

competitors adapt, the pressure on them mounts to adapt (the Red Queen) and though they tell you they want the past, they often end up buying the future. There's no point in complaining that "*this is what the customers said they wanted*" as it should be obvious by now that what a customer says they want and what they actually need are often not the same. This is also why mapping doesn't use an anchor of customer want but uses need instead.

The second problem depends upon whether your competitor is using some form of ecosystem model. If they're using an ILC (innovate — leverage — commoditise, see chapter 5) model then their rate of apparent innovation, efficiency and customer focus will all increase with the size of their ecosystem. This means as much as we try to out innovate, we can easily be overwhelmed by their ecosystem. For example, look at Amazon Web Services. When you consider AWS, don't think of it as going up against a company with a rapidly growing \$12bn in revenue and thousands of developers instead you're taking on the entire AWS ecosystem. You should think of the ecosystem as Amazon's entire R&D effort and ask, do you really have what it takes?

### *We need to cut costs to return profitability*

Whilst cost cutting can be useful to prolong the past and buy time, be careful to avoid the spiral of death caused by self-reinforcing inertia. The past is going, you need to accept this. If you've been caught in such a legacy position then understand your role. Either you're heading for the cliff and aiming for a well padded retirement or using this in the hope of a "*lucky break*" hence you're buying more time and encouraging experimentation.