

Entrepreneurial Strategy

Session 3

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Agenda

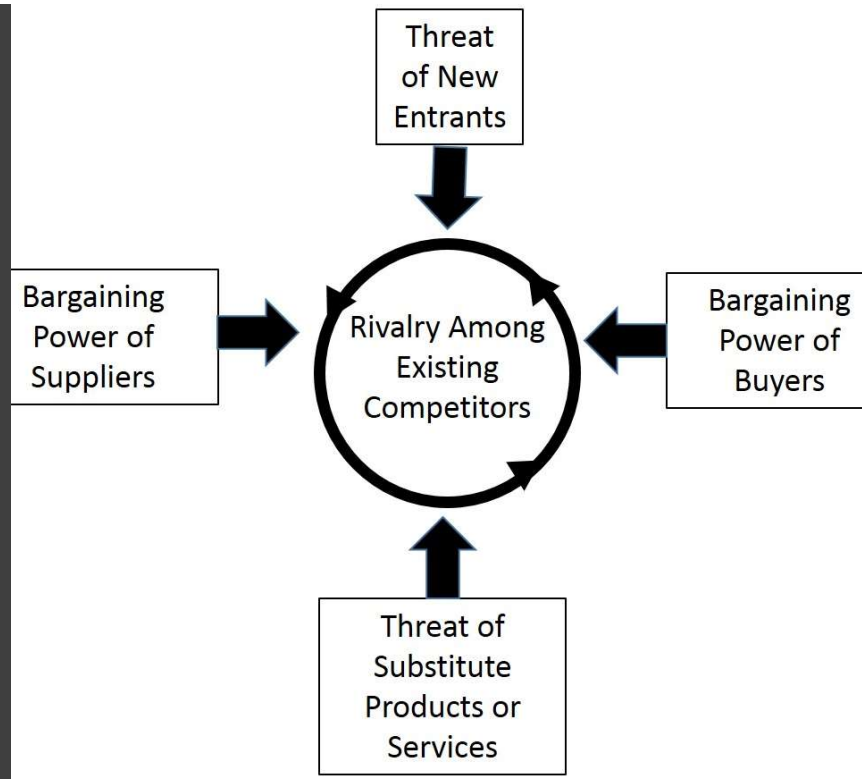


- Recap from last session
- Firm Resources
- Developing a Sustainable Competitive Advantage

Recap from
last session



Porter's 5 Forces Framework



Discussion:

- Threat of New Entrants?
- Bargaining Power of Suppliers?
- Bargaining Power of Buyers?
- Threat of Substitute Products/Services?
- Rivalry Among Existing Competitors?

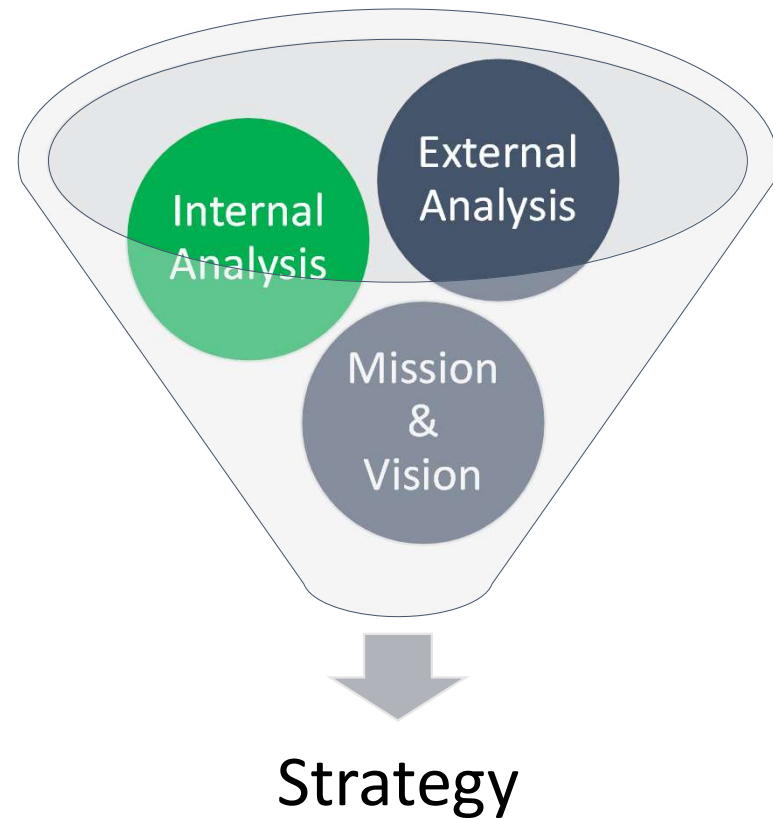


Firm Resources



Where we are?

