In late 2019, headlines around the world trumpeted the collapse of global travel giant Thomas Cook. Amid news of stranded families and freshly-redundant airline pilots volunteering to bring people home for no pay, what most onlookers and pundits alike wanted to know was: what went wrong? How could an organisation with 19 million customers, 22,000 staff in 16 counties and annual sales in excess of £9bn fail? And fail so spectacularly?

Among other things, the reason likely lies in a simple mistake that businesses and decision-makers frequently make. And that is having an incomplete systematic methodology when designing their competitive strategy.

Today’s competitive landscape is more complex and information-rich than ever before. And staying ahead of the game means knowing every aspect of your playing field and the players, old and new, that populate it. It means putting in the time to pursue deep analysis and understanding every aspect of the competition to design the right strategy for your organisation – and to successfully adapt it.

Of course, in reality, it’s never that simple. How do you know which information to capture, and what to discard? How do you filter the data? What about when you need to innovate and implement something new; if it works, great, but do you have the information and the backup plan ready for when it doesn’t?

To remain robust and resistant to change, your competitive strategy must be designed using a complete and systematic methodology. Having a methodology permits you to navigate the overabundance of data; to leverage your intuition and experience without overreliance on either; and to know when management principles apply and when they don’t. A rigorous methodology also helps you think rationally about change, and to make the kind of strategic assessment that overcomes inertia or resistance, and sees you avoid the pitfalls when you need to innovate.
Take Blockbuster. Back in 2004, the home movie and video game rental multinational employed more than 80,000 people in 9000+ stores around the world. Within a decade, the company had closed up shop and the brand is now synonymous with failure. Many people assume that Blockbuster’s demise stems from its inability to innovate in the face of emerging competition from Netflix, Amazon and others. In reality, Blockbuster was one of the first major players in entertainment to experiment with streaming.

The issue wasn’t innovation per se, it was in pursuing innovation without a systematic plan to continue beyond the point when the technology just wasn’t advanced enough to guarantee success. They simply did not monitor systematically. Blockbuster’s woes could have been avoided had they used a comprehensive methodology that permitted them to assess all of the information out there and build a strategy based on a more complete understanding of their market at every step.

In 2007, Jeff Bezos told a Newsweek reporter that his first Kindle would “project an aura of bookishness” because people would not want “a whizzy gizmo” but rather “an austere vessel of culture.” But because Amazon had a complete systematic plan, Bezos was able to adapt fast and effectively when it became clear that his customers did, in fact, want the gizmo.

Similarly, Thomas Cook might have averted catastrophe had senior management taken a more systematic approach to change management – an approach that could have revealed the inertia in the organisation tied to its size, as well as the importance of accounting for overheads in its competitive analysis.

There’s no blue-print for the perfect competitive strategy. Nor is there a single solution that will guarantee success. However, those companies that make it, the success stories that ride with change and define new markets, are those that pursue a methodology that allows them to capture all the information, to process the data, to foresee the outcomes and to figure out the best strategy and the best way to execute it.