

# \_Strategy



*To recap*

✓ Risk management

✓ HR

✓ Marketing

✓ Compliance



*\_strategy*



*\_strategy*

Set of actions or plans designed to achieve specific goals and objectives. It involves making choices about how resources will be allocated to achieve long-term success among uncertainty and competition.



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Set of actions or plans designed to achieve specific goals and objectives. It involves making choices about how resources will be allocated to achieve long-term success among uncertainty and competition.

It encompasses decisions related to a company's competitive position, target markets, value proposition, and the allocation of resources to pursue a unique and sustainable advantage.



*\_strategy*

Strategy x Tactics (??)



## Strategy x Tactics

✓ Scope and timeframe

Long-term planning (strategy)

Short-term actions (tactics)



## Strategy x Tactics

✓ Scope and timeframe

✓ Level of decision-making

Top-level executives and high-level issues (strategy)

Middle and lower-level in day-to-day operations (tactics)



## Strategy x Tactics

- ✓ Scope and timeframe
- ✓ Level of decision-making
  - ✓ Flexibility

more stable over time (strategy)

flexible and adaptable (tactics)



## Strategy x Tactics

- ✓ Scope and timeframe
- ✓ Level of decision-making
- ✓ Flexibility
- ✓ Measurability

qualitative objectives, harder to measure (strategy)  
specific, tangible, easier to measure (tactics)



*\_strategy*

A tool for strategic INTERNAL planning and analysis...

...the **SWOT** framework



S	W	O	T
Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"><li>✓ things your company does well</li><li>✓ qualities that separate you from your competitors</li><li>✓ internal resources such as skilled, knowledgeable staff</li></ul>	<ul style="list-style-type: none"><li>✓ things your company lacks</li><li>✓ things your competitors do better than you</li><li>✓ resource limitations</li><li>✓ unclear unique selling proposition</li></ul>	<ul style="list-style-type: none"><li>✓ underserved markets for specific products</li><li>✓ few competitors in your area</li><li>✓ emerging need for your products or services</li></ul>	<ul style="list-style-type: none"><li>✓ emerging competitors</li><li>✓ changing regulatory environment</li><li>✓ negative press/media coverage</li><li>✓ changing customer attitudes toward your company</li></ul>



# SWOT

why?

*\* it provides a comprehensive overview of the internal  
and external factors*



*\_strategy*

SWOT

Let's do it together!



*\_blue ocean strategy*



## *\_blue ocean strategy*

- ✓ Strategic framework introduced by W. Chan Kim and Renée Mauborgne
  - ✓ Aim to explore new market areas where there is little or no competition, the so called “blue ocean”



# *\_blue ocean strategy*

## Red Ocean

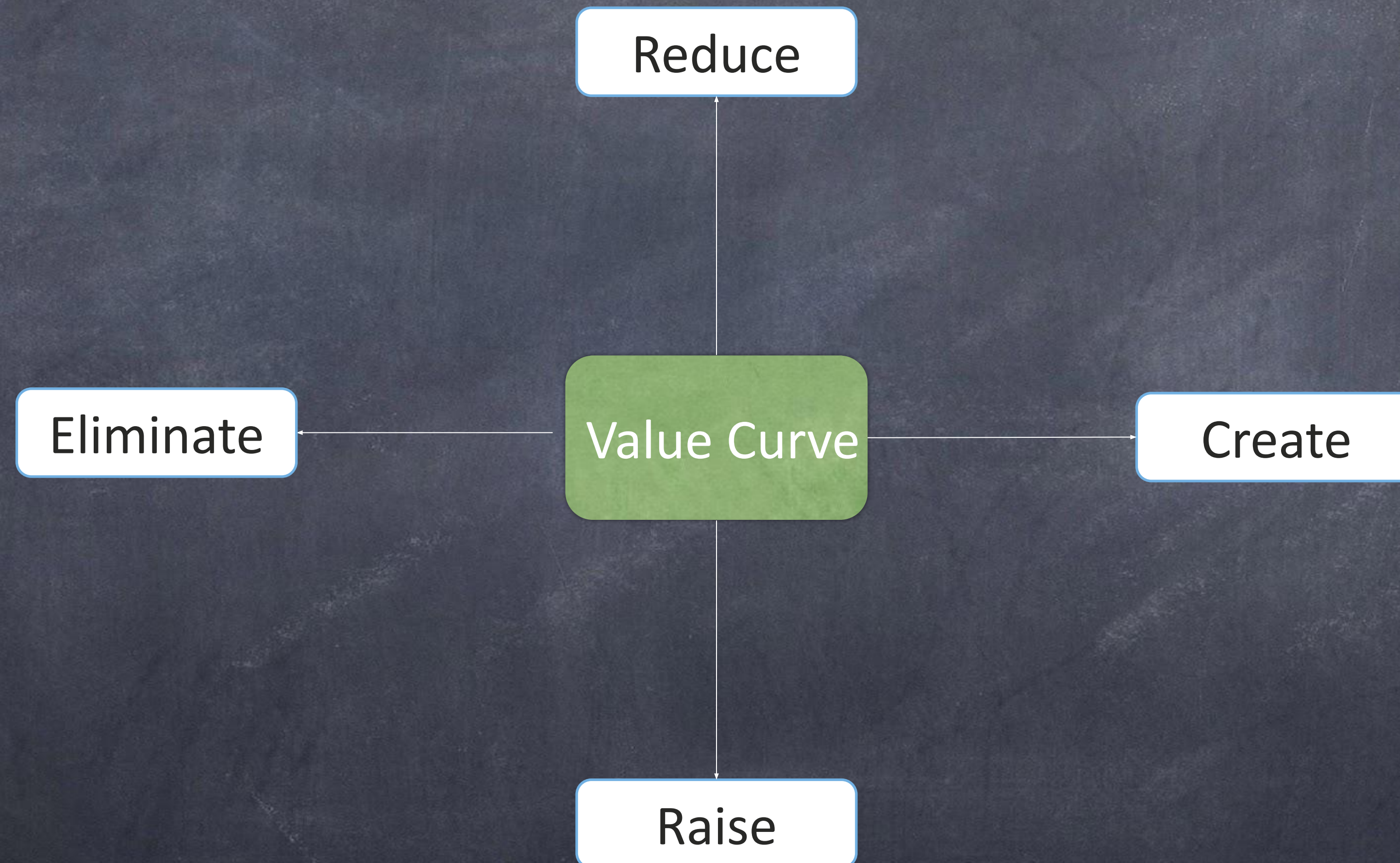
competition is intense, companies compete for the same customers

