

Does SME'S need to have strategy?

- What is strategy?
- Choice of direction to create a competitive advantage.
“.....Is it about growth,
is it about being the best”

(there is no best car) (could be adjectives but not strategy) (it could be the objective of the company, but not strategy)

- How are we going to compete?

What segment are you going to serve

- How you can create unique value position choose customers you want to serve and what you can deliver to chosen group.

Strategy is all about overall being different from competition

You don't compete on price because it will be a zero-sum game

Continued....

strategy



Value Chain
activities

- Tradeoff
- Lagging/Leading indicators
- Key building blocks (part of value chain of the company)

Supply chain

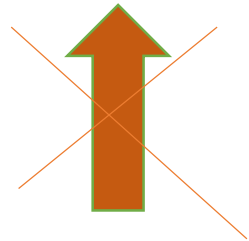
Operations

Service support

Continued...

- Strategy doesn't start at the functional level of the organization

All functional levels in organization to be aligned to the strategy



SME's & Five Forces

- What is SME?
- B to B & B to C
- Five forces:

New entrant

Supplier

Rivarly

Buyer

Subsititue