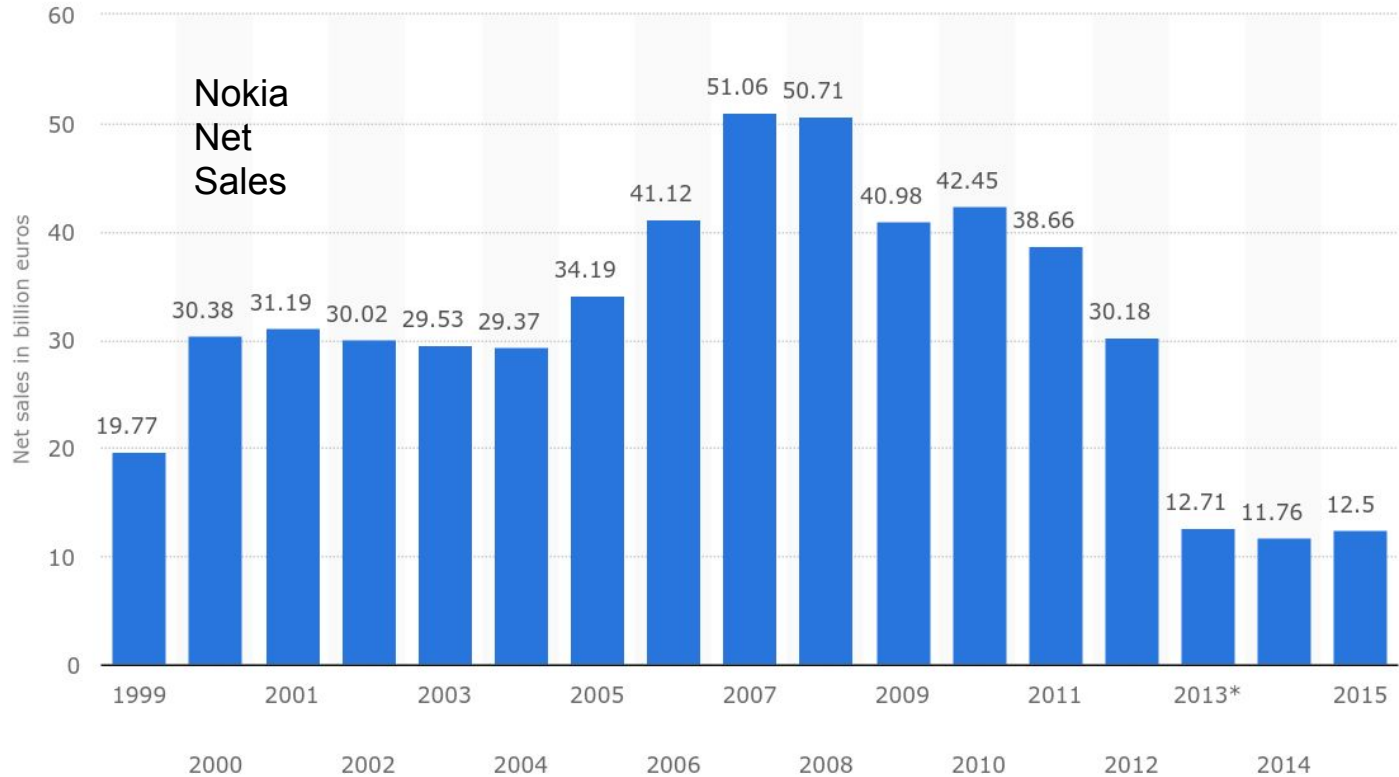
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Release
2007



What Changed?

Esko Aho

Former PM of Finland

*Joined Nokia Executive Board
in 2008*



What changed?

What changed?

- Phones moved from being hardware-oriented to software-oriented
- Nokia knew it was happening and was powerless to do anything about it
- Year iPhone launched: Best sales year ever for Nokia
- Nokia could not win with its existing ecosystem: only choice move to SV

PREVIOUS STORY

Has anyone ever seen this Star Wars

NEXT STORY

Tesla has received 325,000 preorders
for the Model 3

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73
COMMENTS

Meet the new Ford, a Silicon Valley software company

Ford CEO Mark Fields on electric cars, self-driving, and the weird future of his rapidly changing industry

By [Chris Ziegler](#) and [Nilay Patel](#) on April 7, 2016 10:56 am [Email](#) [@zpower](#)

Related to that...



