

## **Strategic Positioning**





### **Objectives**

- Define strategy
- Discuss the nature of strategic positioning
- Introduce the merits of strategic planning





### What is Strategy?

At general management's core is *strategy*:

- Defining a company's position
- Making trade-offs, and
- Forging fit among activities.





### **Principle #1 of Strategic Positioning**

- Strategy is the creation of a unique and valuable position, involving a different set of activities.
  - Serving few needs of many customers
  - Serving broad needs of few customers





Features

Plans

INSIGHTS

About

#### Features

Suppliers

Marketing

Fulfillment Channels

Consumers

Great suppliers deserve access to millions of relevant consumers. Our local market expertise and distribution technology is the fastest way to capture market share.



#### Powerful commerce channels

Get your products in front of relevant consumers across all touch points. Say goodbye to managing listings on multiple marketplaces, developing alternative sales channels, and building relationships with individual resellers.

#### Connect your fulfillment solution

Integrate your in-house or 3rd party fulfillment solution and start selling through our network immediately. Looking for a world-class fulfillment solution? We can help!

#### Incredible consumer experience

By sending a consistent brand message across multiple sales channels combined with a delightful fulfillment experience, your customers can't help but tell their friends.



Learn more

Learn more

Learn more

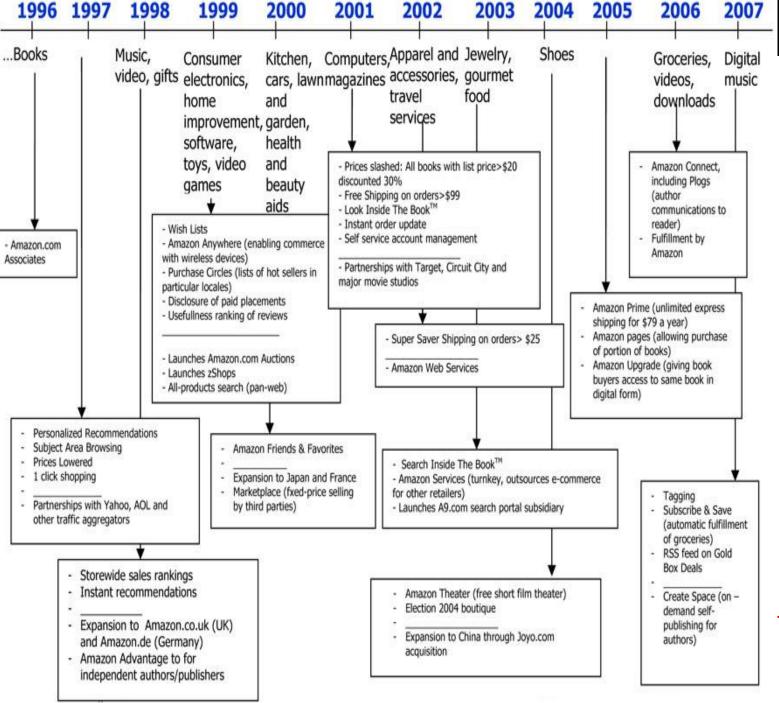


### **Principle #2 of Strategic Positioning**

- Strategy requires you to make trade-offs in competing to choose what *not* to do.
  - You cannot be all things to all people.
  - Focus on developing a solution and a brand that is meaningful and consistent to customers.
  - Emphasize serving one market well and explore growth opportunities later.



Source: www.b2binternational.com



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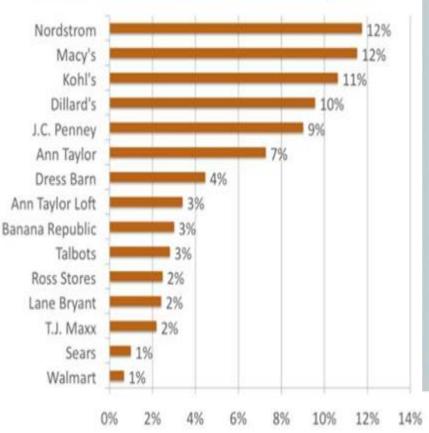
### **Principle #3 of Strategic Positioning**

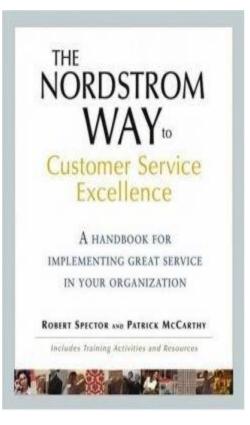
- Strategy involves creating a "fit" among a company's activities.
  - Company activities must reinforce one another
    - Wal-Mart's low cost is supported through minimal personalized customer service and limited ambiance in its stores
    - Nordstrom's higher cost match personalized service
  - Fit drives competitive advantage and sustainability
  - Competitors struggle to imitate well-developed activities





#### **Favorite Business Fashion Retailers Indexed by Store Count**





Source: Market Force Information





# Strategic positioning should uncover new opportunities

- Strategic positions are often not obvious, and finding them requires creativity and insight.
- Entrepreneurs often discover unique positions that have been available but simply overlooked by established competitors.





### **Summary**

- Strategy is the creation of a unique and valuable position
- Strategy requires you to make trade-offs in competing to choose what *not* to do
- Strategy involves creating a "fit" among a company's activities

