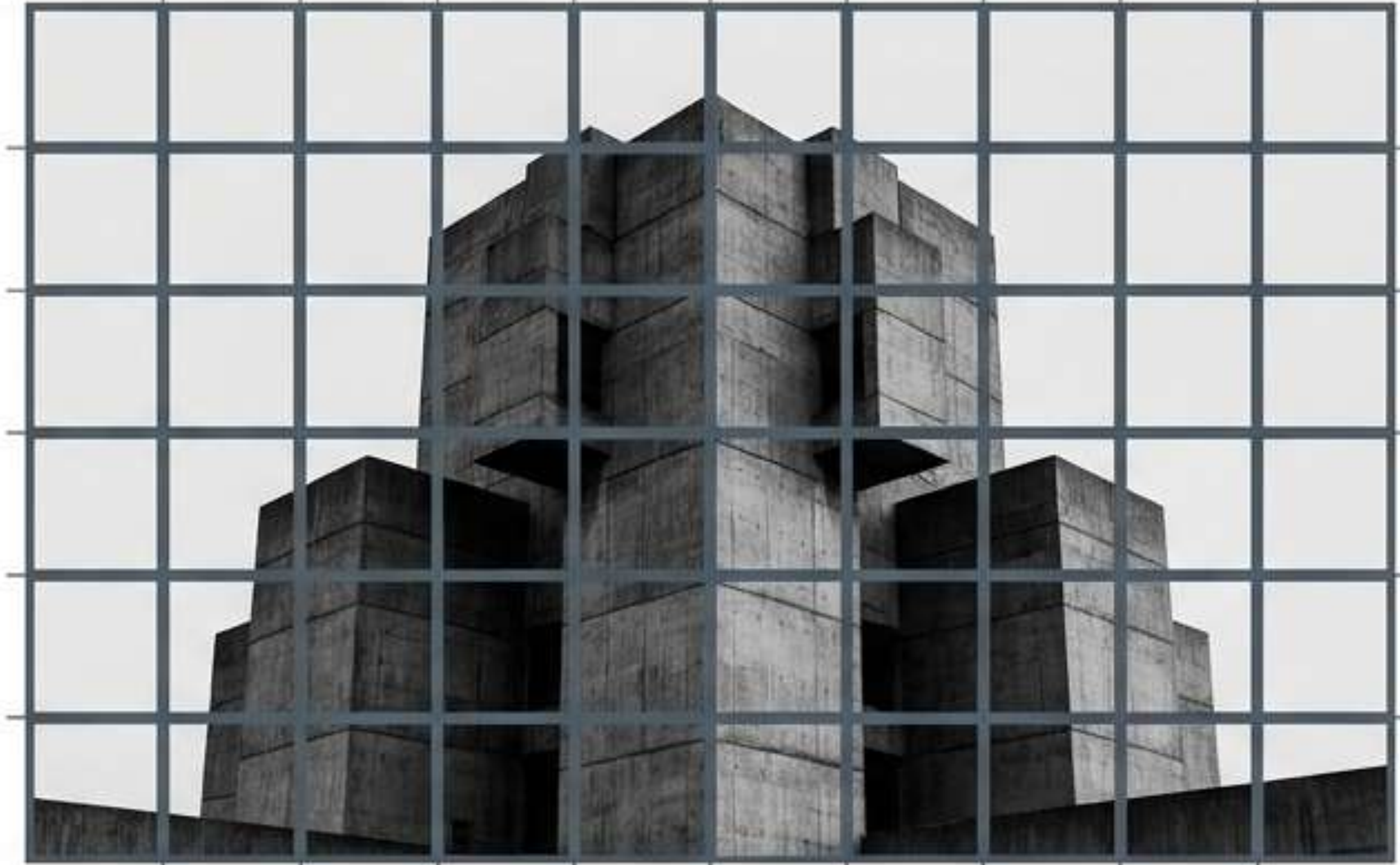
The Architectural Blueprint of Competition

A Strategic Field Guide to Predicting Competitor Behavior

Moving competitive analysis from static description to behavioral prediction.

IDENTICAL RESOURCES DO NOT PRODUCE IDENTICAL RIVALS.

Consider two large financial institutions in the exact same market. Both possess massive capital, millions of customers, regulatory licenses, and respected brands. A traditional market share or resource analysis sees them as identical twins.



The Pivot

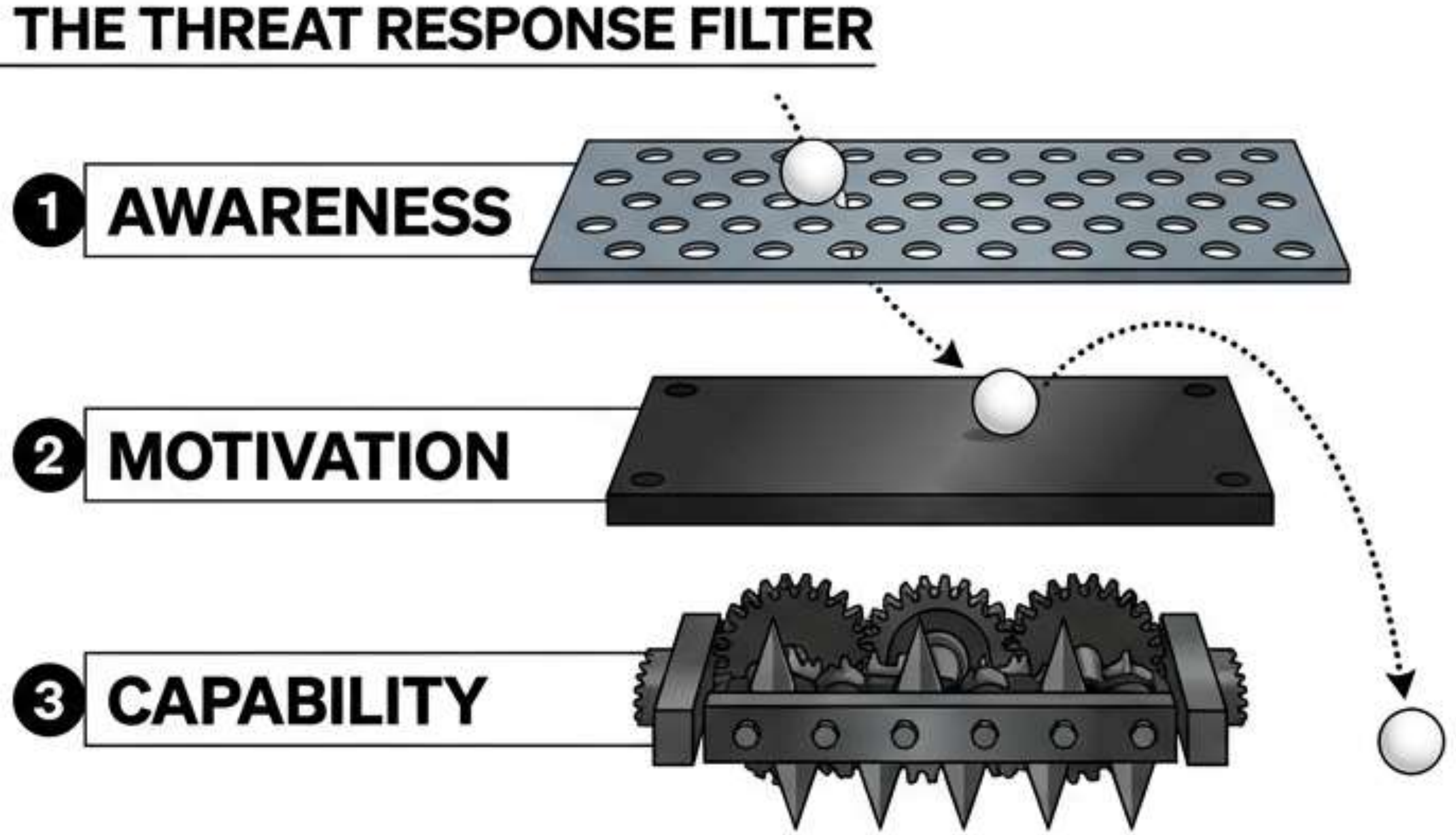
Yet, one behaves like an aggressive challenger while the other acts like a mature cash generator. The difference isn't what they own—it is the configuration of position, capability, intent, and economic objective.