So, what can we do?

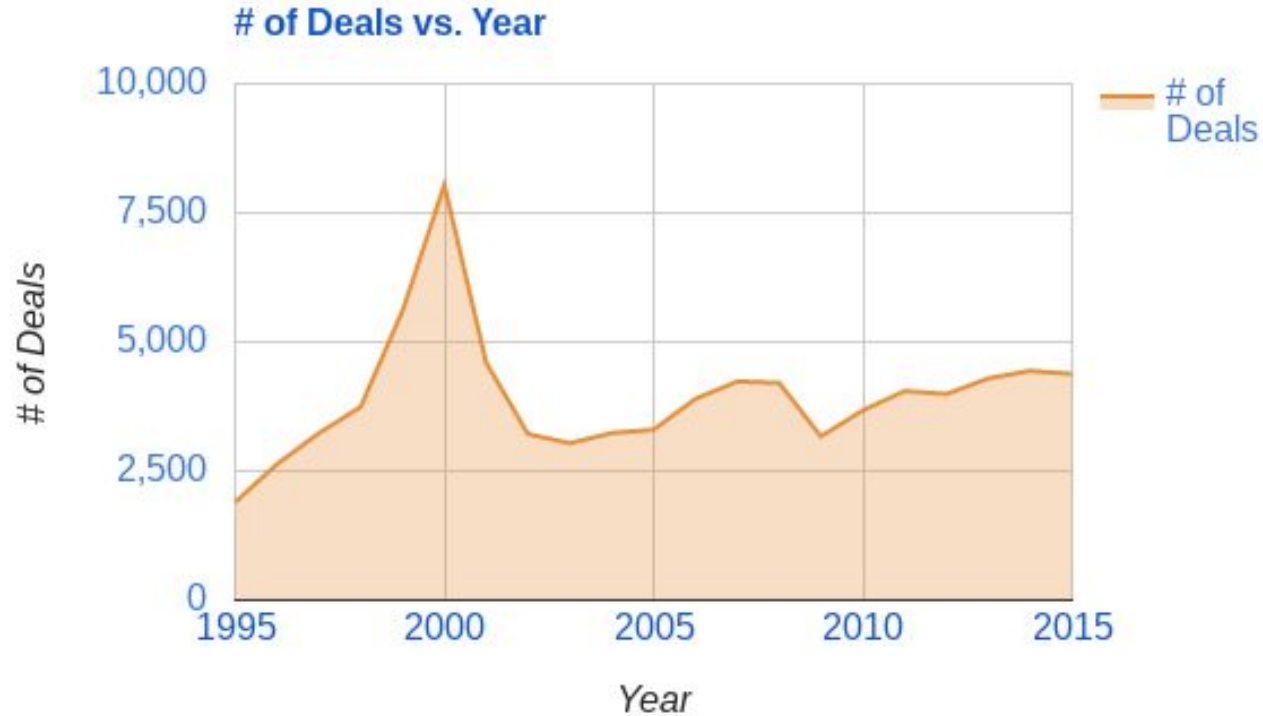
1. We can all move here. (Ford has; Nokia didn't)
2. We can copy Silicon Valley.
3. We can try something new.

Best choice:

