Accelerating technological improvements have changed the speed with which new innovations penetrate markets. Graphed over time, the market adoption of innovations now resembles a dramatic shark fin—a dangerously deformed version of the classic bell-curve model of diffusion. Two forces have compressed the bell curve: near-instant market saturation by new products and the rapid obsolescence of digital components. As a result, many companies struggle to find new sources of revenue after a big-bang success.

The authors of this article describe seven mistakes that make enterprises — incumbent businesses as well as startups — highly vulnerable to such flameouts: (1) The company is too lean. (2) Its capital structure is built to fail. (3) It has lost its founder. (4) It's overserving investors. (5) It "won the lottery" by getting lucky with a big-bang disrupter. (6) It's held captive by regulators. (7) It anticipates customers who don't exist.

Based on your current understanding of capital structures and related costs, carefully read through the article and - using your own words - describe some of the tactics the authors propose for ensuring that a business becomes what they refer to as "a second-act survivor". No more than two paragraphs.

In the article, "Finding Your Company's Second Act," by Larry Downes and Paul Nunes, the authors write about how to survive the success of a big-bang disruption. The reason that companies spiral downward is that they grow incredibly quickly and then cool off. Furthermore, new products quickly saturate markets due to accelerating technological improvements. Tactics they explore to survive this are 1) abandoning the on-trend product 2) evolving to build platform or service offerings rather than products 3) and acquiring other smaller businesses to grow and expand the original business before they cannot recover.

The biggest idea that includes Downes and Nunes points is that "most second-act survivors launch not a single product but, rather, an ecosystem. By creating a community of interacting parts in an all-encompassing environment, this complex network is that which we cannot live without. The value can never truly die but only cycle because they have connecting customers, suppliers, and revenue from services provided to all of them (payment processing, curation, dispute resolution, data analysis, quality assurance). Companies have the flexibility to add to their system. Instead of a product, infrastructure is necessary. Amazon and Google are great examples of this. They have no liability with their own products and instead cater to others, being the bridge between people.