The model is an application layer built on nine established strategic theories.

External Forces	**1** **Industrial Organization (Porter)** Archetype is contextual to the arena	**2** **Strategic Groups (Caves/Porter)** Mobility barriers protect positions	**3** **Resource-Based View (Barney)** Assets must be deployable
Internal Capabilities	**4** **Dynamic Capabilities (Teece/Pisano/Shuen)** Resource stock ≠ Adaptability	**5** **Exploration vs. Exploitation (March)** Refinement vs. Discovery	**6** **Ambidexterity (O'Reilly/Tushman)** Portfolios of strategic modes
Competitive Dynamics	**7** **Competitive Dynamics (Chen)** Rivalry moves and countermoves	**8** **Innovation Theory (Henderson/Christensen)** Architectural vs. component disruption	**9** **Network Economics (Katz/Shapiro/Rochet/Tirole)** Platform and ecosystem value

Capability without motivation equals survival for the attacker.

Probability of Response ≈ Awareness × Motivation × Capability



A startup attacking **a small, unattractive segment owned by a giant incumbent** survives not because the giant lacks Capability, but because the market is immaterial, so Motivation is low.

The strategic question for the startup is: How large can we become before the incumbent's motivation threshold is breached?

The six dimensions of competitive DNA.

$$F_{it} = \{P, R, D, S, C, M \mid E\}$$

[P] Market Position

New entrant (1) to Dominant leader (5)

[R] Resource Endowment

Severely constrained (1) to Exceptional (5). Must be deployable.

[D] Dynamic Capability

Structurally rigid (1) to Exceptionally adaptive (5).

[S] Strategic Posture

Harvest (1) to Aggressively create (5). Defending vs. attacking.

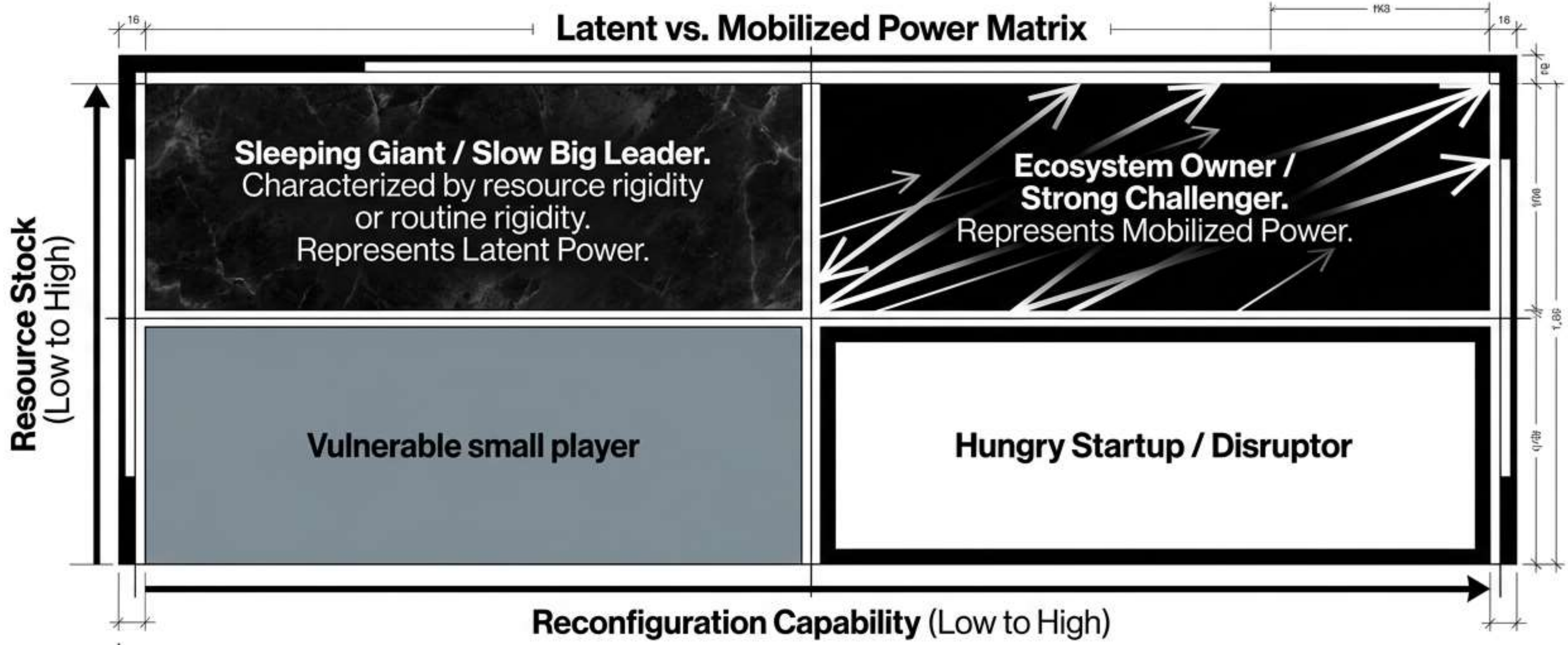
[C] Capital-Allocation

Return capital (1) to Prioritize growth/options (5).

[M] Mechanism of Advantage

Categorical: Scale, trust, data, network effects, expertise, cost.

Possessing resources is not equivalent to deploying them.

