Ice Cream Parlor Business Strategy

A few weeks ago, amidst great fanfare, a number of Israeli consulting firms issued reports focusing on the anticipated growth of the security related sector and how Israeli companies should leverage the country's worldwide reputation in security related issues to gain a predominant role in this emerging and rapidly growing market.

Some of the reports were well researched and well written and drew excellent conclusions regarding Israeli marketing weaknesses and challenges converting excellent technologies and know-how into industry leading companies. Other reports urged Israeli companies to find the angle that would allow them to be in the security arena. I find this to be particularly disturbing.

A few months ago terrorist plowed aircraft into the World Trade Centers, causing thousands of deaths and causing the collapse of these landmark buildings. The horrific act has plunged the world into a state of uneasiness, as the United States pounded Afghanistan into submission, and the expectation is that Iraq is next on the hit list. The chances of a terrorist response is not out of the question, hence the anticipated growth in security related technologies and products.

All this is fine and good. But how did Bob Dylan say it? "You don't need a weatherman to know which way the wind blows". It is not insightful to report an anticipated increase in sales of security related technologies. It's an obvious statement. It's downright reckless to encourage companies to create or develop a security position for their product just so they can try to jump on the security bandwagon.

We call this ice cream parlor business strategy, where a company attempts - sometimes with the help of opportunistic consulting firms - to twist and mold (dare we say distort?) their core business offering in order to seemingly suit the business trend of the moment. Sort of like "flavor of the month", companies constantly reinvent their purpose and message, ultimately standing for little or nothing at all.

It is true that security expenditures are going to rise in the coming months, and perhaps the coming years. It's a great business for companies who are already there, and for start-ups who are developing compelling, meaningful and useful technologies and products. This having been said, it is a grave yard for companies trying to customize their existing products to somehow suit a security market for which they were not originally intended.

Keep your focus. You cannot be important to internet infrastructure companies one month, telecommunications companies the next month, and security companies the following month. Your company has a solution for a defined and pressing problem. This problem may be present in companies in a wide variety of sectors. If this is the case, you need to know your markets, create priorities and develop strategies to reach your multiple markets in an orderly and systematic manner. If you elect to pursue one market and then events, like those that occurred on September 11, make another market - which you initially intended on targeting at some point - more relevant, then by all means, shift priorities and go after the more visible market. If however, you never intended to pursue the new hot market, nothing you say or do will make your product

any more purposeful to the sector players. So don't even try. You'll be wasting time, money, creativity, energy, and perhaps most important of all, your reputation.