

Editorial: *Uberization, fleeting innovation, and the reality of the pleasure purchase*

According to “Uber” Company (headquartered in San Francisco, California; offered services: Taxi, vehicles for hire; Uber’s mobile app for iPhones and Android phones launched in 2010), “*Choice is a beautiful thing*”, so “*Get a ride that matches your style and budget*”. (uber.com) Uber was founded in March 2009 as “UberCab” by Travis Kalanick and Garrett Camp and expanded internationally in 2012, being today a world well-known brand for its service available in 55 countries (more than 200 cities worldwide). Already in 2013, Google Ventures invested \$258 million (David Drummond, Google Chief Legal Officer, being on Uber’s board of directors), and in December 2014 The Wall Street Journal reported that Uber has raised US\$1.2 billion from a number of investors. (en.wikipedia.org)

In Brian M. Carney ‘s opinion (opinion expressed in Forbes in October 2014), a Senior Vice President at Rivada Networks (a US-based communications technology business with offices in the US and Ireland; a leading designer, integrator and operator of wireless, interoperable public safety communications networks): “*Some see a world coming in which everything, or at least a lot of things, are surge-priced - Uberized* ” (by combining smart-phone connectivity with voluminous real-time data on supply and demand, thanks to the wide availability of wireless broadband). Carney raised the question if the wireless industry is next. He also let us know that Tom Wheeler, Chairman of the Federal Communications Commission (FCC, an independent agency of the United States government), has embraced “*Uberization*” as a *beneficial economic force* (in an op-ed in The Wall Street Journal, Wheeler noted that some 50 billion machines may be connected to the Internet by 2020). (Carney, 2014)

In January 2015, the founder of *PeoplePerHour.com* (a marketplace connecting businesses with freelancers in creative services), and *SuperTasker.com* (a new generation crowd solution for getting small design tasks done in minutes en-masse) argued (Thrasyvoulou, 2015) that we are **entering the third generation of marketplaces** (1st: liquidity; 2nd: explosion of inventory amounts), companies like **Uber** (its success has inspired the term “uberization”) and **Lyft** (“Driving You Happy”/ “Request a ride in the Lyft app... Track your driver’s ETA in the app. You’ll see their photo so you know who you’re riding with... When the ride ends, just pay with your phone. Done!” - lyft.com) making the search process incredibly simple and removing the discovery process, by delivering **a more end-to-end (E2E) user experience** (which remove friction in the experience at both ends, supply and demand). Thrasyvoulou reminded us of the words of David Glance of The Conversation (theconversation.com): << *The concept of “uberization” has taken the general meaning of disrupting any industry through the use of technology to circumvent unnecessary bureaucracy and legislation* >>.

But with only six days before Thrasyvoulou, Marion Maneker, (Maneker, 2015) known for valuing critical thinking, let us know (thanks to mobile reading experience provided by Quartz, a digitally native news outlet for the new global economy - atlanticmedia.com) that he read (perhaps sitting in the back of a taxi cab) a tweet from Nassim Nicholas Taleb (author of the

remarkable books “The Black Swan: The Impact of the Highly Improbable”, 2007 and “Antifragile: Things That Gain from Disorder”, 2010) that said: << *To “Uberize”, remove the middleman, theme of the times.* >> Maneker also added that these words brought to his mind what Andy Kessler (another friend, once a fund manager in Silicon Valley) once wrote: “*Uber is more of an interface to the real world. It is clever code and yes, a middleman between riders and drivers, where dispatchers used to sit.*” And developing the idea Kessler reminded to Maneker that *all innovation is fleeting*, getting harder as others add new features (carpools, etc.).

This last underlined aspect of “fleeting innovation” brought to our mind some considerations made by Ann Handley (marketingprofs.com) in connection with Sir Ken Robinson’s delivery on the occasion of his 90-minute video talk and Q&A at MarketingProfs on the nature of innovation in organizations, at the beginning of February this year. In the opinion of Sir Ken Robinson, *the foundation for innovation* (that is critical, being a kind of multi-layered and multi-modal conversation) *consists of imagination* (representing the spark that fuels innovation, providing the freedom to consider alternative views) *and creativity* (which is about applying imagination to existing systems), *innovation coming from the application of the creativity in an organizational context*. Sir Ken Robinson pointed out that innovation is not optional, it has to become a habit. The organization must adapt, for instance, to the digital culture, avoiding failure.

As we will see further on in the pages of our magazine, we are in the “converged lifestyle”, a new phase of *convergence* (consumers being enabled by technology) which is pushed by *connectivity*. Within this context in which the digitization of our lifestyles is becoming the norm and virtualization is disrupting power relationships between companies, customers, and employees, convergence will necessitate new levels and forms of collaboration, and will drive the greatest innovations. “The Retail Issue” remains a key strategic challenge, digital disruption becoming a constant for retailer marketers, and personalization, convenience and mobile experiences representing true pillars of the modern commerce. There is no doubt that retailers need to start thinking about delivering content fast and seamlessly across all distribution channels, in order to reach “the 21st Century Retail Customer”, which is expecting a consistent experience whether he interacts with a brand in-store, online or via mobile. In the same time we must not forget the opinion expressed recently by Professor Léon F. Wegnez in the prestigious “Distribution d’aujourd’hui”, namely: “*Whatever the evolution of the modern distribution, whatever the concepts of shops that engender, the achievement of purchases will keep this ludic character it carries within it, inherently, whether perceived or not by the buyers seeking time and that kind of satisfaction always bringing the acquisition of what is desired. The pleasure purchase, in varying degrees, remained a reality, and this is a distribution task to make it possible and to concretize it.*”

We also agree with the opinions expressed recently by Nitin Nohria, Dean of Harvard Business School, (Barton and Wiseman, 2015) that one of the great challenges of modern management is represented by “*the tension between long-term intention and short-term action*”,

and “*we also should be worried about the new digital environment we have created for ourselves*”, being necessary to avoid to become “*so reliant on a technology that ends up hampering our thinking and foreclosing our opportunities to excel*”.

Theodor Valentin Purcărea

Editor - in – Chief

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