

Strategy in Fragmented Industries

- 1. Overcoming Fragmentation**
- 2. Coping with Fragmentation**

Overcoming Fragmentation

(Competitive Strategy, Chap 9)

Change Industry Structure

- **Change Economies of Scale**
- **Change Channel Relationships**
- **Change Supplier Relationships**
- **Add Barriers to Entry**
- **Make Fundamental Change to Cost Structure**

Coping With Fragmentation

(Competitive Strategy, Chap 9)

- **Create Competitive Advantage**
 - **Lower Cost**
 - **Add Differentiation**
 - **Increase Barriers to Entry**
- **Tightly Managed Decentralization**
- **Increased Value Added**
- **Negate Aspects of Fragmentation**
- **Add Economies of Scale**
- **Compress Space & Time**