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Five Industries Ripe for Disruption



Air travel is just one of several industries in need of a serious disruption. Too many hours are wasted in loss productivity in the current system.

By now we are all familiar with market disruptors, innovative products or services that use new technology or business models to overturn long-established competitors. In the 1990's a little start-up out of Scotts Valley, California entered the video-rental market, offering customers the ease and flexibility of dropping the video into the mail whenever they felt like it, with none of the late fees, hassle, and poor selection that they had to deal with at Blockbuster. Blockbuster had millions of customers, 60,000 employees, and thousands of stores; at first it saw no reason to change. Now [Netflix](#) has over 27 million subscribers and partnership deals with every major studio and TV network, and is responsible for 33% of the streaming video traffic on the Internet. Blockbuster declared bankruptcy in 2010. The limousine service [Uber](#), which allows customers to summon owner-operated cars via their smartphones, opened its doors in 2009, and is now available in 300 cities in 58 countries. It was just valued at \$41 billion and is scaring the heck out of traditional taxi businesses. [Airbnb](#) allows homeowners to rent out rooms for extra cash and allows guests to avoid paying for expensive hotel rooms. It launched in 2008 and is now valued at \$20 billion, and the hospitality industry has taken notice.

The bigger an industry grows, the more need for disruption it seems. Fast and nimble, flexible and innovative, don't work in bureaucracies that are bogged down with rigid processes and procedures, and where the customer always seems to come last. I can think of any number of industries that are ripe for disruption. Here are five of the softest and juiciest targets:

1. **Higher Education** - As tuitions rise ever-higher, the biggest and most elite universities act more like real estate developers than educators. Having experts lecture in closed formats to 30 or so students is neither economical nor efficient in an age in which knowledge and information can be transferred much faster and cheaper. MOOC's (Massive Open Online Courses) are on the rise and if these sprawling campus behemoths don't make better use of technology, all of those dormitories, student centers, and administrative buildings that they are so busy building will have to reinvent themselves.

2. **Healthcare** - Obamacare is a start, but the healthcare system remains a hot mess of dysfunction. While there are breakthroughs every day in science and biotech, we can't seem to get the front of the house in order. Antiquated paper charts which aren't transferred from one doctor's office to another. Stacks of paper forms to fill out again and again, delays and long waits, and just try getting a second opinion, a referral, or a preapproval without having to jump through hoops. The whole industry is a wasteland of lost productivity and unnecessary torment for its customers.

3. **Air Travel** - Endless waits, delayed and canceled flights, high change fees, rigid rules, and shoddy Wi-Fi all add up to hours of loss productivity. Private charters are still way too expensive but if these behemoths don't get it right soon, an Uber aviation startup will put them all out of business as well. When economic output relies on the speed of connectivity, productive people can't afford the loss of time.

4. **Banking** - Why in the world would anyone need to walk into a bank these days? All those services fees we pay every time we make a withdrawal are paying for buildings we no longer need. The whole financial world is on line, what are all the expensive offices for?

5. **Home Improvement Contracting** - The wild west of industries. From the nightmare task scheduling a trade, be it a plumber, an electrician, or a carpenter, to getting fair and accurate estimates that stay on-time and in budget, the industry needs a total makeover. Simple technology apps that allow consumers to schedule beauty services such as in-home makeup and blowouts should also be able to schedule certified trades and allow you to rate them with the push of a button. For bigger construction projects, there should be simple software that allows you to track multiple bids, see progress timelines, and that emails design decisions and notices that budgets are about to be exceeded for approval so there are no big surprises at the end.

[Rana Florida](#) is author of the business best-seller, [Upgrade, Taking Your Work and Life from Ordinary to Extraordinary](#).



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