Business Strategy Lessons from Some Top Foot-balling Nations

By Mwangi Wanjumbi – For Newtimes Articles & info Library – July 2010

If you had not been watching the recent world cup only for entertainment purposes, perhaps we can compare some notes on the likely business lessons. Nevertheless, there is still something to learn even from the entertainment itself.

Towards the final matches of the 2010 world cup football, one could not help but sympathize with the punishment unleashed to the opponents of the German team. England and later Argentina teams were particularly humiliated; each being thrashed 4 indisputable goals by this team which had seemed to be indomitable. Nonetheless, the same German team ended up being eliminated in the semi-finals through a well earned solitary goal, by the Spaniards.

Essentially, the Germans had identified a unique but seemingly unsustainable strategy which resulted into prolific goal scoring against their opponents. In business terms, they had been used to unleashing defeat through employing a lethal franking strategy. On most occasions they patiently waited until when attacked. After repulsing the attack, they were quickly dispatching the ball to the flanks of sometimes unsuspecting opponents. Due to their speed, agility and accuracy, the Germans were constantly able to catch the opponents off guard almost outmatching them at will.

Conversely, the game between Germans and the Spanish team was a different scenario altogether. It seems the Spaniards had realized the mistakes of the preceding German opponents. But above all, they stuck to and perfected their own strategy irrespective of whichever opponents. In particular, they refused to allow the Germans to have any open spaces that would be exploited in the franks. Further, they avoided usage of the wings for attack purposes. Instead the Spaniards persisted in playing the Germans in the midfield, especially in their (Germans) own half.

Like water in the sea fills every open space in the sea bend during tides, the Spaniards used short and quick passes to close every gap in the midfield. Using this approach which is in business terms referred to as tidal wave strategy, the Spaniards exhausted the Germans psychologically. The Germans' long balls and runs from the wings were no more. Even their goal scoring rhythm was disoriented. It seems the Germans had met their match. The end result was the Spaniards' well deserved win.

Incidentally, the same scenario applies to business. It is probably easier to adopt the flanking strategy especially when you are competing against market heavyweights. As the heavyweights continually bash competitors bent on attacking them head on, you take a longer route of going around them. You do this through for instance addressing market needs that have probably been ignored or inadequately attended to. A good example is the

move by SME banks which introduced banking products for previously ignored customers. The move has led to complete re-invention of the banking industry, as the large banks work overtime to reclaim their earlier market share. Another example is Keroche Breweries which seemed to have cut its niche through concentrating in cheap brews. Finally, they are now claiming part of the market share previously enjoyed by East African Breweries to a large extent.

Therefore, following the franking strategy catches the market leaders unawares. Eventually, the underdogs snatch part of the market share from the leaders. In such circumstances, most cases of business rivalry and other dirty competition tricks are interestingly circumvented.

In the meantime, the tidal wave strategy is commonly used by those who believe in "me too brands." These players introduce products or services closely related to the existing ones aiming to snatch part of the market share on hand. Unfortunately, one has to have inexhaustible staying power and resources to overcome already established market leaders. This probably explains why the success rate of most new businesses is only 15 % past the first 5 years.

Ideally, one needs to employ a sustainable strategy which is capable of outmatching the best. The Spaniards correctly assessed themselves and their strategy which they successfully applied until the end of the competition. Further, their staying power and energy punished their opponents not only physically but also psychologically allowing themselves to have the last smile – well done Spaniards.

Comments @ info@newtimesconsultants.com