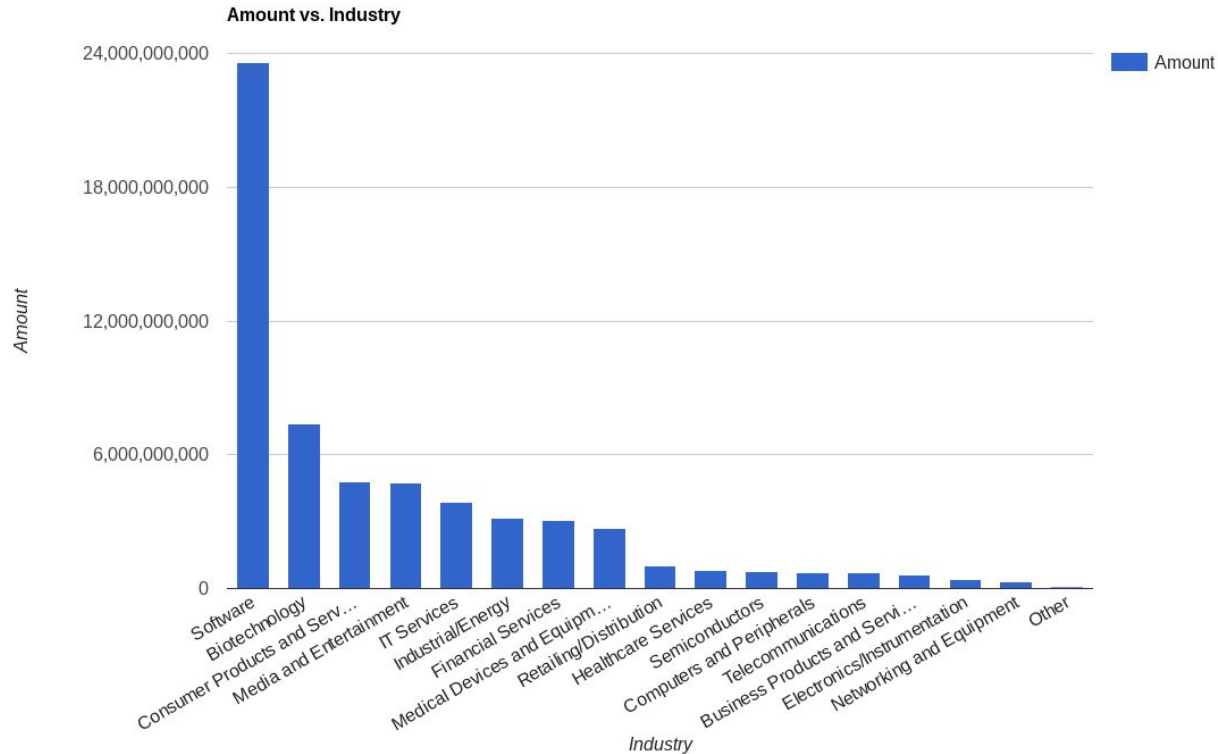
Best choice: Copy Silicon Valley

Wait a minute...

