Case: Young Canada Dock Builders
8 Steps in Planning
Competitive Advantage, Chapter 2
Firm Value Chain
Competitive Advantage, Chapter 7
Market Segmentation

Industry Value System (Industry Level)

Also known as Supply Chain

- Sales and distribution channels matter
- Your choice of where to compete matters
- The configuration of the system influences your market segmentation opportunities
Firm Value Chain (within the firm)

(Chapter 2)

1. You can identify key elements in the firm value chain for your situation
2. You can select which elements you should focus on as you concentrate your efforts
3. In using this tool, the resource allocation among cells is the key.
4. In particular, resource allocation is likely to CHANGE over time based on the market strategy that you will pursue. Use this tool to illustrate CHANGES in what you do internally.

Competitive Advantage Chapter 7: Key Lessons to Retain:

- There are many ways to define an industry.
- There are many ways to arrange a matrix.
. After trial and error, reduce the matrix down so that it is useful in helping you to think and explain.

. Segments have varying attractiveness.

. Attractiveness is based on a combination of:
  o Size
  o Growth Rate
  o Competition
  o Your Situation

. Consider buyer and seller channels in setting up the Segmentation Matrix

. You can indicate competitor positions, growth rates, or changes in firm positioning on the matrix.