# M5L15. First-Mover and Fast-Follower- Introduction

## Slide #1First-Mover and Fast-Follower- Introduction

In this topic, we will discuss first-mover and fast-follower types of companies.

## Slide #2New products

When it comes to launching new products, should your company be a pioneer or a follower?

This question presents a consistent dilemma for some businesses.

## Slide #3Product-pioneers

Product-pioneers face more risk, but they can reap big rewards when an innovation proves successful.

## Slide #4Examples of First-Mover Companies

Some examples of first mover companies are:

## Slide #5Xerox

First, Xerox, which is the pioneer of photocopy industry.

The company made a significant profit from the photocopying business.

## Slide #6Amazon

The second example is Amazon.com, which is the pioneer of online shopping service and ebooks.

## Slide #7eBay

eBay is also the pioneer of online auction.

## Slide #8Apple

Apple is built as a first-mover of product design and integration of software and hardware to deliver differentiated products.

## Slide #9Fast-Followers

Fast-followers, on the other hand, are assured more reliable returns.

Fast-followers closely follow the pace of product-pioneers and therefore have the opportunity to avoid the mistakes that product-pioneers made.

## Slide #10Examples of Fast-Follower Companies

Here are some examples of fast-follower companies:

## Slide #11Fast-Follower Companies

First, Samsung, especially the consumer electronics division of Samsung. Samsung closely monitors what the product pioneers in the U.S. are doing.

For example, what Apple is doing with iPhone, with different types of electronic products and come up with their own version of those devices.

Another example is Google search engine. Google followed the pace of Yahoo.com and came up with a superior search engine to get the market share from Yahoo.

The third example is Microsoft Xbox. The company follows the pace of Nintendo and Sony to develop its own version of the game console and use the company's distribution channel to compete with those Japanese video game makers.

Dell Computer is also a fast follower, especially in the early time of Dell. Dell Computer followed the pace of IBM to deliver a high quality product to specific customers in the market.