

make the hard choices and the physical and mental exhaustion of playing the games is one of the reasons why I don't seek leadership positions. I've often found myself in that position out of necessity but why anyone would seek to be in that position is beyond me. Anyway, assuming you're unlucky enough to find yourself in the role then, a few common mistakes:-

Expand into an overseas market

When our existing market is undergoing a shift from product to more commodity (or utility) then there is often the temptation to avoid the problem by selling into a less developed market. This can buy some time but at the cost of increasing inertia to the change that's needed. You're actively avoiding the problem and the competitor will not only chow down on your existing market but the one you're busy helping to create for them.

We need to innovate more

The problem with trying to innovate your way out of a war (i.e. substitution from product to utility) is that the creation of the novel and new is highly uncertain by nature. It's a gamble. However, this is not what most people actually mean when they talk of innovation. What they're really saying is we need to "*innovate*" around our product i.e. "*We need to differentiate*".

Well, in this case it's far too easy for the competitor to play a *tower and moat* game by copying any successful innovation you create for a product. To explain tower and moat, let us switch roles for a moment and become the company that has launched a utility service into a