

This article appeared in BA Upfront, August 2004

Seize the high ground with a “snotklap” ***Tony Manning***

South Africans have a wonderful way with words. Many local terms are both unambiguous and highly descriptive. One that every strategist should know and use is “snotklap.”

Translated, it means that you hit an adversary so fast and hard that they can't defend themselves, and their body fluids fly out of every orifice. Not a pretty sight, but damned smart when you're threatened.

This is not a call for more violence. But just as playground bullies get away with their antisocial behaviour because no one stops them in their tracks, so do companies. If you let your competitors believe that anything goes, you can bet they'll push their luck and hurt you.

Most firms wait too long before responding to competitors. While they “do another study,” analyse the numbers one more time, fine-tune their plans, and talk, talk, talk, their enemies gain strength, build confidence, and get an exaggerated sense of what's possible. And this leads them to do silly things.

They'll poke their noses into a market niche that you thought was yours forever. They'll chase after your best customers and tempt them with wild promises. They'll launch products that look just like yours. Or they'll slash prices to lunatic levels.

When competitors think you're a ninny, they're sure to take advantage of you. And who can blame them? They're not clairvoyant, after all, and have no way of knowing how you really feel. And when profits are the prize, good behaviour is not guaranteed.

When you're faced with an aggressive competitor, speed is essential. It's best to move fast, and establish the rules of the game, rather than “wait and see.”

Sometimes, of course, it does make sense to hold back. It gives you the chance to examine your competitors' strategy and adjust yours accordingly. But recognise the risks. If you delay your start, you may never catch up. If you let them gain momentum, they may outpace you forever. If you let them build capabilities, tie up distribution, or define standards, you may be locked out of the game forever.

But when you act quickly and surely, you take the wind out of their sails. You make it impossible for them to build up the head of steam and put in place the strengths they need for the long haul. And most important of all, you destroy their confidence and make them doubt their own strategy.

A “snottie” can be real or it can be symbolic. The first type can be seen and felt. Your competitor launches a new product, so you lash back with a better one. They advertise, so you up your budget or switch to an even more creative campaign, upgrade your service, or launch a dealer promotion to grab shelf space. They cut prices, so you undercut them. (Or, in an extreme situation, they do *one* of these things – so you do *all* of them!)

A symbolic blow, on the other hand, sends a powerful signal that you're not to be messed with. When a rival makes a move, you immediately announce a counter-attack. You spread the word that you're really, really angry and ready to do whatever it takes to beat the crap out of them.

Strategic signalling is critical in the fight for market share and profits, and may outweigh the need for special capabilities, unique products or services, or reserves of cash. In fact, since you'll seldom have as much of these as you'd like, signalling is always necessary.

But watch out. Your competitors will quickly learn to either take you seriously or laugh you off. If you talk without acting, they'll get the message. If you threaten without following through, they'll learn that it's safe to defy you – and defy you they will.

Strategy should not only win customers and profits today, it should also set you up for success in the future. And just you need to train bullies to behave properly, so should you train your business foes to behave themselves. Hand out a few “snotklappe” early in the battle, and they'll get the message.

Tony Manning is an independent consultant in strategy, leadership, and change management. He is the author of *Tony Manning's Management Toolkit*. He can be contacted at strategist@tonymanning.com.