

On playing chess

Chapter 19

27 min read

In this chapter, I'm going to introduce some basic concepts that we will use and expand upon when exploring the issue of strategy itself. These concepts include stepping stones, use of policy, nature of capital and finding a balance.

Stepping stones

Manipulating the environment to your advantage is the essence of strategy. In the case of Fotango, we understood our competitive environment and that we were losing the battle in the online photo service business. We were losing this external battle because we had to focus internally on our parent company's needs and that absorbed what little resources we had for investment. Alternative services such as Flickr were rapidly dominating the space. Any differential we had with the service was in image manipulation but being a relatively novel act and uncertain we had no way of foretelling its future. We certainly were unable to predict the rise Instagram and what would happen next, this was 2005. We were also aware that our existing business with the parent company would eventually be caught up in their outsourcing efforts. In other words, I was losing the external battle and would eventually lose the internal one.