

Building new technology businesses: The 3-Chasm model

Originally developed by the author as part of entrepreneurship courses delivered at the Universities of London and Cambridge,
The model has been applied successfully to a number of commercial high technology ventures.

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High-Technology businesses face all the usual challenges of Start-up Businesses such as raising funds and finding resources and the following special challenges!

Technology

- Cost and Complexity of IP protection
- Continuous investment to maintain edge

Product/Service Packaging

- Accessibility and Usability
- The Challenge of shortening product 'shelf life'

Market/Customer Development

- Technology Adoption follows Diffusion Curve Model
- Techno-demographic segmentation

Promotion and Marketing

- Challenge of educating the Customer
- Differentiating the Product/Service in a confused space

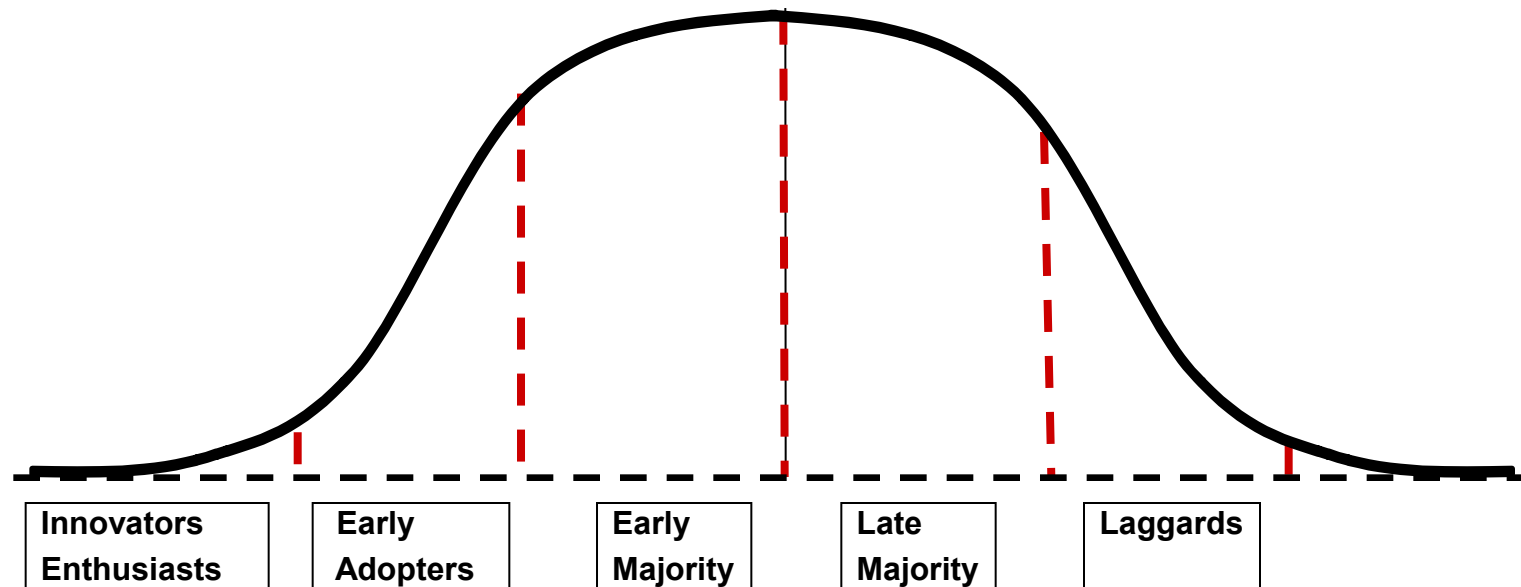
Channels to Market

- Getting through the Retail bottleneck
- Meeting the Online Challenge

Shift from Product to Service

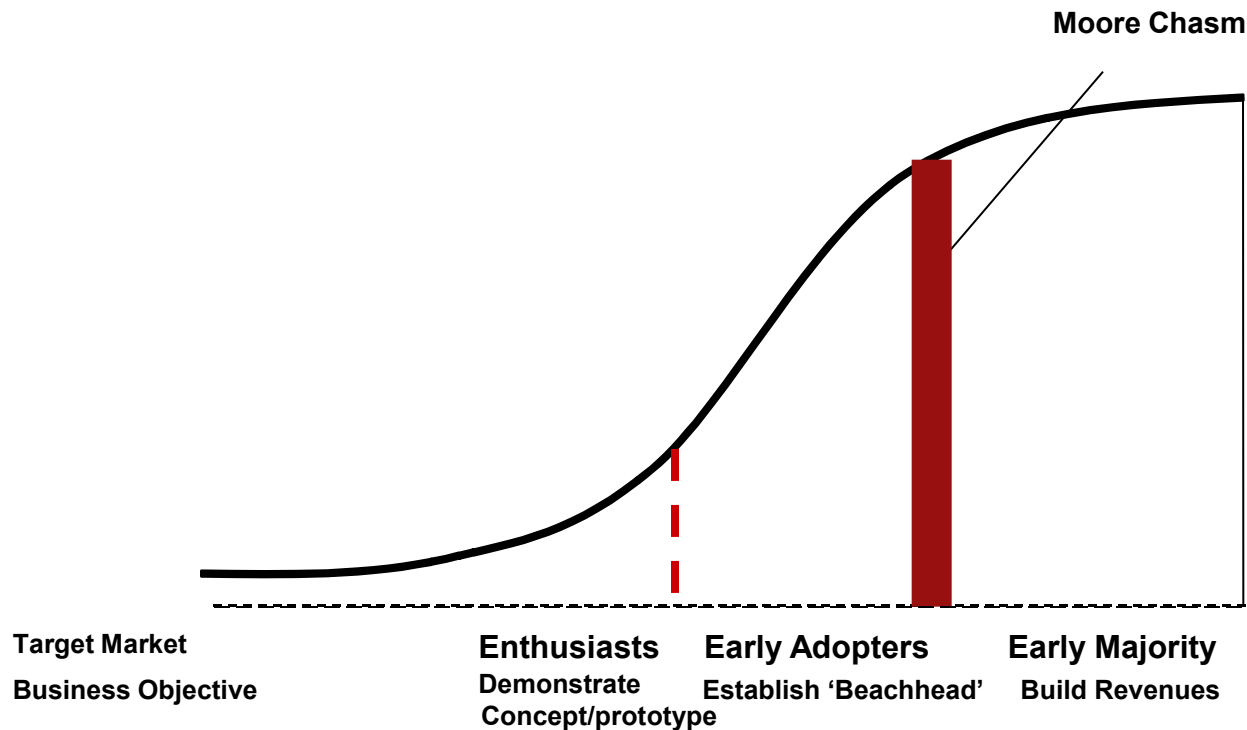
- Changing Business Models
- The impact of 24X7 delivery