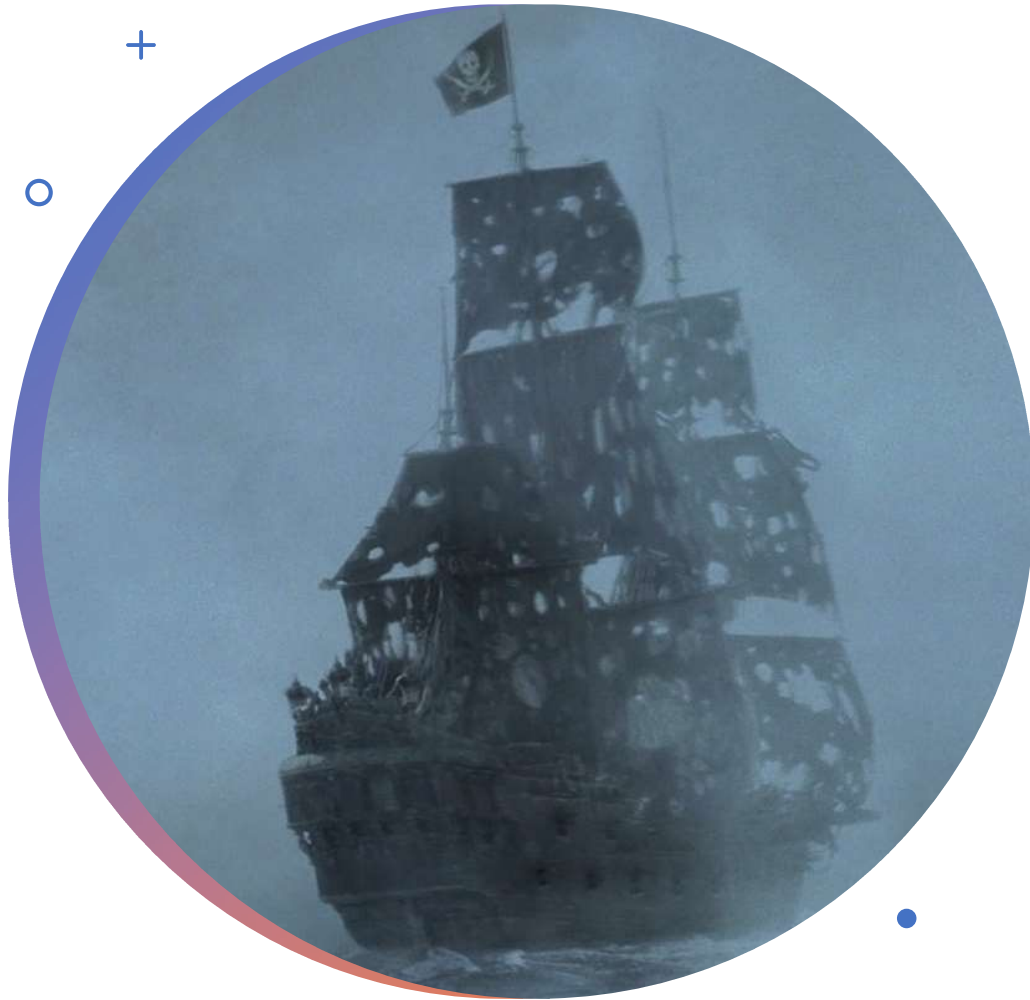
External = Environment
Internal = Firm





Discussion

- Here's captain Jack Sparrow.
 - What do you think makes Jack Sparrow special?



Discussion

- Here's the Black Pearl.
 - What do you think makes this ship special?



Discussion

- Here we have some highly prepared specialists.
 - Why would they apply to join captain Sparrow on the Black Pearl and why they are suitable for the job?

Firms have two types of assets

- Tangible assets
- Intangible assets





Firm Resources

- Firm resources include...
 - all assets,
 - capabilities,
 - organizational processes,
 - firm attributes,
 - information,
 - knowledge,
- ...controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness.