## Blue Ocean

untapped market spaces, competition is minimal or non-existent



## 4 Actions Framework:





## *\_blue ocean strategy*

- ✓ Eliminate: what factors industry takes for granted and need to be eliminated;



# *\_blue ocean strategy*

- ✓ Eliminate: what factors industry takes for granted and need to be eliminated;
  - ✓ Reduce: what factors need to be reduced below industry standards



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  - ✓ Raise: what factors need to be raised above industry standards



# *\_blue ocean strategy*

- ✓ Eliminate: what factors industry takes for granted and need to be eliminated;
  - ✓ Reduce: what factors need to be reduced below industry standards
  - ✓ Raise: what factors need to be raised above industry standards
- ✓ Create: what should be created that the industry has never offered



# *blue ocean strategy*

CIRQUE DU SOLEIL®



Eliminate: what factors industry takes for granted and need to be eliminated

- no animal acts
- no traditional circus elements





*\_blue ocean strategy*

Reduce: what factors need to be reduced below industry standards

- in-flight services
- seating classes
- complex route structures





*\_blue ocean strategy*

Raise: what factors need to be raised above industry standards

- design aesthetics
- user interface
- overall user experience





*\_blue ocean strategy*

Create: what should be created that the industry has never offered

- a system for making high-quality espresso at home
- single-serve coffee capsules.



Market Size + Intensity of Competition = Industry Attractiveness



# Strategy through Impactful Ventures: the case of Patagonia





# Impactful Ventures: the case of Patagonia

## Highlights of Fast Fashion

- . Fashion industry is responsible for 20% of global wastewater
- . Emissions are estimated to increase by 50% by 2030
- . 92m tons of clothes ending up in landfills annually



# Impactful Ventures: the case of Patagonia

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- In 2016, Patagonia pledged to contribute 100% of sales from Black Friday to environmental organizations, totalling \$ 10M



# Impactful Ventures: the case of Patagonia

- . Opportunities / Problems?
- . Working hypothesis? Hot topics?
- . How and when to generate the highest impact? Timing? Replicability?



# Impactful Ventures: the case of Patagonia

- . Leveraging an existing impactful project (!)

Patagonia Now Sells Used Clothing Alongside New

<https://www.treehugger.com/patagonia-sells-used-clothing-alongside-new-5089233>



# Impactful Ventures: the case of Patagonia

- Leveraging an existing impactful project (!)
- Worn Wear – online store for used gear

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# Impactful Ventures: the case of Patagonia

<https://wornwear.patagonia.com/>

## **Worn Wear is Patagonia's hub for keeping gear in play.**

Why extend the life of gear? Because the best thing we can do for the planet is cut down on consumption and get more use out of stuff we already own.

Join us to repair, share and recycle your gear.



