

COMPETITIVE STRATEGY

The **unique investments** a company makes in its **value chain** to build competitive advantage and **position** itself in market.

4 GENERIC TYPES

| Profit Driver Market Type | Lower Cost | Premium |
|------------------------------|-----------------|-------------------------|
| Broad Target | Cost leadership | Differentiated Benefits |
| Narrow Target | Cost focus | Premium focus |

4 lower cost drivers:

- Input costs
- Economies of scale
- Organizational knowledge
- Efficiency of user experience

3 premium drivers:

- Feature of the product or service
- Relationship with the user
- Complements