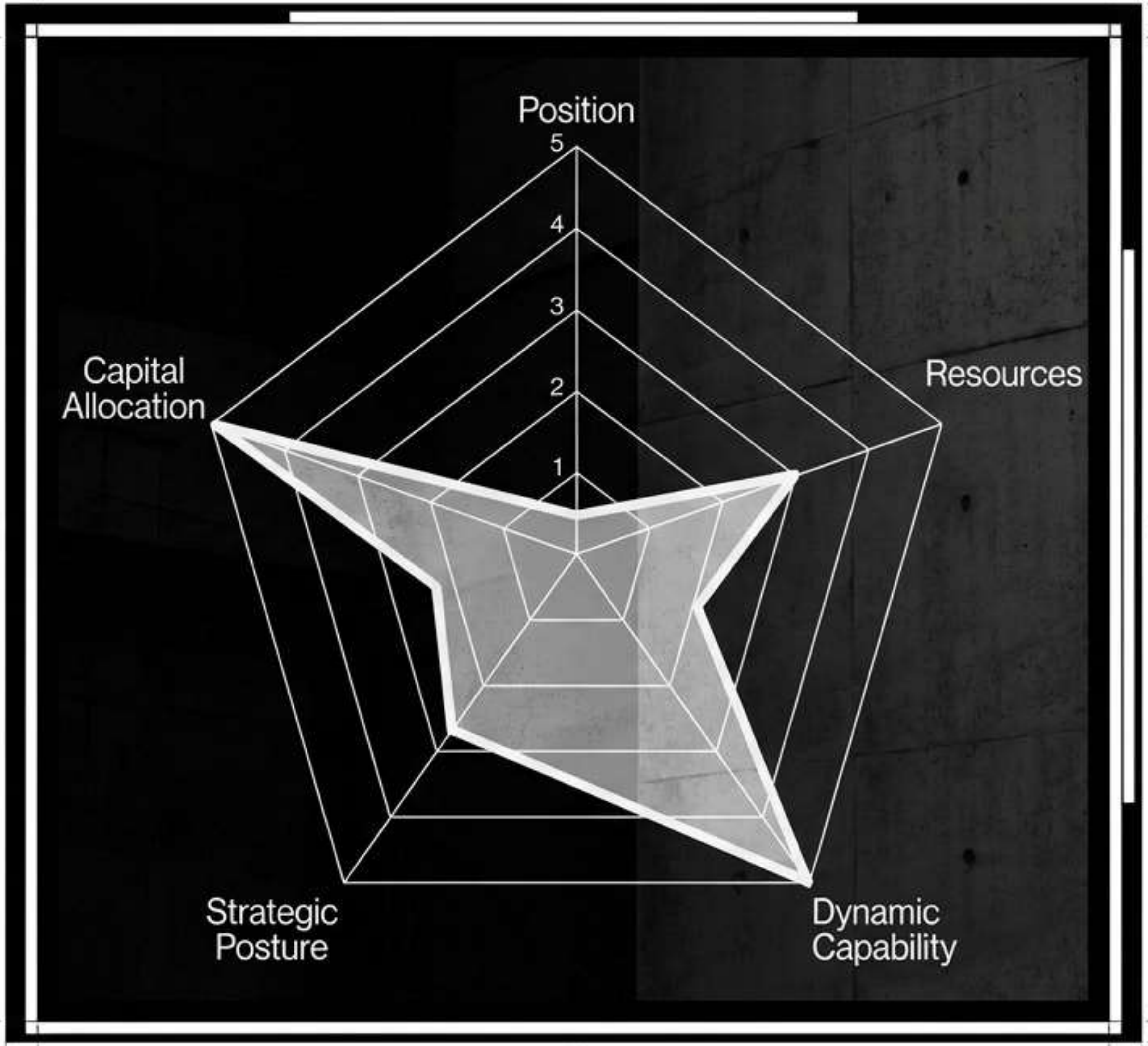


A company with R100 billion of resources but weak reconfiguration capability does not automatically possess greater strategic power than a company with R1 billion and exceptional adaptability.

Mapping the organizational fingerprint.

By plotting the five continuous variables (scored 1-5), distinct geometric fingerprints emerge. The resulting archetype is not an independent variable—it is the inevitable behavioral interpretation of this specific geometric configuration.

When combined with the categorical Mechanism of Advantage, superficial similarities are resolved.

