

# Strategic Market Management White Paper

## *Strategic Vision vs. Strategic Opportunism*

A strategic vision defines a company's direction with respect to the scope of the product/service markets in which it will compete, orientation (i.e., how its products and services will be positioned), and scale (e.g., target sales volumes, size of operation, number of locations, etc.). To have value, a strategic vision should be based on an insightful analysis of the current and anticipated market environment to determine where the greatest opportunities and threats exist today, and where they will be tomorrow.

In today's fast-paced and ever-changing economy and markets, a clear vision and strategy is essential for continued and future success. Why? Because companies must maintain or develop sustainable competitive advantages in order to compete effectively in any given market at any given time, and these generally take time and resources to develop.



**Strategic opportunism**, on the other hand, focuses mainly on identifying and exploiting the immediate market opportunities at hand. This strategy seeks to leverage the company's existing strategic assets and competencies and avoid commitment. For example, a company guided by a strategic vision might be more likely to vertically integrate or make a long-term capital investment in a special piece of production equipment to serve its market whereas an opportunistic company might choose to enter the same market but outsource all production requiring specialized equipment. In this case, the company guided by a strategic vision will probably have better control over its work product and the potential for greater profits but will also have greater risk with respect to its investment.

So which is the best approach: strategic vision, opportunism, or a combination of both? The answer to that question depends on the individual facts and circumstances and can only be determined on a case-by-case basis.

In the current competitive environment, where traditional markets and even the staunchest industries are being challenged, a casual approach to business development is asking for trouble and greatly diminishes a company's prospects for continued success. The reality is that market dynamics change and strategic refocusing should be constant and unrelenting. It is said that chance favors those who are prepared. **The**

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**key then is to foster a culture within the organization that is conducive to planning and to implement an efficient, formalized process to help management identify and proactively respond to external threats and opportunities and deal with internal issues.**

Our experience reveals that most businesses have some internal issues or roadblocks that need to be resolved, but the area where they need the most help and are the least prepared is in managing top line profitability. NBFC's best-practices strategic market management service is especially designed to help companies achieve both of these objectives. Unlike approaches that focus on a single planning event, our approach is comprehensive in scope: we empower you with a complete turnkey process and planning system including staff training.

For more information about **Strategic Market Management** and an overview of our best practices planning service, we invite you to click on the link below. The booklet is also a useful tool for benchmarking your business development process.

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