

Industry Recipes, Cognitive Freezing and Delayed Responses to Disruptive Innovation: The Case of the Hollywood Film Industry

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Abstract

In this paper, the authors investigate how dominant industry recipes of past success can constrain sector firms delayed response toward disruptive innovation. Whereas most research into disruptive innovation has focused on individual firms, the authors expand such analysis by focusing on industry recipes to look at sector-level influences on corporate mental models. The authors illustrate such recipes and the cognitive rigidities they create by studying incumbent and entrant firms in the Hollywood Film Industry using the foresightful thinking flaws framework. Building on previous work, the authors demonstrate the existence and influence of a dominant industry recipe across the HFI sector. Moreover, the authors revealed that entrant firms do not seek to disrupt the recipe and industry; instead, they seek cognitive credibility amongst their incumbent counterparts and, as a result, cultivate a sector-wide cognitive freeze. To address these findings, the authors evolved the foresightful thinking flaws framework to address the cognitive freeze across the sector and the deficiencies within the recipe that result in delayed response toward disruptive innovation.

Keywords

Disruptive innovation, Delayed response, Foresightful thinking flaws, Industry recipes, Cognitive credibility, Cognitive freezing.