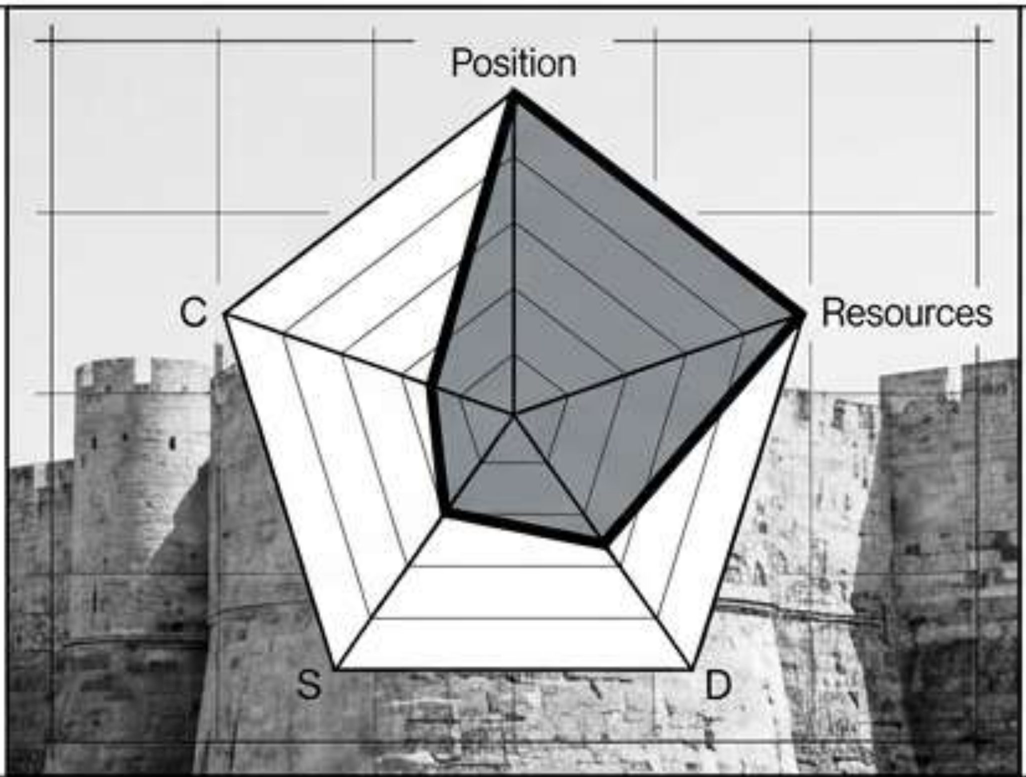


THE TAXONOMY OF COMPETITION: 10 IDEAL TYPES

THE ARCHETYPE DIAGNOSTIC MATRIX

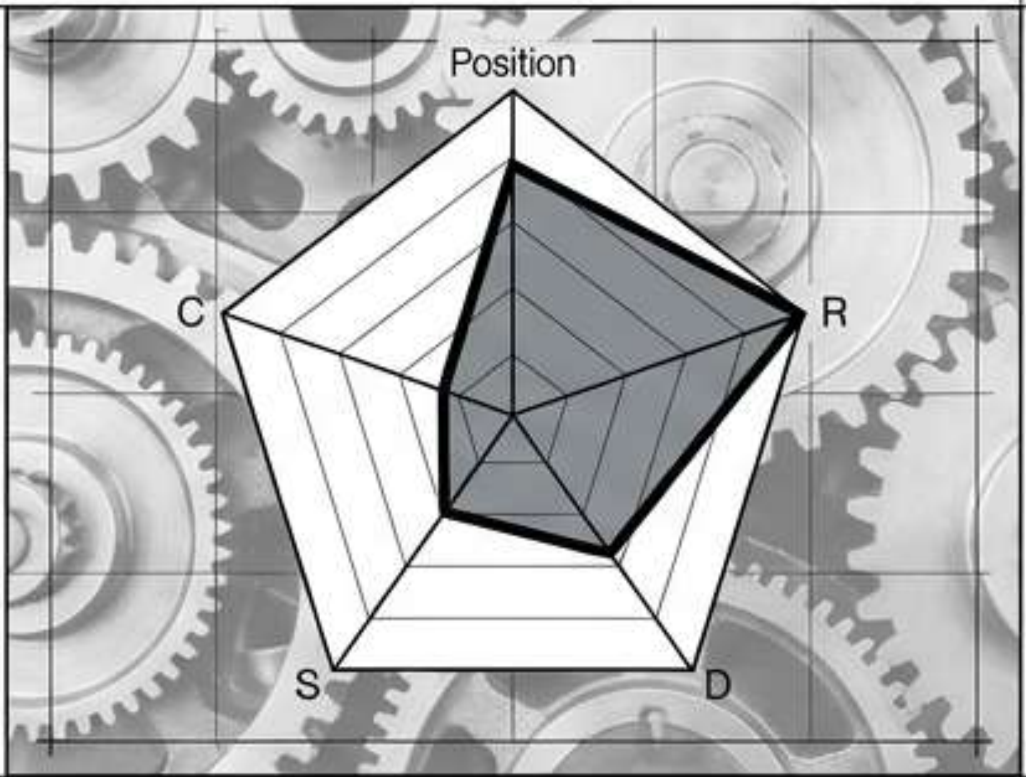
ARCHETYPE	P (POSITION)	R (RESOURCES)	D (DYNAMIC CAPABILITY)	S (STRATEGIC POSTURE)	C (CAPITAL ALLOCATION)
SLOW BIG LEADER	5	5	2	2	2
STRONG NUMBER TWO	4	4	4	5	4
CASH GENERATOR	4	5	3	2	1
SPECIALIST LEADER	3	3	4	3	3
ECOSYSTEM OWNER	4	5	4	4	4
SLEEPING GIANT	4	5	1	1	2
DISRUPTOR	2	2	5	5	5
HUNGRY STARTUP	1	1	5	5	5
SCRAPPY SURVIVOR	2	2	4	3	2
FAST FOLLOWER	3	3	4	3	4

The Incumbent Core: Scale vs. Inertia



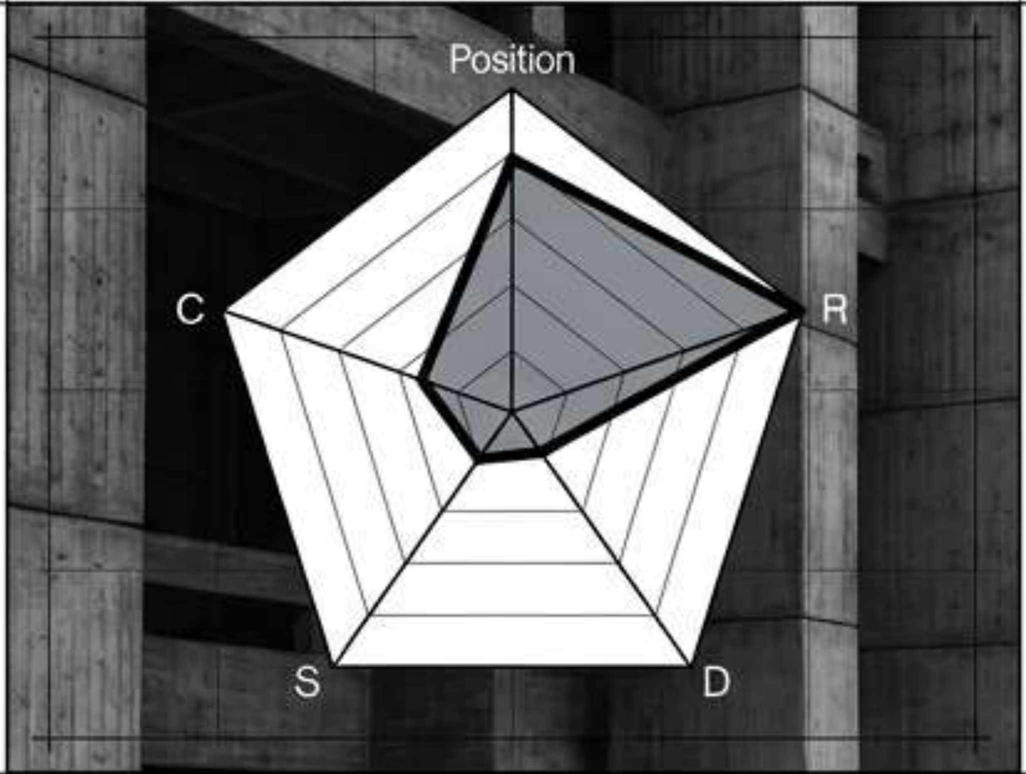
Slow Big Leader

Protects the fortress. Complexity and risk control make change expensive. Initial attacks are ignored; late attacks face overwhelming scale.



