START WITH STRATEGY:

A BRIEFING ON FRAMEWORKS FOR LEADERS WHO PLAY TO WIN

Strategy Is A Verb™

Strategy is **executing a framework** to achieve an outcome. Strategy is executing; executing is a verb; by extension, strategy is a verb.

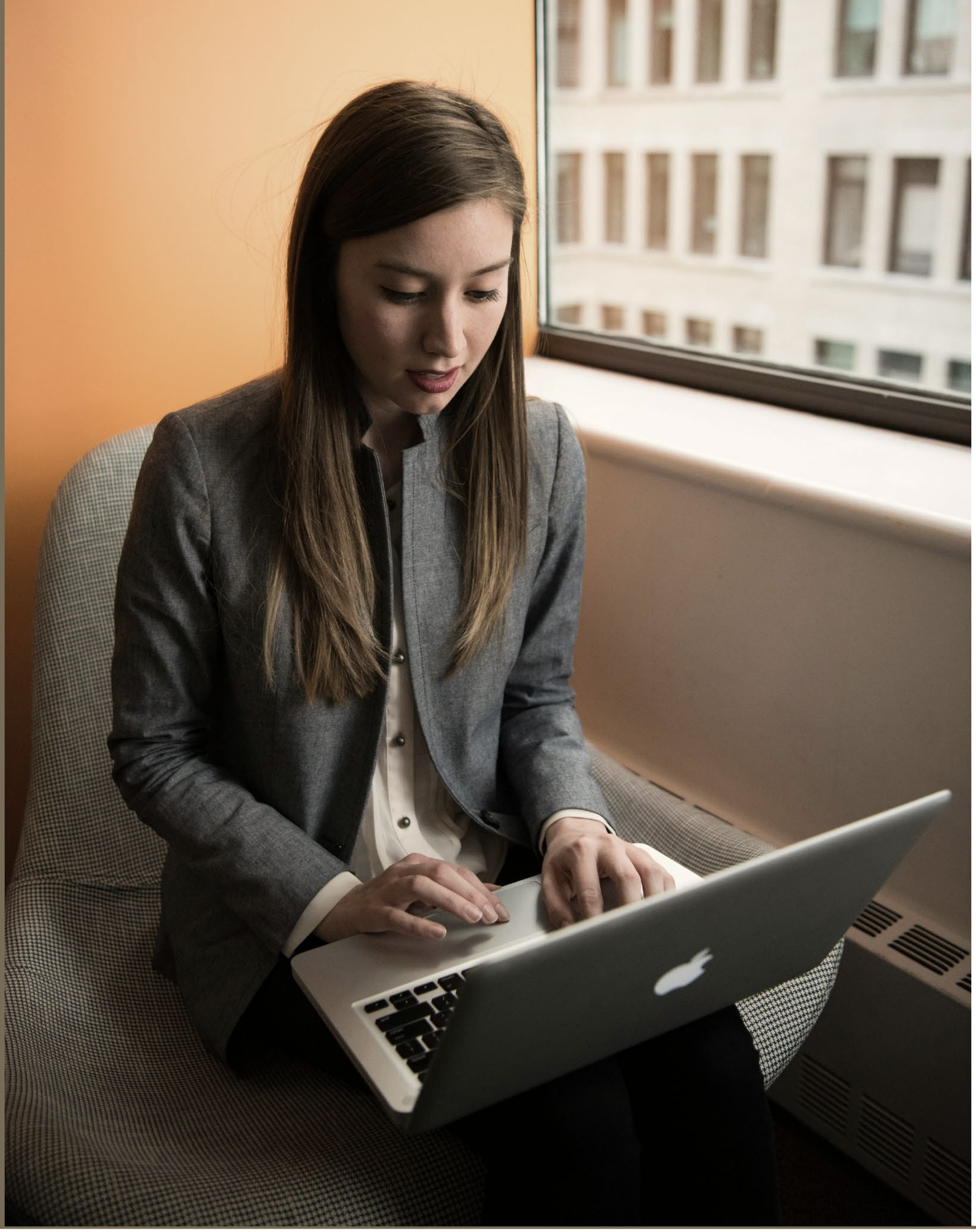
When leaders regard strategy as a static, one-and-done process, it reduces it to a theoretical practice based on conventional, industrial-age thinking. This line of thinking dismisses the dynamic and iterative phases of impactful strategic design, what we call ***frameworking***.

Boxmaking , the thoughtful considerations made during the frameworking process, informs ongoing decisioning by asking and answering three critical questions.

