

URL: <https://stvp.stanford.edu/clips/strategy-in-nascent-markets>

Kathleen Eisenhardt, Stanford W. Ascherman M.D. Professor in Stanford Engineering, introduces her definition of strategy and her focus on strategy in nascent markets, which are characterized by uncertainty, ambiguity, and speed. Because these markets are new, founders cannot plan their strategies, but they must still be coherent in order to be successful.



## Transcript

- What is a strategy? 00:00:05,680 Strategy is a set of interdependent activities to create and capture value.. So that's sort of the formal definition of strategy, but it's really how firms try to win against one another.. And a particular place I'm gonna be talking about today is strategy in nascent markets.. Nascent markets are new markets, disrupted markets, and they're characterized by uncertainty, ambiguity, and speed.. So we may not know who the customer is, we may not know what the product is, we have no idea who our arrivals are gonna be, we don't know what the value proposition is.. So they're characterized by either disruption or just being plain old new.. So that's the space we're talking about today, strategy in these kinds of markets.. And the dilemma in these markets is on the one hand, you have to form a novel strategy by doing things.. You can't just plan because the market is too uncertain.. So you can't plan, so you have to do stuff..

On the other hand, you also have to come up with a coherent strategy that fits together so that the product and the go to market and so on all fit together.. So you have to both do thinking and you have to do doing...