



Strategically Valuable Resources


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A resource is strategically valuable if

It is hard to copy: Rivals can't copy resources if they are physically unique, for example, a desirable real estate location.



A resource is strategically valuable if

It depreciates slowly: Disney's powerful brand name survived almost two decades of benign neglect between Walt Disney's death in 1966 and the installation of Michael D. Eisner in 1984.




A resource is strategically valuable if

Your company – not employees, suppliers, or customers – controls its value: For example, your company does not lose critical knowledge when a key employee leaves.



A resource is strategically valuable if

It cannot be easily substituted:
Because of easy substitution, the steel industry lost a major market in beer cans to aluminium makers.



A resource is strategically valuable if

It is better than competitors similar resources:
A maker of medical diagnostics test equipment designed an easy interface between its machines and people. This design capability enabled it to expand into doctors offices, where office personnel (not just technicians) could operate its equipment.

Source

Competing on Resources, David J.Collis
and Cynthia A.Montgomery, Harvard
Business Review, July-August 2008.