- What are we doing?
- Why does it matter?
- How we will measure its impact?

As the answers evolve, so does the box. Leaders who win with strategy know that the relationship between **the box and the framework is one of constant motion** – and their reimagined playbooks reflect this dynamic dance.

FRAMEWORKING



FRAMEWORK:
Positioning Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

Positioning Strategy

WHAT IT IS

A positioning strategy is a plan developed to establish a distinct and desirable position in the minds of its target customers within a competitive market.

WHY IT MATTERS

To differentiate the company's products or services from those of competitors and create a unique and compelling value proposition that resonates with the company's target market.

HOW TO WIN

- **Market Analysis**: A comprehensive assessment of the target market.
- **Unique Value Proposition**: A relevant, timely, and provable statement that sets the company apart and answers the question, "*why your company instead of your competitor*".
- **Target Market Segmentation**: A process to divide the target market up based on relevant criteria enabling the company to tailor its positioning efforts to specific customer groups or segments.
- **Competitive Differentiation**: A bold declaration of non-parity with the company's chief competitors.
- **Branding and Messaging**: A series of marketing efforts that convey the company's personality and market advantage.
- **Communication Channels**: All mechanisms and mediums used to position and promote the company in relation to its target market.
- **Consistency and Reinforcement**: A continuous and repetitious approach to reinforce the company's unique value proposition, differentiation, branding, messaging, and market advantage.
- **Continuous Evaluation and Adaptation**: A method to stay ahead of market changes and competitors in an effort to extend the company's industry relevance.

FRAMEWORKING

FRAMEWORK:
Defensive Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

Defensive Strategy

WHAT IT IS

A defensive strategy, also known as a defensive posture, is a set of actions and measures that a company undertakes to protect its market share, competitive position, and overall business stability.

WHY IT MATTERS

It is primarily implemented when a company faces external threats, such as aggressive competitors, shifting market conditions, instability, disruptive technologies, or economic downturns. The goal of a defensive strategy is to fortify the company's current position and mitigate potential risks.

HOW TO WIN

- **Market Monitoring**: Ongoing assessment of the company's industry and competitive landscape to include, trend tracking, competitor activities, customer preferences, and emerging market threats.
- **Competitive Analysis**: A thorough assessment of competitors' strengths, weaknesses, strategies, and market disruption opportunity advantages.
- **Protecting Market Share**: The practice of safeguarding the company's existing customer base and market share by mobilizing tactics to strengthen customer relationships and longevity.
- **Intellectual Property Protection**: Safeguarding intellectual assets that are essential to the company's brand, differentiation, and market advantage.
- **Cost Efficiency**: The practice of streamlining and optimizing operational efficiencies and eliminating operational waste and duplicity.
- **Diversification**: An approach that leverages new products, services or markets to buffer the company against volatility or decline in specific capability areas.
- **Strategic Partnerships**: Trust-based relationships with complementary businesses for access to resources, expertise, customer groups, and market opportunities.

FRAMEWORKING

FRAMEWORK:
Offensive Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

Offensive Strategy

WHAT IT IS

An offensive strategy is a set of actions implemented to actively pursue growth, competitive advantage, and market dominance.

WHY IT MATTERS

Unlike a defensive strategy, an offensive strategy aims to exploit new opportunities, typically through market presence expansion and outperforming formidable competitors.

HOW TO WIN

- **Market Penetration**: An approach to aggressively access existing markets to increase market share by deploying saturation and/or disruption tactics.
- **Product Differentiation**: A double-down tactic that over-leverages a company's differentiation to aggressively increase its competitive edge.
- **Market Development**: Entering new markets and expanding into untapped international and domestic geographical areas to diversify revenue streams and support organic growth.
- **Mergers and Acquisitions**: A maneuver to integrate a complementary business to gain access to new technologies, valuable market resources, distribution networks, customer bases, and other high-value growth pursuits.
- **Innovation and Research & Development**: The ongoing practice of evaluating, testing, and implementing ahead-of-the-curve advancements to establish or extend industry dominance.
- **Competitive Disruption**: A highly-aggressive approach that directly targets competitors head-on by challenging their industry positioning, competitive advantage, and differentiation.
- **Strategic Alliances**: Collaborative and complementary practices between businesses that mutually benefit from leveraging expertise, resources, access, and other real and intangible assets.

FRAMEWORKING

FRAMEWORK:
Stabilization Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

Stabilization Strategy

WHAT IT IS

A stabilization strategy, also known as a retrenchment strategy or a recovery strategy, is a hyper-focused set of actions and measures to shore-up or stabilize operations and improve financial health.

