

Offensive Manoeuvres

BY RICHARD MARTIN

Many people assume offence involves automatically going on the attack and taking on the enemy—or competitors—directly, in a frontal assault. While that may be the straightforward and quickest means to go on the offensive, it isn't necessarily the most efficient or effective.

Offence is really more of a mindset than any specific type of actions. It is about seizing and maintaining the initiative. If you have the initiative and are setting the pace for your enemies or competitors, then you are on the offensive.

Businesses often default to frontal attacks. They try to imitate successful competitors with their me-too products. The hope is that they can grab a bit of the pie while limiting risk. Unfortunately, this also leaves the initiative to the leaders as they continue to set the pace of innovation and change. Moreover, once the leader has conquered the best part of the market it can dig in for the long haul and defend its territory against all comers.

Just look at the entrenched position of Microsoft in desktop operating systems and corporate office applications. I may be writing this piece on a Mac, but Microsoft still owns the organizational and institutional sector, and continues to reap huge profits.

How does a competitor seize the initiative from such a well-ensconced incumbent? Manoeuvre is the key. This is the art of using one's strengths against a competitor's weaknesses. Weaknesses can be discovered or created. In military terms, the attacker can hit the enemy in his flank; this corresponds to discovering a competitor's weakness. The attacker can also try to go around the defender by rendering the latter's position irrelevant. This creates vulnerabilities by forcing the defender to respond to the attacker's moves. This dislocates the defender's entire strategy by making him give up his strong position in order to respond to the attacker's disruption and pre-emption. When executed successfully, the initiative passes from the defender to the attacker.

APPLE ATTACKED RIM THROUGH BACK DOOR

When Apple introduced the iPhone it didn't simply imitate the smart phone leader, Research In Motion. This would have been akin to a frontal assault against an entrenched defender. Nor did Apple try to find a weakness in RIM's position, such as trying to improve on the Blackberry or Blackberry services in its existing market, large corporations, institutions, and government organizations. Apple instead decided to go after the underserved consumer market.

Steve Jobs left the corporate battlefield entirely to the Blackberry. He didn't even try to fight RIM on that terrain. By appealing directly to consumers, Jobs and Apple were able to build a formidable position in a market that was essentially non-existent at the time.

RIM initially didn't think much of Apple's bypass manoeuvre. But after a year or so Balsillie, Laziridis & Co. saw that they had no choice but to respond if they wanted to pre-empt Apple getting into their corporate stronghold through the back door. Indeed, individual consumers were so enthralled with their iPhones that they started demanding to use them at work. RIM also realized that future major growth in smart phones was in the consumer market. Unfortunately, they had left the field to Apple by then and never recovered, despite many attempts to do so.

Another illustration of flanking and bypass manoeuvres is Amazon's strategy of developing relationships directly with book buyers and authors. For most readers the most obvious place to look for books is now online, especially at Amazon. This direct appeal to readers has hit book stores in their weak spot by offering a much wider selection, direct home delivery, and much lower book costs. It also uses book retailers' key strength against them. Many people now go to Chapters or Indigo to browse for books, but then order them online from Amazon.

Even more insidious to the retailers' business model has been the invention of the Kindle e-reader (and its many imitators). This has also completely undermined publishers' business model and completely bypassed their monopolistic position with authors. Amazon now offers self-publishing and distribution services to authors for hard copy and e-books. Even more disruptive is the company's decision to enter commercial publishing and deal directly with successful authors.

These examples are emblematic of the revolutionary changes that can happen for companies that are willing and able to manoeuvre against their established competitors. The strategies of Apple and Amazon are paradigmatic in this regard, but there is no reason that the same principles can't be applied in other areas, such as aerospace and defence.



Richard Martin is the president and founder of Alcera Consulting, where he applies his military training as a Canadian Army officer to a range of business applications. He is the author of the book, *Brilliant Manoeuvres: How to Use Military Wisdom to Win Business Battles*.

For more information on Richard and his services visit: www.Alcera.ca