

- 1950s: Invention of the silicon chip (integrated circuit)
- 1970s: The decade for companies like Atari, Commodore, and Apple

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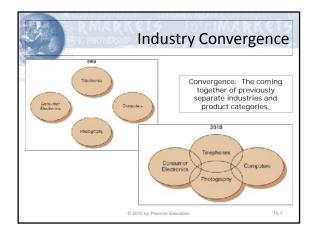
Industry Convergence

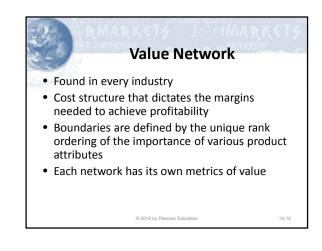
"The 2000s were the broadband decade, the disintermediation decade, the file-sharing decade, the digital recording (and image) decade, the iPod decade, the long-tail decade, the blog decade, the user-generated decade, the on-demand decade, the all-access decade. Inaugurating the new millennium, the Internet swallowed culture whole and delivered it back—cheaper, faster, and smaller—to everyone who can get online."

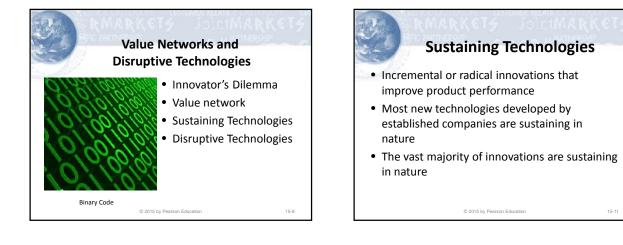
Jon Pareles, New York Times columnist

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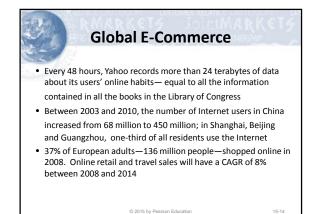
Five Principles of Disruptive Innovations 1. Companies are dependent on customers and many innovations are customer-driven. By listening to those long-established customers, opportunities may be

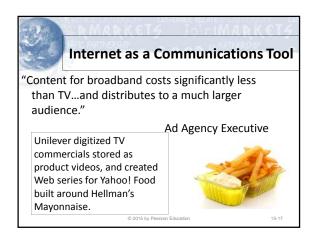
- missed.Small markets don't solve the growth needs of large companies.
- 3. Markets that don't exist can't be analyzed.
- 4. An organization's capabilities define its disabilities.
- 5. Technology supply may not equal market demand.

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Web Sites
Promotion sites: marketing communications
Content sites: news and entertainment; support PR
Transaction sites: online retail operations
Web sites can function as all three

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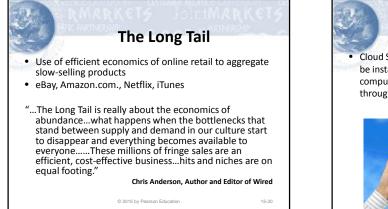


Luxury Retailers and the Internet

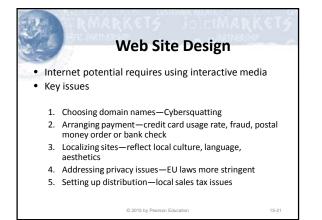
- Many do not sell online but use the Internet to inform and promote
- Concern that the brand essence cannot be communicated online but changing
- Smartphone and iPad apps and Facebook communities aim to "create a dialog and get consumers connecting with our brand".

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Broadband
Has sufficient capacity to carry multiple voice, data, or video channels simultaneously
Bandwidth determines the range of frequencies that can pass over a transmission channel
Streaming audio and video; 10 million players on Xbox live worldwide







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Mobile Advertising

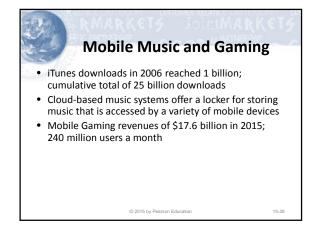


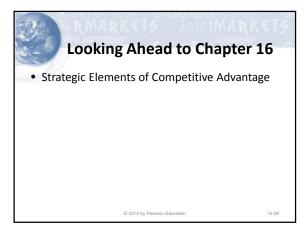
- Bluetooth–uses less power than Wi-Fi, works well with cell phones and covers shorter distances than Wi-Fi
- Handles data, not voice

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Internet Phone Service

- The "next big thing" for the telecommunications industry
- VoIP—Voice over Internet Protocol
- Has the potential to render the current telecommunications infrastructure obsolete
- Currently only accounts for a small percentage of total global calling
- Skype acquired by Microsoft for \$8.6 billion in 2011

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