

A complex marketplace demands a 'Smart Strategy'

By  Kate Stubbs

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In today's business environment, one of the major obstacles to long-term success is the belief that a business can generalise - and be all things to all people. Given the disruptive nature and complexity of this marketplace, the generalist approach can be fatal. The business ecosystem is large and constantly evolving. As a result, it is those companies that instead choose to specialise and provide a niche product or services that are best positioned to succeed.



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Such a focused approach forms the core of what we have termed 'Smart Strategy'. Many businesses are scrambling to deal with a host of tough external factors – political uncertainty, rising operating costs, currency fluctuations, etc. – while still trying to manage a company with too many moving parts. The key, however, and the core of Smart Strategy, is the ability to identify where the major gaps or needs in the market lie and then provide an outstanding service in the niche one has identified. Then it becomes a case of controlling and creating one's own future by being aware of the controllable – and uncontrollable – factors, and identifying where the opportunities lie.

Often, this requires a degree of creativity and the ability to view the market from a holistic point of view. So, how can I create barriers for entry for my competitors by providing a highly specialised service or product? This forms the backbone of Smart Strategy, and can provide the foundation for a sustainable growth path, even amidst tough market conditions.

A solutions-based approach

Essentially, adopting Smart Strategy means becoming a solutions-based business, no matter which sector or industry you belong to. Today, there is an expectation from the client or buyer's side that the service/product will be provided seamlessly and at a reasonable price point. As a provider then, the question becomes: how can I provide true value over and above this baseline expectation? Invariably, if one has chosen to specialise, the value add is very clearly defined and tangible.

Today, technology has become a key differentiator and can form the operational backbone for Smart Strategy. For example, can I use technology to provide a customised and data-driven solution for my customers? In the logistics industry, the early tech adopters are already reaping the first mover rewards in this regard. More specifically, being able to take the reams of data now available and then turning this into actionable intelligence is fast becoming a strategic imperative.

A shift towards specialisation

In the [13th annual supplychainforesight programme](#), in which Barloworld Logistics reviewed the journey of change and adaptation South African businesses have undertaken over the past year, the shift towards specialisation was evident. The category of respondents termed 'Other' included a host of new job titles and roles, which is indicative of the changes taking place in roles, responsibilities and job structures...undoubtedly driven by the imperative to specialise.

"The profile of respondent industry sectors is beginning to reflect new areas of economic activity in line with the changing face of the business world, and the needs of the market for products, services, technologies and facilities," the report noted. "With entrepreneurial developments and niche startup businesses, this profile of large and small industry sectors will reflect a broader base of business activities. It will also begin to reflect the growing influence of service-related ventures."

Indeed, as the market continues to evolve – with technology as its core driver – those companies that fail to specialise, become solutions-based, and identify opportunities to offer real value will undoubtedly be left behind.

ABOUT KATE STUBBS

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