Cash Generator

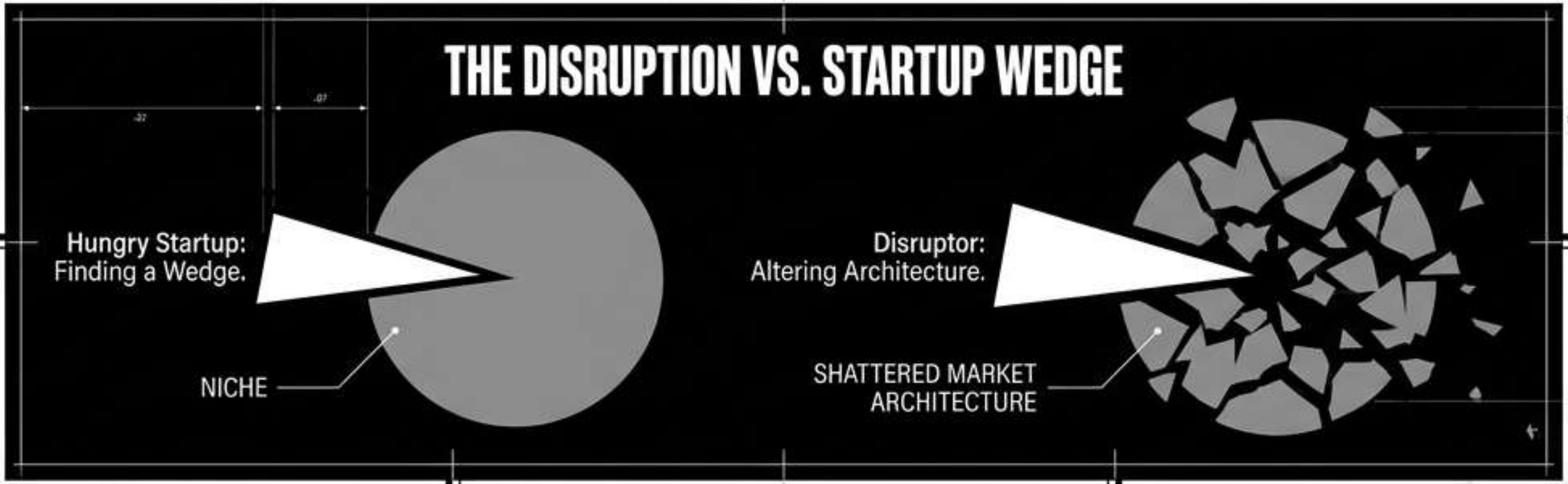
Exploits accumulated advantage efficiently. Evaluates everything through risk-adjusted returns. Returns excess capital rather than reinvesting in aggressive growth.



Sleeping Giant

Potential exceeds realized capability. The structural tragedy: High Resource Endowment + Low Dynamic Capability = Latent Strategic Power.

THE ATTACKERS: SPEED, WEDGE, AND ARCHITECTURE



HUNGRY STARTUP

Trades resources for speed and learning. Advantage is the absence of constraints.
Finds a wedge; pursues opportunities larger firms find too small, uncertain, or cannibalistic.

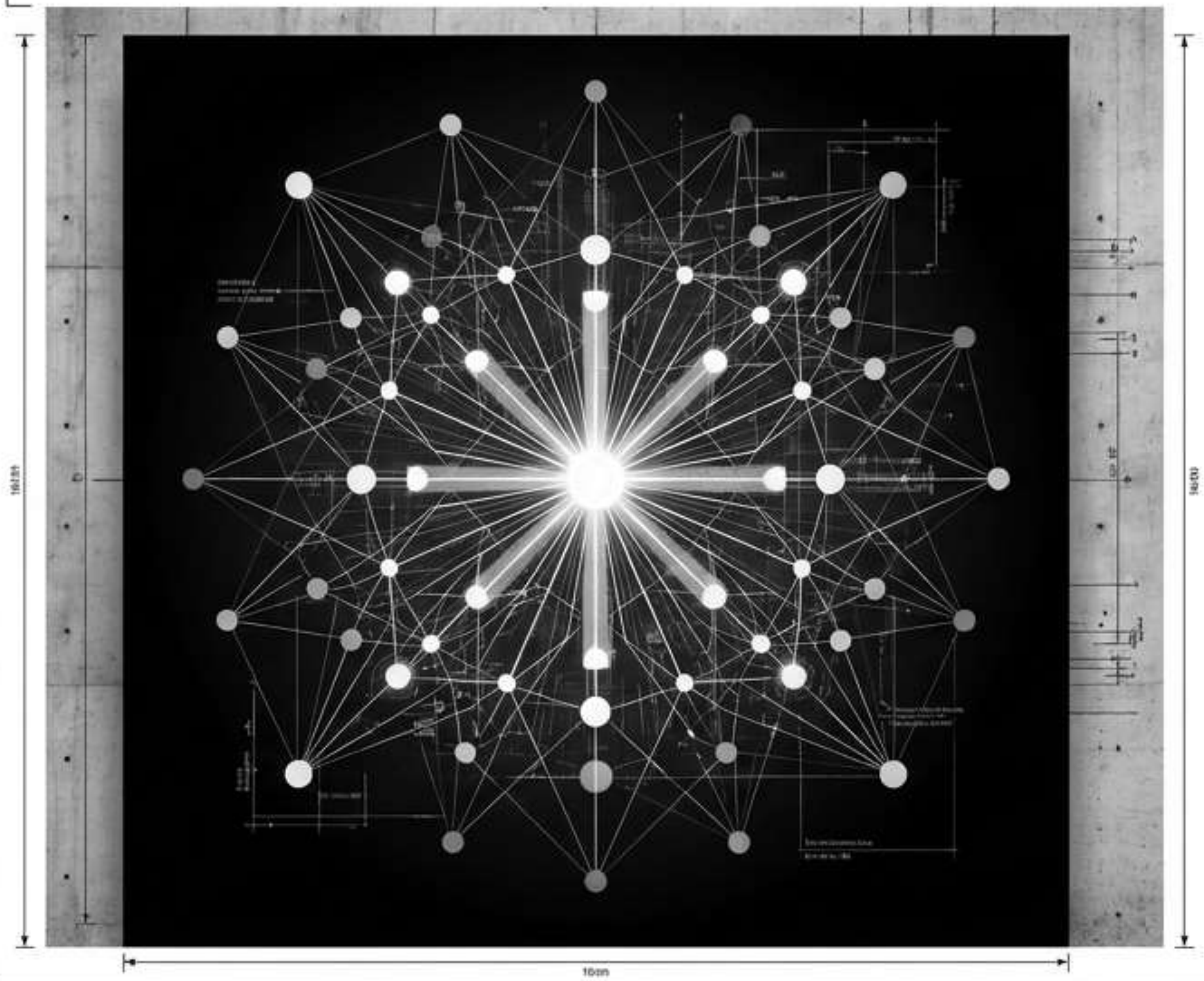
DISRUPTOR

Changes what competition is about. A Disruptor does not merely execute the existing model better—it fundamentally alters the economic architecture and incentive structure of the market.

STRONG NUMBER TWO

Turns resources into movement. Possesses scale (4s across the board) but lacks the incentive to protect the status quo.
The core danger: becoming strategically defined by the leader.

THE ECOSYSTEM OWNER: NETWORK ECONOMICS AND TWO-SIDED POWER



STRATEGIC LOGIC

Make every additional relationship strengthen the system. Optimizes interactions across products and participants, rather than optimizing individual product margins.

