

"FEEDER BUSINESSES"



What do a drop-off shop for online auctions, a photographer specializing in flattering snaps for dating sites, and tasty sandwiches sold at airport gates have in common? They're all part of an ongoing surge in **FEEDER BUSINESSES**; small, sometimes tiny, new businesses and services that feed (off) New Economy (there, we said it!) stars like eBay, Google, Match.com, or Amazon. **FEEDER BUSINESSES** often create a win-win situation: they make it easier for consumers and businesses to use a key service that, thanks to its popularity, reach and depth, has become so sophisticated that getting the most out of the service requires help from specialists.

Is this a brand new phenomenon? No. Is it picking up speed? Yes. With the dotcom crash becoming a distant memory, and the **ON-LINE OXYGEN** and **MASS CLASS** revolution just beginning, even the most specialized of specialized **FEEDER BUSINESSES** will now find a sizable local or global consumer audience. In fact, the economic uncertainty that has been nagging mature markets like the US, EU and Japan over the last few years has obscured the fact that innovative new products and services are popping up faster than ever before! And it's not just the online world: entire industries from travel and transportation to retail to food & drink are experiencing the forces of creative destruction on an ever grander scale (just think no-frills concepts in aviation, or super-short product cycles in fashion. From easyJet to H&M to Zara!).

However, we're not going to bore you with in-depth economic analysis, or lengthy musings on Porter's 'clusters' (we'll actually save that for the soon-to-follow trend update ;-). For now, just ponder these examples of some of the latest **FEEDER BUSINESSES** out there, and get inspired to dream up some new businesses of your own:

Before (small) and after pics from soulmatepics.com



• **ONLINE DATING**: servicing Match.com customers (and other mega-online dating sites) are **FEEDER BUSINESSES** like Profiledoctor.com, which edits customers' ads to attract more potential dates. Want help writing an enticing dating profile? e-cyrano.com is at your service. And as a picture says more than www.trendwatching.com

a thousand words, Soulmatepics.com does photo sessions in 15 US cities from USD 129. They have a competitor in SingleShots.com, going after the same niche market. May TRENDWATCHING.COM humbly point out that the prospects for **FEEDER BUSINESSES** servicing ever-expanding online dating and social software services are BIG, on a worldwide scale?

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• **AIRLINE MEALS**: we've gone from free, lousy on-board meals to pay-as-you-go food that's still not so great. Now, clear the runway for **FEEDER BUSINESSES** that sell high quality meals, at the gate or ordered online from your home or office, including delivery ON the plane. Case in point: Alpha D'lish. Passengers flying on a number of Virgin Express flights from London, Brussels or Amsterdam can now choose and order from a menu on the Alpha D'lish website (up to 48 hours before their flight), which includes delectables like the 'Fresh Start Breakfast' and the 'Oriental Feast'. Pre-ordered meals are then served on board by the crew during the normal meal service, and come in an environmentally-friendly box that doubles as a tray.

UK-based Alpha D'lish is actually a division of Alpha Catering Services Limited, a company that currently provides tens of millions meals a year to around 100 airlines, which means that more travelers may soon be able to try out the Alpha D'lish service. Not to be outdone, stylish US no-frills carrier Song recently started offering meal pre-ordering up to 12 hours before departure (making use of flightgourmet.com, who also work with Danish Maersk Airlines). Airport-based competition is starting to emerge as well (literally at the gates!): HMS Host offers ready-to-go meal packages at Schiphol Airport, at the cross section of Piers B and C. Expect **FEEDER BUSINESSES** in the no-frills arena to expand rapidly, from catering to entertainment rentals.



• **ALMIGHTY EBAY**: selling on eBay these days is quite an endeavour (feedback ratings, product descriptions, price strategies, PayPal accounts!), so what started out as the ultimate do-it-yourself service has turned into something better left to professionals. At DropShop in Munich, Germany and AuctionDrop, iSoldit, AuctionWagon, and Quikdrop.com in the US, consumers and businesses can now drop off items they want to auction. Staff will evaluate the goods, take professional photographs, and prepare an attractive, detailed listing on eBay. They'll then track the auction, answer questions from prospective buyers, and process payment when the auction closes. Once an item has been sold, they'll ship it to the winner, and send their customer a check minus the shop's commission, which ranges from 20 to 40% of the final selling price. Items that don't sell are returned.

Also witness the massive growth of eBay's Trading Assistants Program, which allows individuals to leverage their eBay selling experience by selling and buying on behalf of others. More than 21,000 people worldwide have registered. How's that for **FEEDER BUSINESSES** promoting re-intermediation?!

OPPORTUNITIES

The above is obviously just the tip of the iceberg. We are still in the early stages of a 'Creative Revolution', and the e-Fortune 50 emerging now will be an e-Fortune 500 in 5 years, with an equally big increase in accompanying **FEEDER BUSINESSES**. Nevertheless, it's never early enough to start asking yourself: could you or your clients 'feed off' successful new businesses in an unexpected way? Could you create a company that would immediately attract feeder businesses (and thus help you grow the business rapidly)? More on this trend in our April edition, including some innovative Google-inspired **FEEDER BUSINESSES**. >> [Email this trend to a friend](#).