*To note: a similar use case*

<https://segundavida.decathlon.pt/>





# Impactful Ventures: the case of Patagonia

- . Leveraging an existing impactful project (!)
- . Worn Wear – online store for used gear
- . “You buy clothing, either used or new, from Patagonia and wear it till you are done”; then you trade it in a local Patagonia store

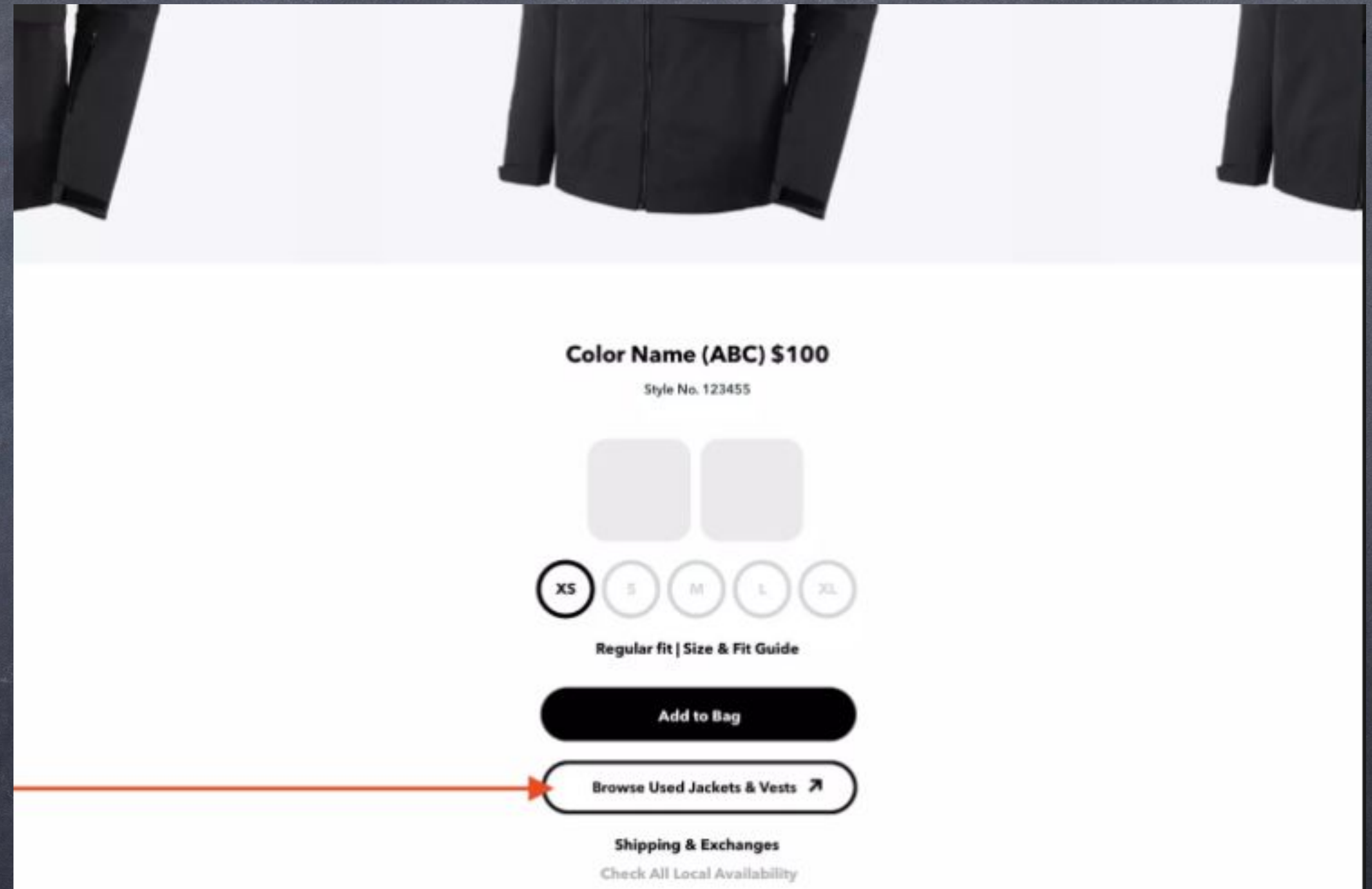
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# Impactful Ventures: the case of Patagonia

“buy used initiative”





# Impactful Ventures: the case of Patagonia

"Buying a used garment extends its life on average by 2.2 years, which reduces its carbon, waste and water footprint by 73 percent. From fixing a patch on your favourite jacket to replacing a busted zipper, each of these individual actions could give us a better chance of living on a habitable planet in years to come. We currently have 35 repair centres around the world, including our Reno, Nevada facility, one of the biggest repair centres in North America. In fact, last year (2019) we fixed more than 100,000 pieces of clothing globally and helped you to fix many more yourself, with over 50 online repair guides."



# Impactful Ventures: the case of Patagonia

*Billionaire No More: Patagonia  
Founder Gives Away the  
Company*





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“Rather than selling the company or taking it public, Mr. Chouinard, his wife and two adult children have transferred their ownership of Patagonia, valued at about \$3 billion, to a specially designed trust and a non-profit organization. They were created to preserve the company’s independence and ensure that all of its profits – some \$100m a year – are used to combat climate change and protect undeveloped land around the globe.”



To come:

✓ More on Strategy



See you on next session :)