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Company strategy notes

When determining a company's strategy, it is necessary to take into account a huge number of factors: goals, market conditions, the company's position on it, competitors' strategies, organization's potential, technology development trends, product (service) features, competitive advantages, product life cycle stages, costs, etc. Consider everything factors are impossible, therefore, approaches in determining alternative strategies depend on the choice of a priority direction. But what is immutable: a strategy - "this is what makes you be unique, and it is also a brilliant opportunity to capture your uniqueness in the minds of your clients ..." *

It is the strategy that sets the competitive direction, obliges the planning for products, measures to promote them, the level of development of the service, suggests how to implement internal and external communications and what it is necessary to focus on this strategic segment of the company's development.

What is strategy?

Strategy provides an opportunity to survive in the face of fierce competition. Strategy in such conditions is an explanation to the buyer, why he should make a purchase from you, and not from one of your competitors.

Strategy - a distinctive feature and advantage of a particular company or product. The general definition of a strategy has turned out too much; let's try to figure out the concepts and concretize.

Strategy and positioning

In a competitive environment and a huge selection of goods and services, positioning is very important. Positioning is a statement of the position of how consumers should perceive your product, company, brand.

J. Trout notes only five rules for correct positioning. The existing translations from the original books do not correctly place accents, I will try to give my own, in my opinion, correct assessment and translation to these rules:

K. Prutkov wrote "it is impossible to grasp the immensity." In the sea of goods and services, no one is able to accept all offers.

According to Aristotle: "every body strives for peace," the human brain hates confusion, i.e. the concept and the product itself must be simple and clear;

Doubts about human nature, i.e., the question "buy / not buy" constantly arises, which means that it is necessary to try to make the product concept as convincing as possible;

Innovators are few; people are by nature conservative. It is very difficult to change the internal existing installation with respect to the product, brand;

Consciousness of consciousness is possible - the more you have different brands, product lines, or the length of product lines, the harder it is for the consumer to perceive your product.

The important point here is the "linear expansion trap". As a result of this expansion, even a built-in brand turns into "defocused, representing two, three or more products and ideas." And gradually, the brand ... turns into a meaningless word. A specialized, well-focused brand makes a much stronger impression on the minds of consumers, has the best indicators of recognition, memorability and

loyalty, which means it sells better.

Strategy is different from others

Successful positioning is good. Suppose you bring a position about the product, brand, but who said that your position is not similar to hundreds of other positions of your competitors. Repeated attempts to write positioning based on differences from competitors made me think that there are two ways to distinguish - price and quality, and either one or the other. However, D. Trout says that "the ephemeral something called" quality "from a differentiating feature turned into a condition of necessity." In practice, only a lazy person does not speak about quality, and often without even revealing what is enclosed under this concept.

Translated literature somewhere does not translate the concept of "differentiation," somewhere it replaces the concept of "difference." We will further use the "differentiation".

What differentiating ideas exist?

Before all, "it's easier to get into consciousness first, than to try to convince a person of the superiority of your product over the pioneering product." A pioneer need only strengthen his idea; leadership - consumers are always with great respect and admiration for the leader in their field. Leadership can be in terms of sales (our product is bought by everyone), technological (we constantly have new developments, technologies), in terms of efficiency (our product is most effective); traditions - "having a long history ... gives people confidence in the choice" the product itself - its ingredients, the way the product is created. If your product is at the peak of popularity, the whole world should know about it, high popularity or higher than that of competitors, sales growth and are the force that is able to raise a trademark to a greater height; specialization - "to be a master, always weighty in the eyes of non-specialists." However, one has to be careful, in an "all in one place" era, specialization can become a counter-strategy that artificially restricts your market supply. Strategy is effective competition. You can win only by focusing on a fundamentally new, hitherto not invented, or on competitors - after all, everyone is guided by buyers. According to Trout, choosing the right competitive strategy requires an understanding of four types of marketing wars: defensive war — fought by market leaders. These are fresh ideas, new products (to replace the old ones, not the expansion of product lines!), Blocking the actions of competitors, an offensive war is being conducted by companies No. 2 or No. 3 on the market. It is necessary, avoiding the strengths of the market leader, to find its weak spot and launch an attack on this point, and then concentrate all its efforts on it, the flank war is being waged by new or smaller companies in the market. This strategy implies access to the undisputed territory (a small niche not seen by anyone) and assumes an element of surprise; guerrilla warfare is fought by small firms. The main principle is to find a small enough market that such a company can protect, i.e. This is the strategy of a big fish in a small pond. The strategy is honesty. The problem of many companies today, puzzled by writing a strategy, is trivially simple: managers have lost the sense of market reality. This happens for various reasons, for example: the unreasonable desire for "growth" of income "is here and now"; setting unattainable goals that are not based on real opportunities, but on the desire to "achieve something" at any price; delay with the timely transition to a new stage of development, when the weakness of the management of a large company leads to the fact that it becomes impossible to manage the company effectively, a waste of time for the manager to work with new technologies, information overload, etc. It is enough time directly on the management of the business and important decisions. You have to honestly admit to yourself, either you have "recruited" those to whom you cannot delegate powers, or you simply do not want this and the problems of further development are your problems. Tell me the honor of the CEOs ... Do you still sign in print layouts of advertising messages and product catalogs?

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