THE PIVOT

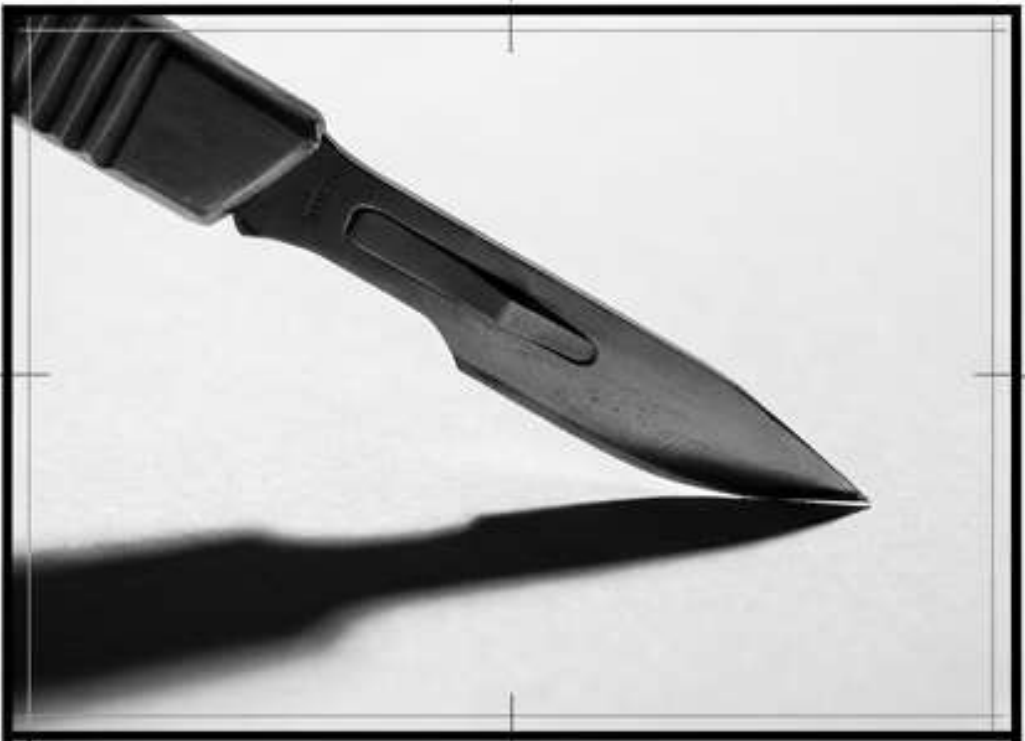
A conventional competitor asks, “How much margin do we earn on this product?”

The Ecosystem Owner asks, “How does this product increase the value, engagement, or economics of the rest of the system?”

STRATEGIC METRICS

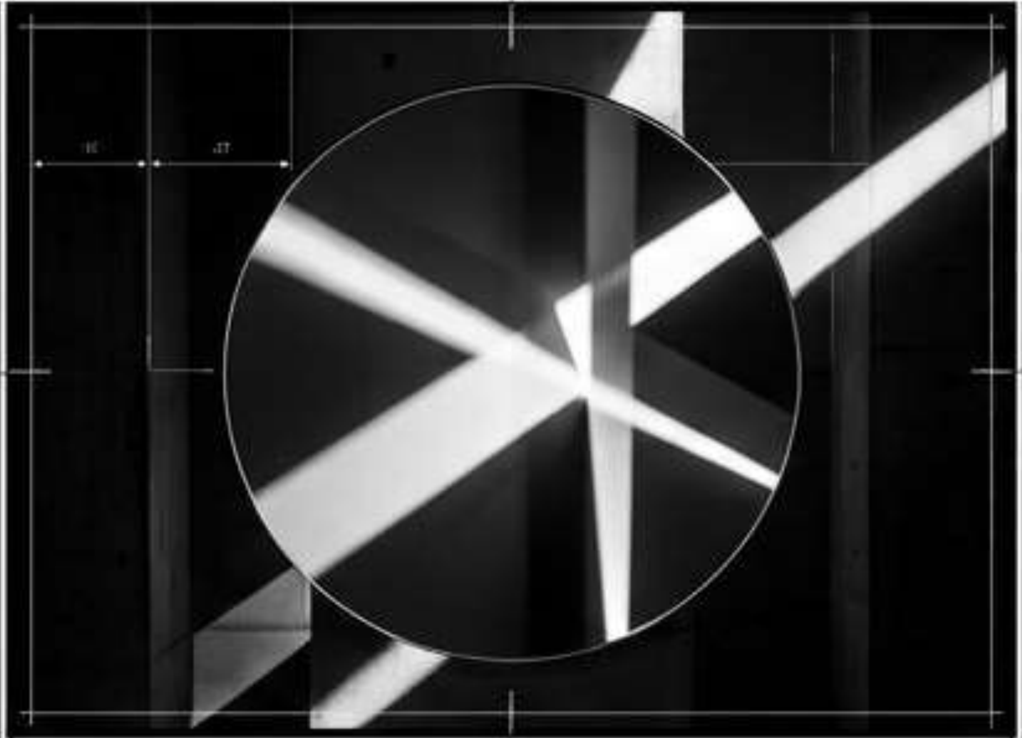
- **Relationships per customer**
- **Interaction frequency**
- **Cross-product penetration**
- **Cost of leaving the ecosystem**

THE NICHE DEFENDERS AND OPPORTUNISTS



SPECIALIST LEADER (THE SCALPEL)

Disproportionately good at a narrow problem. Advantage accumulated through reputation and routines, protected by mobility barriers. Danger: Confusing niche dominance with industry dominance.



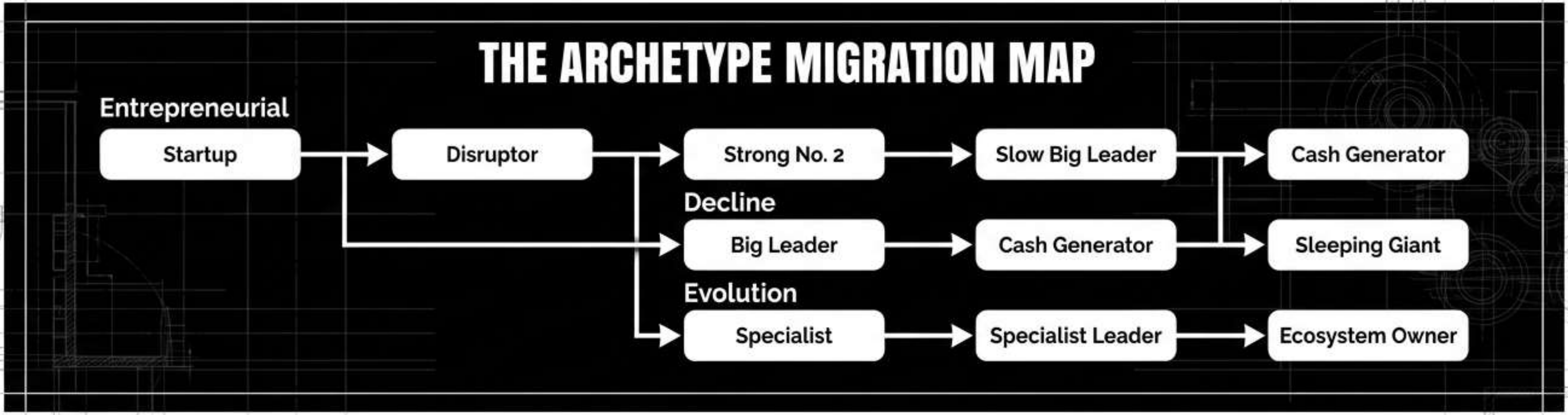
FAST FOLLOWER (THE MIRROR)

Lets someone else pay the tuition fee. Waits until uncertainty falls, then mobilizes execution. Danger: Arriving after network effects or switching costs have locked the market.

