



The first-mover owning substantial market share can enhance their lead by ...

- 1** Build **patent barriers** to protect your IP to delay second-mover's entry
- 2** Maintain **technological lead** and remain ahead of the competition with product improvements
- 3** Influence the **product performance factors** to set the product trajectory
- 4** Set **industry / design standards** or interfaces to align with your capabilities/patents
- 5** Achieve lower **unit cost** earlier and improve your competitive advantage
- 6** Create a brand with a **loyal customer base** who become repeat buyers
- 7** Establish an install base and set-up **switching barriers**
- 8** Optimise **fixed asset configuration** and **processes** to lower unit costs
- 9** Influence **regulatory/legal decisions** to align with your practices
- 10** Build strong **network effects** that increases in value as more users join

Second-mover advantages / opportunities are to:

- 1** Work around patent walls and/or build your **own patent walls**
- 2** Learn from first-mover and **significantly improve** rather than bluntly copying (hard drive miniaturisation)
- 3** Anticipate **shifts in the performance trajectory** as the technology trajectory outstrips users abilities to use further improvements on the classical dimensions
- 4** Use and progress established standards or build your own drastically **simpler proprietary technologies**
- 5** Learn from the first-mover and improve or develop your **own processes**
- 6** Build your own brand with a more suited **unique positioning**
- 7** Build your own switch barriers or better offer your product to a new market and use **rewarding switch barriers**
- 8** Outsourcing the less value-adding processes after studying pioneer; or develop your own **asset configuration best suited to your unique positioning**
- 9** Look out for regulatory changes that open new opportunities or lobby for **new regulatory changes**
- 10** Sufficiently **distinguish yourself** and avoid competing on the same network / target user

