# Trendspotting Risks and Rewards: Taking the Leap into Innovation

By LawVision on March 10, 2015

Just a month after touting Amazon's diaper launch in the first of my Trendspotting blog series, Amazon pulled their new line from the market. Originally hailed as a brilliant move that capitalized on reams of information into customer buying habits and preferences, the diaper launch, it seems, failed in execution. Press sources indicate product changes are underway and the diapers will be re-released once they have addressed some of their customers' concerns (which one can only surmise are tied to the quality and effectiveness of the product). A bit of a mess for Amazon (pun intended) – but what an opportunity to explore the benefits and pitfalls of trendspotting!

Trendspotting is not – nor will it ever be – a surefire, risk-free tool to predict opportunity. Just like any other method of forecasting, whether based on sophisticated data modeling such as predictive analytics, or a remarkable intuition for sensing patterns, trendspotting does not come risk-free. Yet as Eric Siegel, author of Predictive Analytics, stated during his speech at The Marketing Partner Forum in January, "predictions are better than guessing."

Now, we are well aware that for the most part risk is not a popular concept among attorneys. Dr. Larry Richards' research on lawyer behavioral characteristics confirms this, with lawyers scoring almost twice as high on skepticism than the general population. So as you begin to practice and hone your trendspotting skills, I offer a few suggestions on how to implement and take the next steps:

**1) Think small to start**

Although so many of the examples and techniques in trendspotting demand that you think big – get out of your comfort zone, explore "big" ideas and exercise creativity and innovation – in the execution phase it is perfectly reasonable to scale back. I'm not advocating dabbling in a new area – that's a recipe for disaster – but instead identifying a small, well-defined step you personally or the firm can take to test a concept. For example, if you have identified an increased demand for using contract attorneys on certain types of matters, begin to offer this option to a select group of clients who, based on your research, have shown a proclivity to this model or have matters well-suited to a different staffing approach.

**2) Do due diligence**

Just as lawyers encourage clients to fully understand the implications of various paths in executing a contract, transaction or case, trendspotting is more effective with a dose of scenario planning. Depending on the methodology used to uncover a burgeoning trend, there may be additional opportunity to conduct research and due diligence to confirm what you've identified. If your gut sense tells you there is a shift among your clients to use smaller firms, get data from a third-party resource such as TyMetrix or MonitorSuite to test your theory. If research reveals a trend toward increased consolidation in one of your clients' industries, take the next step to speak with a select group of clients to confirm this shift and discuss its impact. Often, the expense to reality-test a trend using existing data sources or through custom research is miniscule compared to the reward of success (or risk of failure).

**3) Hellre än bra (Swedish to English: spontaneity over perfection)**

Prediction is not perfection. If you could foretell the future with certainty, well then, our work here would be done. The concept that an idea surfaced through a trendspotting exercise will be foolproof is folly. The challenge is to find a way to come face-to-face with uncertainty, acknowledge the risks and still jump in with full abandon. It may not always be pretty but at least it is movement.

In the research industry, we call this inability to progress without more information *analysis paralysis*. The desire to achieve perfection outweighs the practical knowledge that a complete understanding or mastery of a situation is near impossible. Don't let statisticians convince you otherwise. The truth is, real-life circumstances rarely adhere to the rules imposed upon them in order to perform mathematically based calculations. We are not rational buyers. There is no random sample. Predictive analytics is as good as it gets in most circumstances. And anecdotal evidence has value too.

Trendspotting is like using a rope swing to jump from a cliff into the lake below. You can gauge the specifics – the depth of the lake, the security of the rope, the trajectory of the swing and drop to the water. You can even take a few swings and land safely back on solid ground, just for good measure. But once you are ready to take the leap, if the jump is too timid, you won't make it far enough to take the dive.

Enter into trendspotting with open eyes and an acceptance of the limitations. Establish guideposts for what risks are acceptable, or not, and outline ways to mitigate the impact of those risks (including, perhaps a few pilot tests). It's ok to think big and act small at first. Do your research. And then jump – BIG.