Assets

Examples of Fixed Assets



Vehicle



Building



Hardware



Furniture

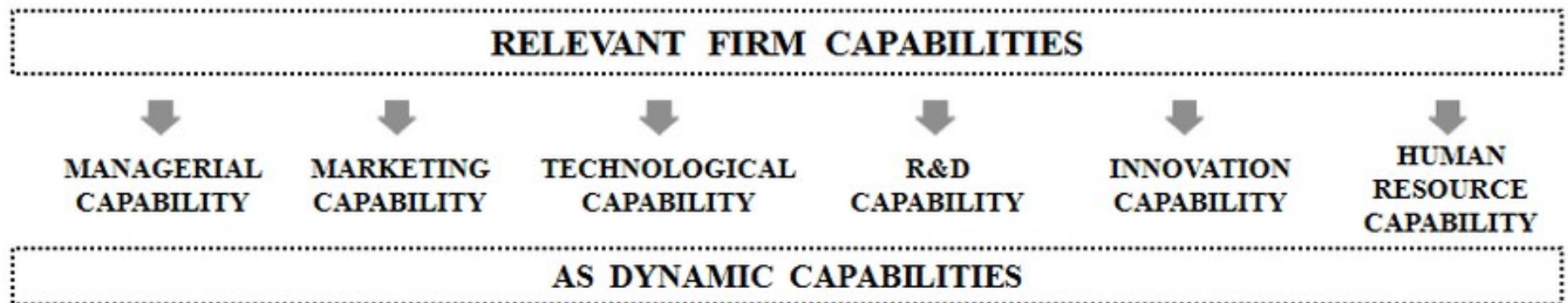


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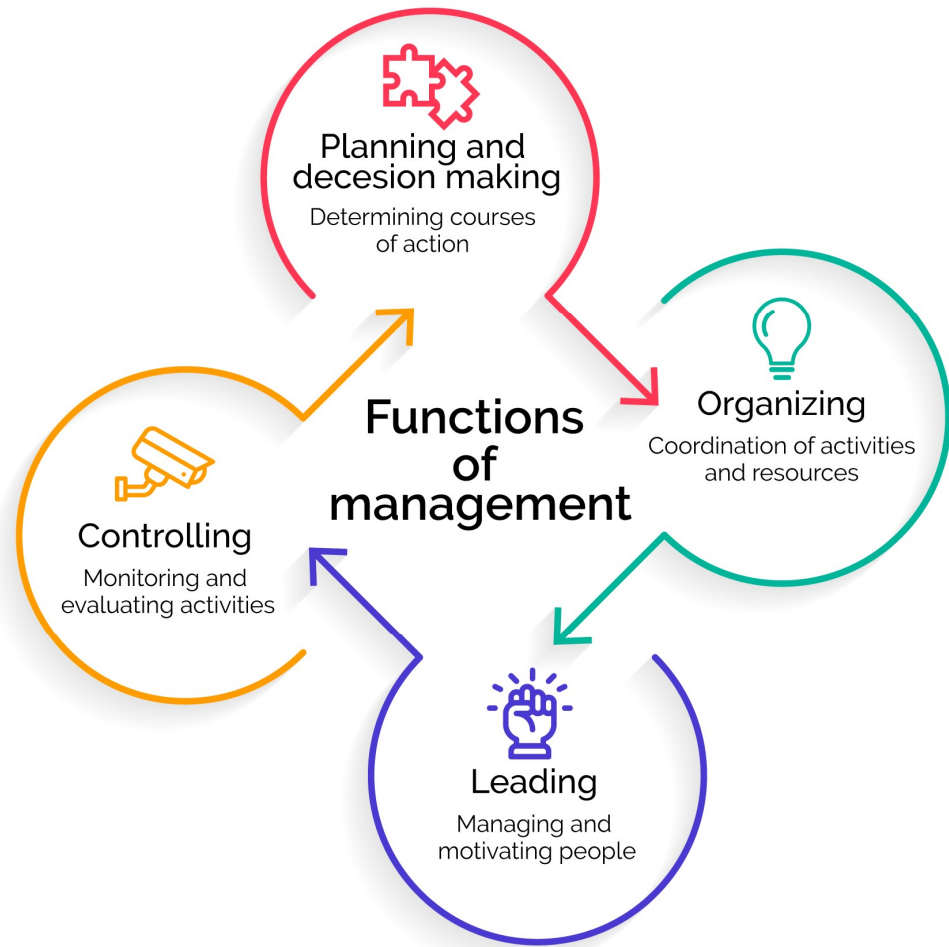