SCRAPPY SURVIVOR (THE WRENCH)

Lives where giants cannot be bothered to live. Depends on local knowledge and specialized customers. Thrives by remaining economically unappealing to large-scale attackers.

STRATEGY IS PREDICTING WHAT A COMPETITOR IS BECOMING.



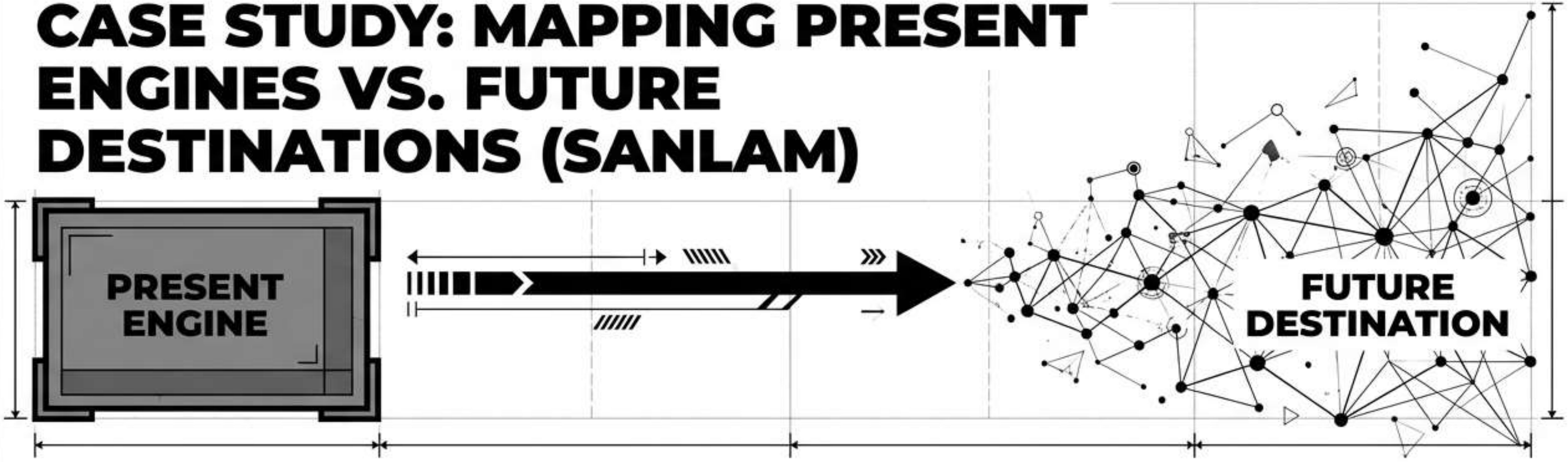
BODY

Archetypes are a state-transition system, not static boxes. Organizations are constantly in motion, driven by capital, hiring, technology, and market forces.

THE CORE QUESTION

The strategic imperative is not merely classifying where a competitor sits today, but identifying their Desired Archetype and the mobility barriers preventing their transition.

CASE STUDY: MAPPING PRESENT ENGINES VS. FUTURE DESTINATIONS (SANLAM)



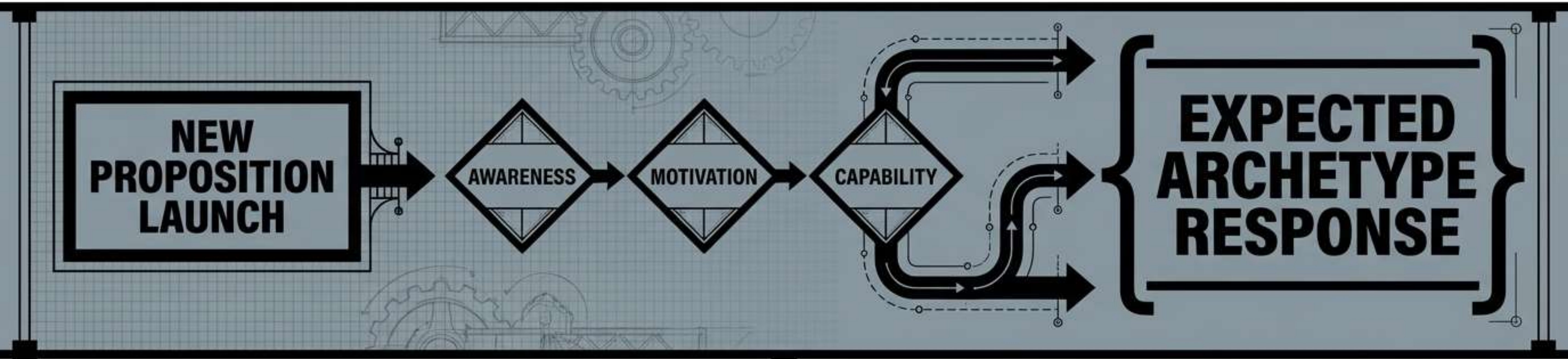
THE PRESENT (CASH GENERATOR)

Sanlam's audited 2025 results show massive scale: R495.99B new business volumes, R126.75B net client cash flows, R15.939B net result, and a dividend increased to 485 cents. This is the definitive profile of a highly efficient Cash Generator.

THE FUTURE (ECOSYSTEM OWNER)

However, attaching a permanent label is a failure of strategy. If intelligence shows increasing integration across customer relationships, digital services, partnerships, and distribution, the working hypothesis must be an attempted archetype migration toward Ecosystem Owner.

WAR GAMING: PREDICTING THE COUNTERMOVE



FOR EVERY COMPETITOR FACING YOUR NEW PROPOSITION, ASK:

1. Will they notice? (Awareness)
2. Will they care? (Motivation)
3. Can they respond? (Capability)
4. What response is natural for their archetype?
5. What response would be unnatural (constrained by organization)?

HYPOTHETICAL RESPONSES:

STRONG NUMBER TWO: Counterattack rapidly.

CASH GENERATOR: Respond only if immediate economics justify it.