The adoption of High-Tech Products by consumers follows the 'Diffusion Curve' starting out with innovators and using early adopters to reach mass markets.



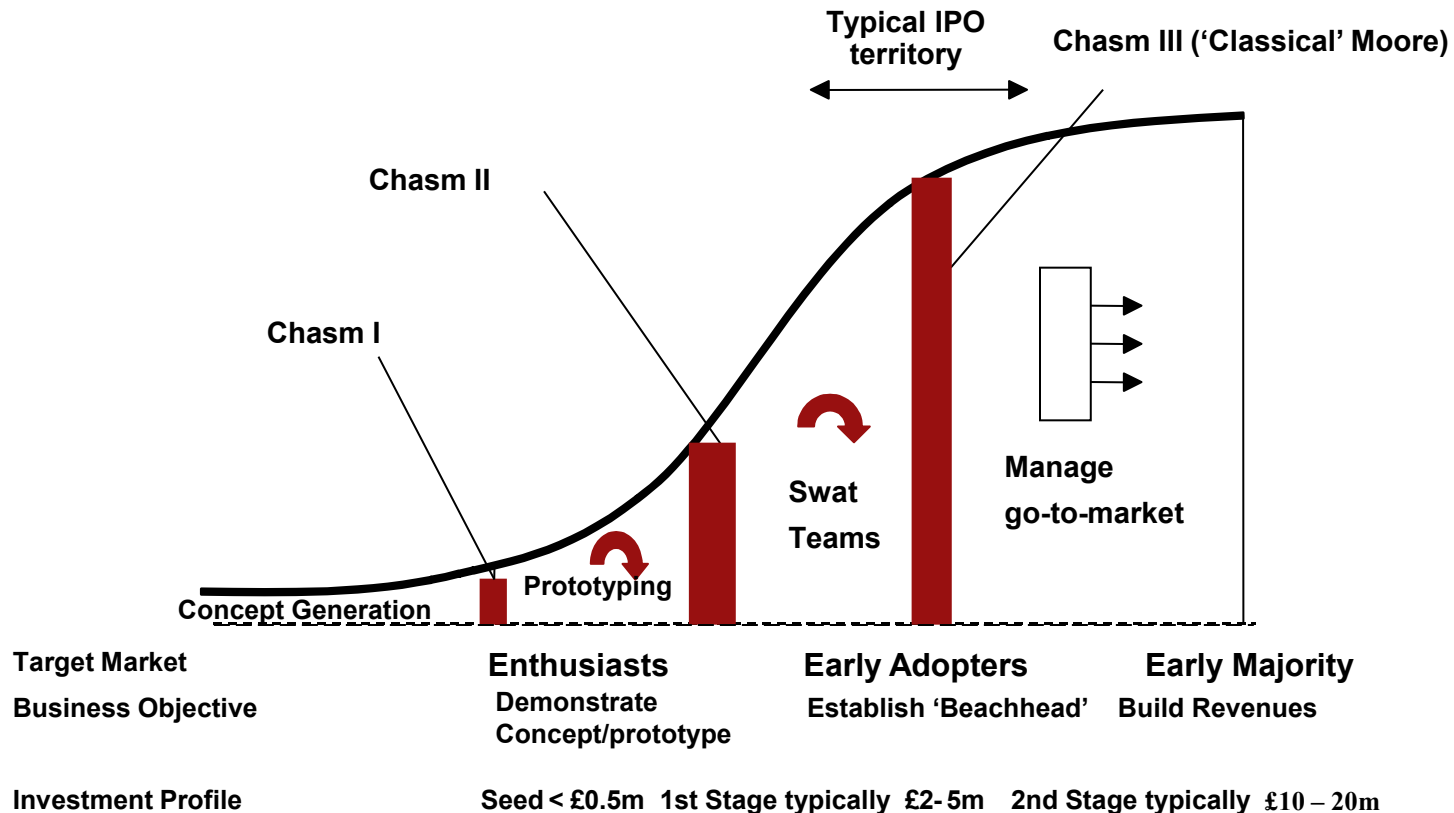
Rogers, E., Diffusion of Innovation, Barnes & Noble, 1962

The classical Moore Chasm focuses on reaching Early Majority and considers it as a marketing challenge that requires customer need identification and product packaging to suit a wide group of customers.



Moore, G.A., Crossing the Chasm, Barnes & Noble, 1991

The Triple chasm model identifies two earlier chasms that help entrepreneurs and innovators better understand the challenges of building high technology businesses and overcome them.



U. Phadke, Carteza Reviews, 2006