WHY IT MATTERS

A distressed company will lose its market position if it faces operational pressures, inefficiencies, or acute market uncertainties that shock or threaten its survival.

HOW TO WIN

- **Financial Restructuring**: Operational practices aimed at rebalancing the company's overall fiscal performance and operational wherewithal.
- **Streamlining Operations**: Ongoing efforts to optimize and right-size the company's most essential functional areas.
- **Core Competencies**: Implementing betterment practices to prioritize the company's strengths, leverage its market advantage, and reallocate resources to support operational excellence.
- **Customer and Market Analysis**: Leveraging customer insights and data to implement improvements or expand market activities and regain customer confidence.
- **Enhanced Value Proposition**: Incorporating methods and mechanisms to strengthen or recover eroded customer relationships.
- **Stakeholder Management**: Focused efforts of effective communication, alignment, and engagement with vested parties to maintain stability and support during acute transitions and challenges.
- **Continuous Monitoring and Adaptation**: Implementing near-term key performance indicators (KPIs) to assess the effectiveness of the stabilization approach and to course correct as required.
- **Talent Retention and Development**: An ongoing commitment to empower people, encourage contribution, and invest in the capabilities and continued growth of contributors.

FRAMEWORKING

FRAMEWORK:
Turnaround Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

Turn Around Strategy

WHAT IT IS

A turnaround strategy is a comprehensive strategic approach used when a company is facing significant financial, operational, or competitive challenges that threaten its viability and existence.

WHY IT MATTERS

Any combination of happening-at-the-same-time adversities that can create peril for the company. These include declining sales, financial distress, low market share, internal inefficiencies, weakened positioning, and recurring attrition.

HOW TO WIN

- **Diagnose and Assess**: Capture data and insights from all functional areas to identify root-causes and outline remedies for implementation.
- **Cost Efficiency**: Optimizing and flattening operational processes to leverage efficiencies and eradicate waste and redundancies.
- **Repositioning**: Strategically coordinated tactics to regain the company's market advantage.
- **Restructuring**: Reallocation and elimination to drive organizational and operational improvements with measurable results.
- **Cash Flow Management**: Oversight and constraints that provide guardrails to leverage favorable, alternative financial options.
- **Innovation**: Leveraging technologies and techniques to improve product/service deliverability and performance that is valuable and significant to key customer groups or market segments.
- **Stakeholder Engagement**: A continuous communication process with parties whose ongoing support is vital to the company's continued survivability.
- **Performance Measurement**: Captured data points and insights serve to inform essential key performance indicators (KPIs) that will be used to measure and inform look ahead operational decisions.

FRAMEWORK:
First Move Strategy

WHAT IT IS. WHY IT MATTERS. HOW TO WIN.

FRAMEWORKING

First Mover Strategy

WHAT IT IS

A first mover strategy, also known as first-mover advantage or a unicorn strategy, refers to the market advantage gained by a company that is the first to enter a new market, introduce a novel product or service, or pioneer a disruptive innovation.

WHY IT MATTERS

The ability to capitalize on being the initial player in the market, which can lead to an enviable market position and an absolute advantage.

HOW TO WIN

- **Market Leadership**: You don't have to be the best, but you do have to be the first. Being perceived as an inaugural player or trailblazer often creates an overwhelming competitive edge over later entrants.
- **Technological Advantage**: Leveraging innovations and technologies to create a barrier to entry for other market entrants that discourage replication (knock-offs) of your first mover offerings.
- **Switching Costs**: Early market entry creates greater customer loyalty within key customer groups. Because brand loyalty is difficult to penetrate, identifying ways to absorb these costs for customers is critical. Customers are often reluctant to switch brands due to their perceptions about the cost of switching.
- **Learning and Experience**: Capturing and responding to learned customer expectations and preferences, as well as feedback from a shifting market landscape, provides rich insights as a learning and listening mechanism for first movers.
- **Control of Channels**: First movers can influence an entire distribution network by securing strategic partnerships, expanding market access, and exerting distribution preferences.
- **Pricing Power**: With a sustained, unique market position, first mover companies can reset industry pricing structures and disrupt long-standing, widely-used pricing models.
- **Preemption of Resources**: With preemptive access to high-value resources (i.e., key suppliers, exceptional talent, preferred placement or geography, and intellectual property rights), potential competitors are hindered in having similar access.

READY TO REIMAGINE YOUR PLAYBOOK?

EMAIL US AT: START@YELLOWWOOD.io