



## What's Your “Next Big Thing” — and Will It Succeed?

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With much fanfare, Apple Inc. has announced that it will soon release its latest gotta-have gadget for Apple enthusiasts: the Apple Watch. Since Apple was founded in 1976 by Steve Jobs, the company has perfected the art of creating and then announcing new tech gadgets that it positions as “the next big thing” — from the iMac to the iPod, iPad and now Apple Watch.

There's a lesson here for Los Angeles and Southern California business owners and entrepreneurs that goes beyond just sleek product design and glitzy marketing and promotion. Because as good as Apple is at these things, they wouldn't matter if the company wasn't also good at something else: focusing like a laser on what their next big thing is actually going to *be* — and just as important, what it's *not* going to be.

### Why It's Important to “Think Different”

For every successful Apple product launch, there are dozens of potential new product ideas that never make it to market. This is because Apple management has been able to create an entrepreneurial culture where employees are encouraged to think creatively — or as Apple put it in its iconic ad, to Think Different. Then their ideas are put through a rigorous internal process from which only the best eventually emerge to become actual Apple products.

What about your company? How much thought have you given to what is going to be your “next big thing”? Have you created an entrepreneurial environment where employees feel free to Think Different without fear of being reprimanded for daydreaming or wasting time? Are ideas then thoroughly researched and vetted so only the best of the best are allocated the necessary resources to be brought to market?

The fact is, a lot of new ideas sound great at first, but once you start peeling back the layers, it becomes clear that they just aren't practical or profitable. Therefore, you should create a structured process that must be followed for thoroughly researching and testing all ideas for new products or services before starting down the road of developing them and bringing them to market. Here are a few questions to ask as part of this process:

**Have you thought about the law of unintended consequences?** What are all the things that could possibly go wrong, but that aren't obvious on the surface?

**Is your next big thing ready for prime time?** Has it been stress tested to determine what its weak points might be before being released to the public?

**What are the consequences of failure?** Even the best ideas don't always succeed, often for reasons beyond your control. What impact could failure of your next big thing have on your overall business? Spending time now thinking about the potential impact of failure and how you will manage it could prevent major losses down the road.

**Are you prepared to support your next big thing?** This includes sales and marketing and customer service support, as well as support from upper and middle management. Before launching, you need to make sure you understand what is needed to make your next big thing a success — and are committed to providing this level of support.

### **Bringing in an Objective Third Party**

There can be tremendous value in tapping a third party from outside your company to come in and take an objective look at your next big thing early on in your research and due diligence process. Such an objective party will be able to look at your idea through a clear lens, without the internal biases of those within your company who might have a vested interest in the idea.

This third party will likely be able to spot both problems and opportunities with your idea that you and your employees can't see because you're just too close to it. An objective third party can also help you gauge the success of your next big thing after it has launched by measuring performance against pre-determined benchmarks or key performance indicators (KPIs).

An outsourced CFO services provider can offer just such an objective outside review of your next big thing. Not only can this provider help you analyze the financial implications of developing and launching your idea, but an outsourced CFO can also play an important role in helping you strategize the new product development and launch. In addition, an outsourced CFO can help you set benchmarks for success and measure your progress toward them.

### **Concluding Thoughts**

Apple has perfected the art of creating and then announcing new tech gadgets that it positions as “the next big thing.” But for every successful Apple product launch, there are dozens of potential new product ideas that never make it to market — because ideas are put through a rigorous internal process from which only the best eventually emerge to become Apple products. The fact is, a lot of new ideas sound great at first, but once you start peeling back the layers, it becomes clear that they just aren't practical or profitable. Therefore, you should create a structured process for thoroughly researching and testing all ideas for new products or services before starting down the road of developing them and bringing your “next big thing” to market.

### **About CFO Edge**

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