

## Strategy is Making Choice Under Uncertainty

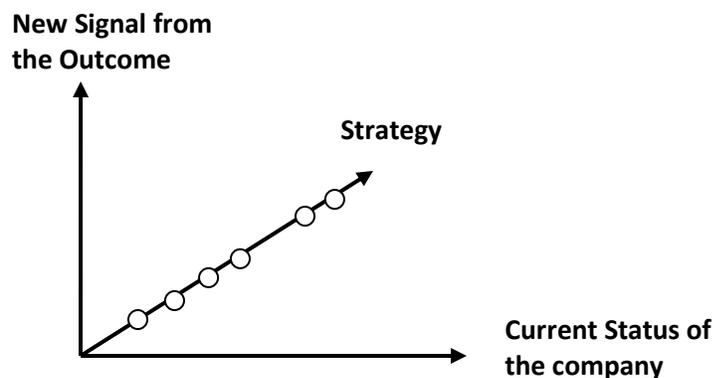
*Strategy is to make choices under uncertainty for better customer value*

'I skate to where the puck is going to be, not where it has been', said Wayne Gretzky. This is true with the strategy too. Strategy is not about turning uncertainty into certainty but making deliberate choices under uncertainty to enhance market value.

Firms operating in the same market segments need to develop distinguishing **strategies** to gain an edge over other competing firms. In order to withstand competition, firms should monitor the strategies of competitors continuously and should formulate counter strategies to deal with the competition. Further, changes in the operating environment need to be monitored by the companies to grab opportunities.

Strategy cannot give any guarantee in advance but it manages uncertainty for consistent success in the competition if following steps followed:

- Make better possible choices today and be responsive to the dynamic outcomes whether positive or negative tomorrow
- Update the strategy based on dynamic outcome and make a decision again to enhance market value
- Make decisions consistently based on dynamic outcome and monitor how the decisions are playing out
- Develop the measurement systems for both outcomes and the particular decision
- Know when the company is going against desired state and make decision again in the light of current status. For example, *Infosys has made a decision to make a payment of USD 34 million to the US government to relieve the company of allegations of visa misuse.*
- Take immediate corrective actions based on two dimensions: Current status of the company and the new signals from the outcome.



Strategy is about consistently making and updating decisions about the uncertain future for better market/customer value.

Topics	Course
Strategy: Marketing and competitive strategies: Unit 10.5	Marketing Management