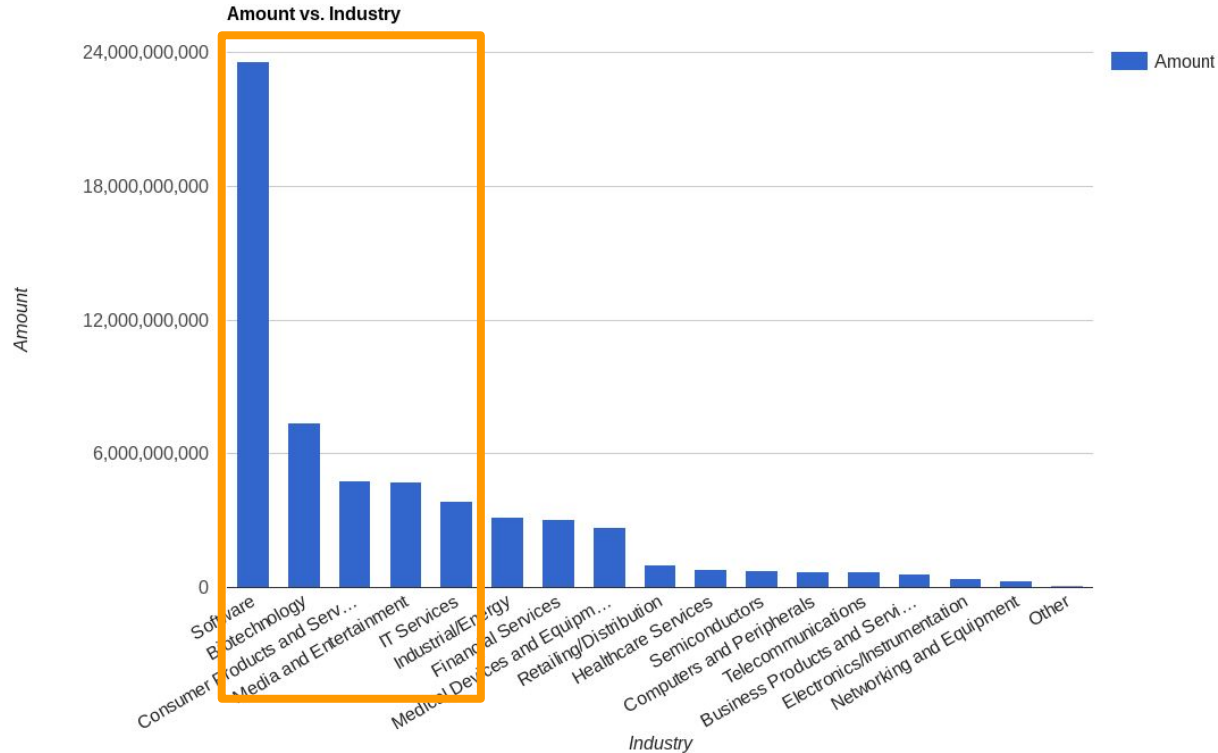
US VC funding is flat



US VC funding focuses on a few key areas



US VC funding focuses on a few key areas



The Problem With Software...(in Thailand)

It's incredibly flexible, with little cost of modification.

It's full of bugs.

The Problem With Software...

It's incredibly flexible, with little cost of modification.

Country-specific advantages (like language) are hard to maintain.

It's full of bugs.

The more customers the better (world-wide versus a single country)

The difficulties of creating SV in a
country like Thailand

My view: errors in copying SV

- Thailand's technical strengths are not in IT (there are some great coders).
- Thailand can compete (perhaps) in Thai language IT, but software by its very nature lends itself to deploying flexible solutions.
- Some places with hope:
 - China: closed IT market
 - India: depth of software capabilities (and related earlier IT successes)
 - Israel: security (defense) driven industries (and it's a small country: a couple of big hits have a big impact)
- Thailand/Southeast Asia: agriculture, tourism...and a range of *challenges*.
 - Are these ripe for venture-based ecosystems?

So, what can we do?

1. ~~We can all move here.~~
2. ~~We can copy Silicon Valley.~~
3. We can try something new.

Choosing an ecosystem to build...

IT

Choosing an ecosystem to build...

⌘

Tourism

Choosing an ecosystem to build...

⌘

~~Tourism~~

Agriculture

Choosing an ecosystem to build...

⌘

Tourism

Agriculture

What about an ecosystem built on *problems*?

Up until now...

...innovation ecosystems have been built around **solutions** searching for **problems**:

- War technologies looking for consumer markets (Boston).
- Radio (one particular war technology) seeking consumer products (San Francisco).
- Transistors (another particular war technology) seeking consumer products (San Francisco).
- PCs (a product use for transistors) seeking consumer applications.
- Internet (another particular war technology)...
- Apps...

How about...

An innovation ecosystem built around
problems searching for **solutions**?

Wicked Problems Worth Working On.

Looking for a Real Challenge?

Develop a methodology to define ***Wicked Problems* Worth Working On.***

Problems which affect 10 - 50 million people.

Problems which cross national boundaries.

Problems which can be used to align entrepreneurs, investors, and other resources into new innovation ecosystems.

* *Wicked problem* is a technical term for a complex problem which actually changes as you try to define it.

What will this *methodology* look like?

Explore-Experiment-Execute (Design Thinking)

It's been done for products and services.

Current phase: corporate strategy.

Why not for a whole region?

10-10-10

What would be the right methodology to define:

10 WICKED PROBLEMS WORTH WORKING ON...

WHICH AFFECT 10 MILLION PEOPLE...

TO BE SOLVED OVER 10 YEARS.

...which would galvanize entrepreneurs and investors to work on them--in short, would create new entrepreneurial ecosystems around important problems?

(the assumption: the *method* for defining is part of the intrigue; these people will not be turned on by arbitrary pronouncements)

“There is no market...”

People say this about the developing world all the time.

And yet, there are people, with problems, a world of solutions, and lots of people with money--US\$ 700 Billion--who want to spend it.