

# How to Spot Trends and Anticipate Market Shifts Before Your Competition



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It can be hard for businesses to stay ahead of major changes that are happening in different areas like technology and society. Life always evolves quickly. However, being able to recognize new trends early on can give a company a big advantage over others. To make it more clear for you, I will discuss how you can develop a way to see the future before your competitors do.

## Understand how disruptive trends

## typically emerge

Most disruptive trends do not appear overnight. They usually start small and grow over time as enabling technologies advance and costs decline. Some examples include how electric vehicles are now growing rapidly after years of progress in battery technology. Another is how streaming video services like Netflix became mainstream as broadband internet access spread and the cost of streaming video hardware declined.

By understanding how enabling technologies typically progress and prices decline, you can watch out for areas that may experience breakthroughs in the coming years. You need to look for technologies or business models that are starting to gain momentum but have not yet crossed a tipping point into widespread adoption. Those are real candidates for you that could disrupt existing ways of doing things over the next five to 10 years.

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## Broaden your sources of information

Most large companies focus heavily on their industry for signals about upcoming changes. However, disruptions often come from outside the boundaries of existing industries. To see more broadly, you need to expand your sources of information beyond your core industry peers and analysts.

Some areas worth regularly scanning include technology publications, VC investment reports, academic research, crowdfunding sites, discussion forums, technology demonstrations at events and more. You can look for overlapping themes across different sources that point to emerging technology or business model trajectories.

# Develop relationships outside your circle

Passively following various information sources can help you detect emerging trends, but you should also proactively develop relationships outside your existing circle. You need to reach out to people in startups, universities, tech consortiums, investment firms, think tanks, different industries and more. You can have coffee chats where you openly explore emerging ideas without any agenda.

These relationships can definitely help you learn about developments earlier before they reach your traditional industry reporting channels. The people you meet may also introduce you to others on the fringes of established areas who are experimenting with new concepts. Their insights may point you toward some emerging trends before your competitors are even aware of them.

**Related:** [Trendspotting 101 – How to Stay Ahead of the Curve in Your Industry](#)

# Apply design thinking methods to envision future scenarios

Staying aware of emerging possibilities is important, but you also need ways to envision how they could evolve and potentially disrupt existing ways of doing things. Adopting design thinking methods can help with this. You can also start cross-functional projects where you bring together people from different roles and backgrounds – just have them systematically brainstorm and prototype potential future scenarios involving emerging technology combinations or business model innovations.

Ask questions like “If development in areas A, B and C

achieves certain milestones in the next five years, how could that impact our industry?" or "What kinds of new business models could emerge if input costs in area X were to decline significantly?" This can significantly help.

## **Regularly challenge your assumptions**

If you have a well-established business, it is easy to focus on short-term initiatives and incrementally improving what's already working. However, maintaining the status quo can blind you to risks from emerging disruption. You need to build in processes that regularly challenge your fundamental assumptions about trends, customers and business models.

Schedule brief sessions focused specifically on questioning core assumptions underlying your strategy and operations. Try running thought experiments exploring what might cause your assumptions to break down due to external forces. This is important because doing these exercises can prevent stagnation and help you refine your ability to spot warning signs of potential disruptions.

## **Monitoring the health of emerging technologies**

Once you identify a few emerging technology or business model trajectories that could be potentially disruptive, focus on closely tracking their development. You can monitor a few factors like rates of improving, declining costs, patents, published research, company funding activities, demo technologies and pilot programs. Create simple tracking sheets or dashboards updated regularly – this will get you a longitudinal view of progress.

Know that you also need to pay close attention to breakthrough

points where a trend's development passes through hockey stick growth. This could be due to costs passing key thresholds or capabilities that meet minimal requirements for early adoption. Those inflection points can serve as triggers to reconsider strategic plans or step up experimental initiatives exploring disruptive impacts and countermoves. You also need to constantly revisit your watchlist – it will you fine-tune your ability to spot rapidly rising threats and opportunities for competitive advantage.

**Related:** **These 3 Trends Will Change What It Means to Be an Entrepreneur in 2025**

## **Expand testing new ideas**

Once you identify a few technologies or business models that seem promising, it's a good idea to start experimenting with them. You can try building small prototypes or running short pilot programs to get an early look at how things might develop; such as, you can test ideas with employees or a small group of customers. Gathering real-world experience with emerging trends helps you get a much clearer picture of their potential impact and weaknesses. Because it's always better to learn about new things through doing rather than just thinking or reading.

Any organization can improve its foresight if it commits to consistently evaluating new inputs and maintaining an openness to alternatives. Those who make disruption prediction a core competence will find themselves less vulnerable to threats and better able to shape the future. Good luck!

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