Land

Capabilities



Organizational processes



Firm attributes



Size



Capital
structure



Sales




Profitability



Liquidity



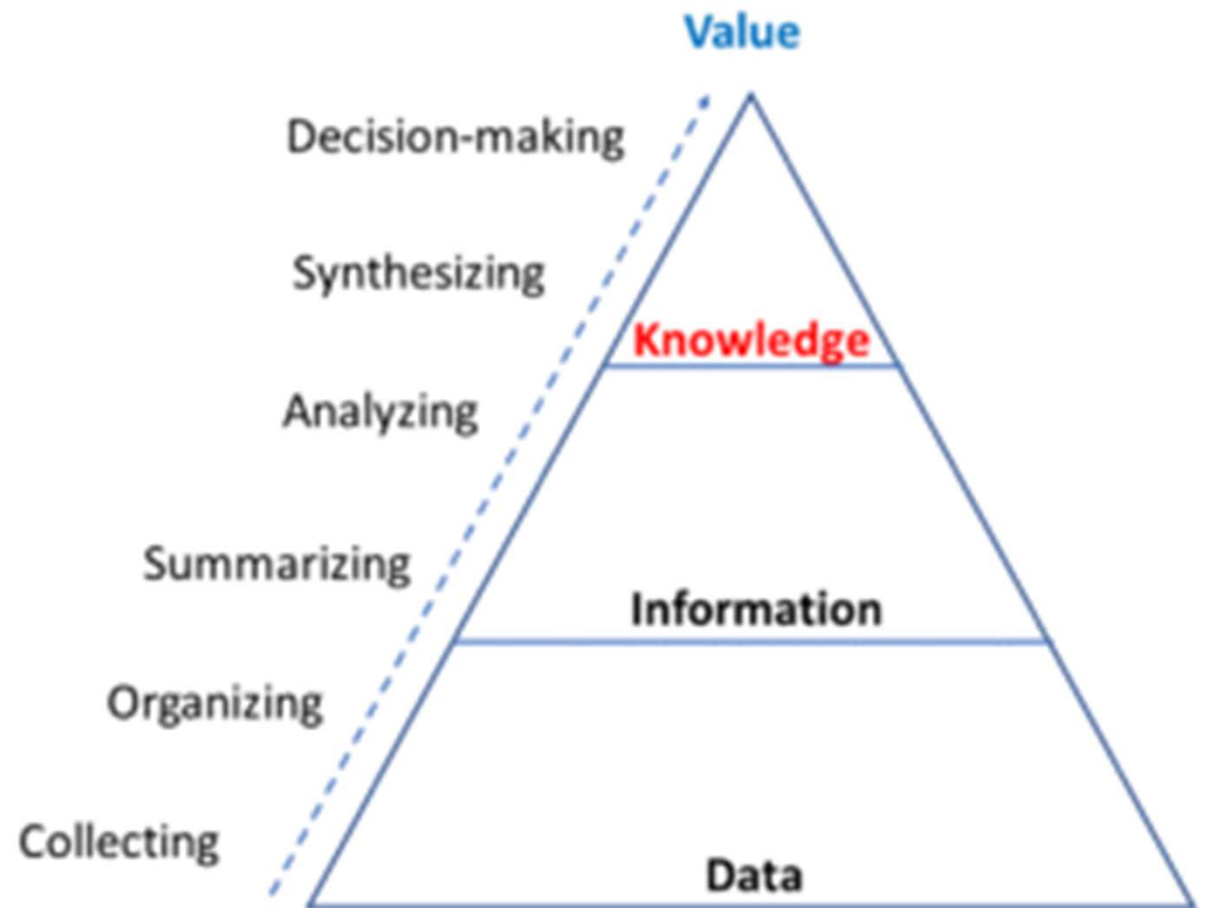
Other



Information



Knowledge



A photograph of Lionel Messi from behind, wearing a blue and red FC Barcelona jersey with the number 10 and his name 'MESSI' on the back. He is pointing both index fingers upwards in a celebratory gesture. The background is a blurred stadium crowd.

Which resources provide
competitive advantage?