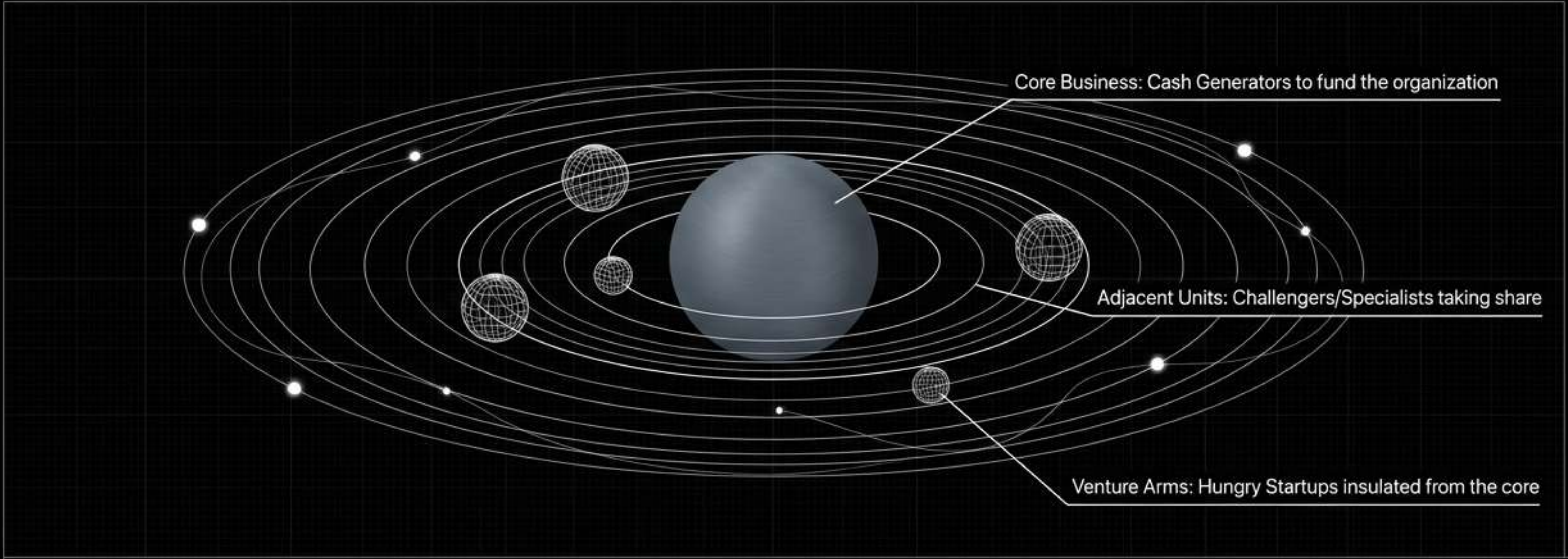
FAST FOLLOWER: Wait for proof of concept, then imitate aggressively.

STRATEGIC JUDO: FIGHT THE ARCHETYPE, NOT THE PRODUCT.

The Target	The Asymmetric Attack Strategy
Against the Slow Big Leader	Use speed and asymmetry.
Against the Strong Number Two	Avoid making yourself the obvious enemy too early.
Against the Cash Generator	Force uncomfortable trade-offs between returns and defense.
Against the Specialist	Change the basis on which expertise creates value.
Against the Ecosystem Owner	Attack interoperability, neutrality, or multi-homing economics rather than a single product.
Against the Sleeping Giant	Move before latent capability is activated.
Against the Disruptor	Understand the new economic architecture; do not merely copy the product.

ARCHETYPE PORTFOLIO STRATEGY (ORGANIZATIONAL AMBIDEXTERITY)

Sophisticated incumbents do not try to transform their entire massive organization into an agile startup. Instead, they design a portfolio of strategic behaviors.



ARCHETYPE MISALIGNMENT: THE STRUCTURAL TRAGEDY

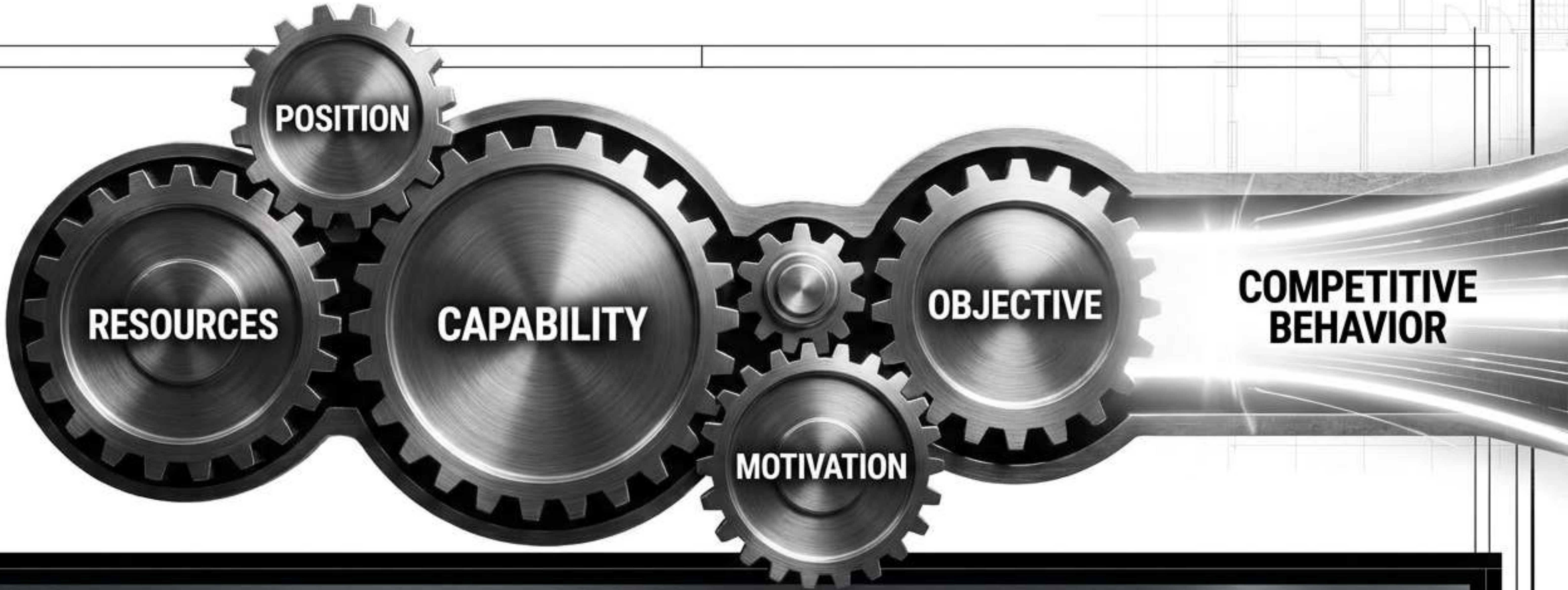
Strategy fails when organizational architecture and metrics are inconsistent with the archetype required. You cannot kill an exploratory business because it fails to meet mature-business economics on day one.

Metrics Alignment Matrix

- **Cash Generator:** Return on capital, cash generation, margin.
- **Hungry Startup:** Learning velocity, product-market fit, unit-economics trajectory.
- **Ecosystem Owner:** Ecosystem lifetime value, network participation.

Beware the incumbent that wants to be a startup but requires twelve approvals for experimentation.

THE CENTRAL STRATEGIC EQUATION



COMPETITIVE BEHAVIOR ≈ POSITION × RESOURCES × CAPABILITY × MOTIVATION × ECONOMIC OBJECTIVE

A competitor acts not simply because an opportunity exists. It acts because it sees it, wants it, possesses the assets to pursue it, has the organizational adaptability to mobilize them, and believes doing so serves its core purpose. The archetype is simply the recognizable pattern produced by these gears turning.

The ultimate question is not simply where your organization sits on the map today.

Architecting the Next Era

What archetype will dominate the next era of your industry? What capabilities does that archetype require? And what must you do now to become it before your competitors do?