

# STRATEGY - LEVELS OF IMPACT

## 1 INCREMENTAL CHANGES

### DEFINITION

Improvements to the product(s) and operations to better adapt to the market

### COMPANY OBJECTIVES

Grow or maintain marketshare, revenues, profits

### IMPACT ON THE MARKET

The company increases its ability to compete

### STRATEGY FOCUS

- Improvements to customer value proposition and positioning
- Improvements to Product - Market - Fit
- Changes to the business model
- Adoption of new distribution channels
- Expansion into new geographies, adjacent customer segments

## 2 POSITION IN MARKET

### DEFINITION

Deeper investments to change the way the company competes and its position within its category (e.g. Market Leader, Fast Follower, etc.)

### COMPANY OBJECTIVES

Change the organizational structure and core capabilities of the company to become a different kind of player

### IMPACT ON THE MARKET

The company changes the way it behaves and alters the playing field within the category

### STRATEGY FOCUS

- Investments into new core capabilities and changes to innovation model and focus to become a different kind of player:
- Market Leader
  - Fast Follower
  - Innovative Contender
  - Preparer to Exit

## 3 INDUSTRY STRUCTURE

### DEFINITION

Investments that will affect the level of consolidation and market power within several parts of the industry

### COMPANY OBJECTIVES

Increase or reduce exposure to the value chain

### IMPACT ON THE MARKET

Several parts of the value chain go through structural changes and changes in pricing power

### STRATEGY FOCUS

- Entry and exit into new markets / categories
- Verticalization
- M&A and Joint Ventures
- Consolidation
- Divestiture