Whole Foods case



<https://www.youtube.com/watch?v=qK2INUVfmMQ>
https://drive.google.com/file/d/1aeLzBSFvNj6VKO_UmKJbjRv6nc-Xax4E

Teamwork

- With your team, prepare presentation about Amazon & Whole Foods case and submit to Canvas
- Prepare following slides:
 - Amazon & Whole Foods company background, including their strategy (Mission/Vision)
 - Amazon key firm resources before acquiring Whole Foods (assets, capabilities, organizational processes, firm attributes, information, knowledge)
 - Whole Foods key firm resources before being acquired by Amazon (assets, capabilities, organizational processes, firm attributes, information, knowledge)
 - Key arguments/reasoning why Whole Foods acquisition fits Amazon's strategy.
- Include the names of all teammates in the last slide





Firm Resources

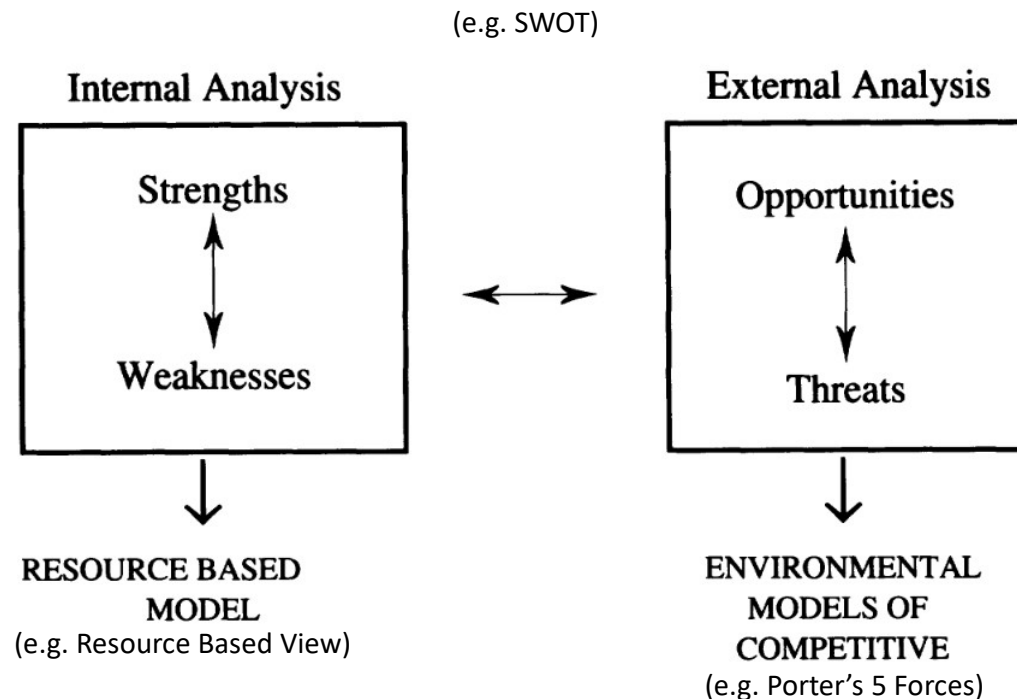
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- Rare?
- Costly to imitate?
- Is a firm organized to capture the value of its resources?

- ● ● ● ● ● ● ● ● ● ● ● ●



Connecting External Analysis with Internal Analysis



- The relationship between traditional “strengths – weaknesses – opportunities – threats” analysis, the resource-based model and models of industry attractiveness.

Assignment:

Which resources provide you with a competitive advantage

by Wednesday, November the 15th, 21:00h

- Add 4-pages to your project proposal answering the following key questions:
 - **Page 1-2:** Provide a description of the underlying technology, describing closely the high-tech involved that makes it potentially suitable for patenting or copyrighting. Provide examples how this technology will help customers to solve their need. Provide technical, performance, and economical specifications of your technology (e.g. cost to produce). Include illustrations.
 - **Page 3:** Describe the expected main directions of commercialization of your project (in the near future and (or) in the future): Define the products/services you expect to commercialize, pricing, possible product/service specifications.
 - **Page 4:** Elaborate, what resources you have within your team (or immediate environment/network) that are valuable, rare, costly to imitate, and the expertise you have within your team that allow you to utilize these resources effectively and outperform potential competitors.

See you next
class!

