

The mobile os platform war; and netflix essay sample

[Technology](#), [Innovation](#)



The company you work for has just woken up, smelled the coffee, and realized the potential impact of disruptive innovation on its strategy and its ultimate survival. In particular, your company wishes to avoid Research in Motion (RIM)'s fate in the smartphone devices and mobile operating software systems markets. As part of your company's reassessment of its current situation, you have been tasked with providing an overview and summary analysis of RIM's organizational strategy during those critical years when RIM went from dominant market leader to little more than an inconsequential player in the smartphone devices and mobile operating software systems markets. Your analysis should focus on the concepts from Chapter 5—e. g., competitive advantage, strategy-making process, SWOT analysis, corporate, industry and firm-level strategies, Porter's five industry forces, etc. Your analysis also should include,

An evaluation of RIM's management (or lack thereof) of technological innovation, including whether, and how, Clayton Christensen's concept of "disruptive innovation" impacted RIM (Ch. 6); A comparison to other companies who either unsuccessfully managed a potentially disruptive innovation (e. g., Blockbuster), or successfully managed a potentially disruptive innovation (e. g., Netflix).

Mr. Thorsten Heins,

As part of Research In Motion's corporate team, I have been reviewing our company history to provide an overview and analysis of our current situation and explain why we have ending up on the low end of the marketplace.

Looking a bit deeper into our past as a company, it is without a doubt we

began strong. Right off the bat we obtained a competitive advantage by offering a valuable resource to consumers to improve efficiency and effectiveness regarding their mobile communication needs. Our first innovation of the RIM 900Pager succeed in the market to a pleasing extent and showed us ways to improve on our weaknesses with new products. We used the innovative idea to give people a way to take their email on the go by introducing the BlackBerry. We then gained enough power to set us apart from the rest of our competitors. The problem here was, while we momentarily obtained a competitive advantage, our product's resources were not rare, they were imitable and they were substitutable.

This gave our competitors the chance to duplicate and improve upon our product. Our strategy making decisions also lacked strength to maintain our role as a market leader. We lacked competitive inertia. After the introduction of the BlackBerry to the market, we didn't improve upon our competitive practices. Portfolio diversity and alternative designs would have been key. We simply believed our one product would keep us as the front-runner of the mobile market. Leading us to a situational SWOT analysis, we have a few strengths and weaknesses. Our strengths included developing newer versions of our BlackBerry device, but we lacked environmental scanning of our external environment. While we were busy enjoying our dominant design, our strategic group consisting of Apple, Microsoft, and Google were becoming threats. In the future this allowed us to fall behind and lose our distinctive competence. It is possible we should have taken on a risk seeking strategy to create and extend our competitive advantage. Instead we

avoided risk and relied on our single succeeding product. Looking at our corporate level strategies, we lacked diversification as previously stated.

RIM only relied on the BlackBerry for success while companies like Apple relied on multiple products like the iPhone, iMac and iPod. Acquisition of another company could have made us stronger comparable to the way Google acquired Android making them the market share leader. We also lacked the use of grand strategies while our competitors used growth strategies to improve their overall success. In regards to our industry strategies, we underestimated the character of the rivalry our competitors possessed, the threat to new entrants, the threat to substitutes and the bargaining power they could gain with suppliers. While our competitors adopted cost leadership and differentiation strategies, we remained the same in our positioning strategies. We remained defenders of our practices and our competitive prospectors overtook us in the market. On a firm level, strong market commonality and resource similarity put us in a place for direct competition that we distinctively overlooked.

Because we started out strong with creative and innovative designs in the mobile market, there was a chance we could have kept our dominant design. However, we lacked management of technological innovation because we did not keep up with the technological cycle by “ birthing” new technology. We needed an innovation stream to protect our company from competitors. Instead, technological discontinuity came into play; discontinuous change overtook us with design competition and our dominant design fell behind. We fell into a technological lockout when companies like

apple advanced their technology to touch screens and Google used speech-to-text features. We kept using our trackballs and keyboards. Incremental change only kept feeding our competitors improvement while we lagged.

Lastly, in regards to disruptive innovation, we produced a product that was too sophisticated too fast. People weren't ready for the BlackBerry when it first came out causing it to be too complicated for many consumers in the market. Yes, we succeed at first because we got sophisticated consumers at the top of the market on board, i. e. large firms and medical professionals. However, this opened the door for disruptive innovations because we did not meet the needs of the lower portion of the market and new competitors emerged to fulfill them. In turn, we lost our stake in the market. This is similar to what happened to Blockbuster when Netflix entered the market. Blockbuster sustained a competitive advantage in the movie rental industry keeping other movie stores from entering the market.

However, they failed to market to the niche that didn't enjoy driving to and from the movie store for rentals just as RIM failed to market to the less technologically sophisticated consumers. This is when Netflix took over. They made it easy for people to rent movies at any time with the ease of Internet rental. Blockbuster was caught off guard by this innovation just as RIM's competitors caught us off guard. With Netflix's adoption of the existing resource of movie rental, but with greater innovation they became the market leaders and created a new barrier to enter the movie rental industry. While Blockbuster formerly had a barrier to entry, just as RIM did with the

BlackBerry, innovation that exceeded their own beat them to failure with disruptive innovation.

After this thorough analysis, I suggest we find a new way to move forward. Adopting more innovative designs with a consistent innovative steam will help RIM keep up with the technological cycle. We should do this all while maintaining competitive inertia, conducting environmental scanning, diversifying our company and taking more of a prospector strategic approach.