

ANDREAS BUCHHOLZ, WOLFRAM WÖRDEMANN
AND NED WILEY

The Impossible Advantage

WINNING THE COMPETITIVE GAME BY
CHANGING THE RULES



A John Wiley & Sons, Ltd., Publication

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About the authors

Andreas Buchholz, Wolfram Wördemann and Ned Wiley all began their professional careers at Procter & Gamble, where they occupied executive positions in marketing. Buchholz and Wördemann are management consultants for the development of ‘topline’ growth strategies, and have published numerous articles in the professional press, including the *Harvard Business Manager*. Wiley is the managing director of a new media operation of the Axel Springer group.



Foreword

This is a book written by marketing experts for entrepreneurs. Not for corporate employees seeking to work their way up the ladder, but for those who, whatever their status, look upon business as a creative and even risky task. It presents a Game Strategy which is based on an understanding of how to change, rather than follow the conventions of the marketplace. As the authors themselves suggest, this Game Strategy is designed for contrarians, 'for people who think big and free.' So be forewarned. This is *not* a handbook for the grey flannel bureaucrat.

But as the authors also argue, they have devised a truly democratic tool. You don't have to be rich or prestigious, you don't have to sit on a world-beating new technology in order to apply these guidelines. You don't even have to have gone to business school. Its recommendations are applicable to the most dynamic independent corporate mogul or to a assistant beginning in the marketing division of Procter & Gamble, where the three authors began their careers. As the authors point out, the wisdom in this work is not limited to marketing or to business. They present a philosophy and a practical method for dealing creatively with challenges, whatever their origin. In fact, the authors suggest that political campaigns are perfect places to begin the study of their theories of Role Games and patterns.

Most surprising about the ideas in *The Impossible Advantage* is that they haven't been widely spread among business and management schools for years. The authors have combed the literature and believe that their ideas have never before been presented as we have them in this book. I believe them, because if the ideas presented here had been revealed even in a less comprehensive form, they would long ago have been applied as one of the basic methods of problem solving at training schools all over the world.

This is one of those books which is almost obvious in the retrospective, but hard to imagine beforehand. Of course Ryanair owed its success to the way in

which it created an entirely new concept for airline operations! They changed the rules of the Game. Of course the Swatch turned the entire chronologue industry on its head. Building your business on a cheap plastic watch broke every convention of the tradition-laden international watch industry. The analysis we are given as to why Ryanair or Swatch were in fact rule changing products are so logical, you wonder why you didn't think of them yourself.

The basic point of this book is that simple: '... those players that take control of the rules in a competitive game enjoy a remarkable advantage over other players that strictly play by the rules.'

I knew that when I was ten years old. I used to tip over the Monopoly board every time my brother got too far ahead and demand that we start again. I usually got sluggish in return. That was the risk-taking part of the strategy. But somehow I knew that the rules on the back of the box didn't always serve my interests. What I didn't know was how to turn this audacious behavior into a strategy for business success.

To correct that deficit, the authors take us through their strategy step-by-step. We start out learning exactly what a game is and is not. We then learn about the origin of rules and what they say about our culture. The authors then explain the concept of Game Masters, the persons and institutions who make up the rules. We are also introduced to the concept of the Game Changer, the person who turns the rules on end.

This is where it gets exciting. The authors point out that games in the marketplace are different from set piece games such as sporting competitions or Monopoly for that matter. In the marketplace, some of the players are also Rule Makers. 'They are changing the rules of a game to their own advantage *while they are playing it*. Compared to ordinary players, they enjoy an advantage that would be nothing less than "impossible" in any formal game or competition.'

Formality versus flexibility. This is not a theory about *breaking* formal rules enforced by a higher authority. It is a strategy for *changing* the 'collection of prevailing ideas, concepts and conventions which competitors believe they must respect if they are to win.' Amazingly, large percentages of business respondents believe that to be successful, they must abide by the established rules of the marketplace, whatever they are. Thus, Game Changers enjoy 'An Impossible Advantage.'

This book takes you through the methods of gaining this 'impossible advantage' in considerable detail. They provide both analysis of how the market functions and of how to devise a strategy for success. It is from this standpoint, a hands-on guidebook for success. At the same time, it is peppered with fascinating

historical background, from how the rules for soccer football were set by a group of persons in a room in England in the 1870's to how an Indian-born economics Professor provided insights based on Game Strategy to help integrate poor countries into the globalized economy.

In fact, while the authors work hard to remain true to their marketing origins, they have written a book well-designed to help us understand many of the perplexing challenges of the globalized age. For most of its history, human society has generally been a fairly disorganized undertaking. Formal rules of business, government and national behavior are generally less than 300 years old. Game Changers were more widespread than were Game Masters for most of human history.

And that was the problem. As the industrial revolution gained steam, society could no longer tolerate the proliferation of Game Changers who had guided its affairs until then. Modern science and technology demands standardization and discipline. Wars are no longer friendly fights among rival Barons. They became catastrophic in their destructive effects. Game Changers became frowned upon. The Game Masters took over and the corporate bureaucrat was born.

The past twenty years have witnessed both dramatic advances in science and technology and an amazing release of human energy which accompanied the end of the Cold War. Whether they know it or not, the Game Masters are being swept away. Both political and industrial structures are changing fast. The result is confusion and at times conflict. Our 21st Century world is in desperate need of creative methods for understanding the new rules of a new age.

The Impossible Advantage will not answer all of the questions being thrown at us at the moment. But it can give us a very important framework for analyzing the confusion which has overtaken our societies and for helping understand how to overcome it. I wish specialists and general readers alike an enlightening journey through these chapters. I am sure you will enjoy it.

John C. Kornblum
Berlin, January 2009

John Kornblum served as an American diplomat for more than 30 years before retiring in 2001 as Ambassador to Germany. Since then he has served as Chairman of Lazard Freres Germany (2002–2008) and as a private advisor to a number of German and American firms. He has also served on the Advisory Boards of Bayer, Thyssen-Krupp Technologies, Motorola Europe and Russell Reynolds. Ambassador Kornblum lives in Berlin.