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Pivots & Category
Strategy

#LeanAOM

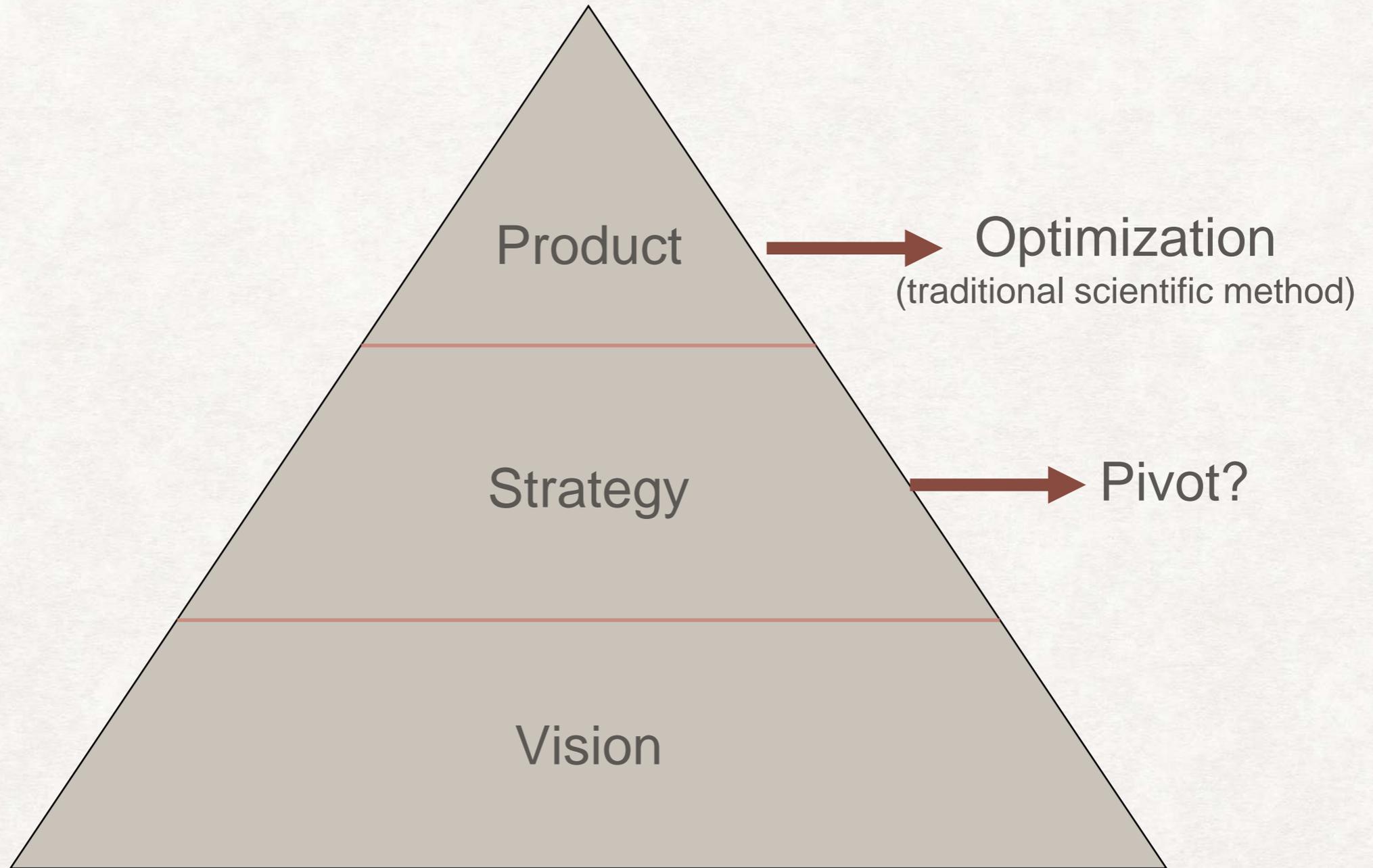
Lean Startups and Innovation Strategy
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PIVOTS & CATEGORY STRATEGY

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WHAT'S YOUR MARKET?



PIVOTS NEED CATEGORY STRATEGY

Votizen (@2gov)

Social network —> Social Lobbying Platform

KaChing (Wealthfront)

Online game —> Investing platform

Zimride (Lyft)

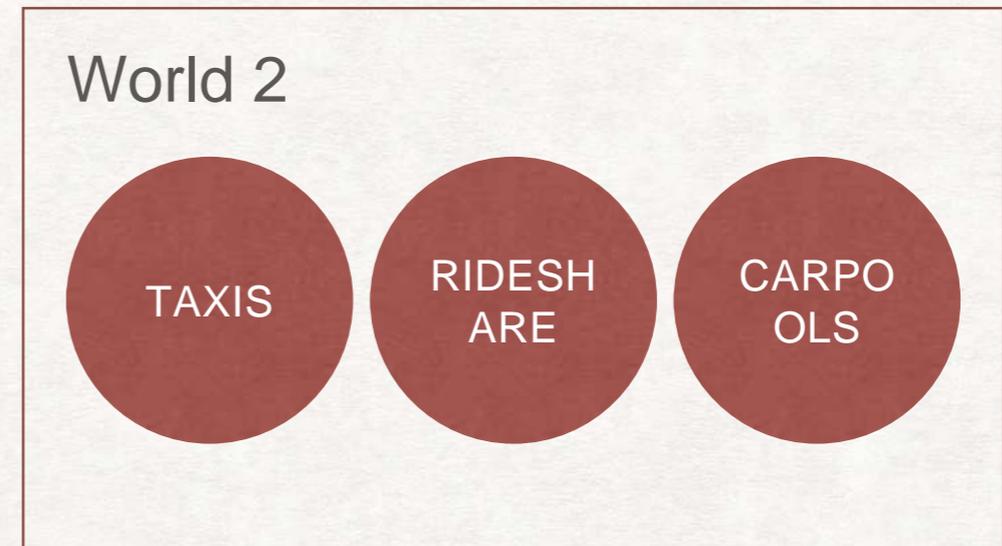
Carpool platform —> Ridesharing

Instagram

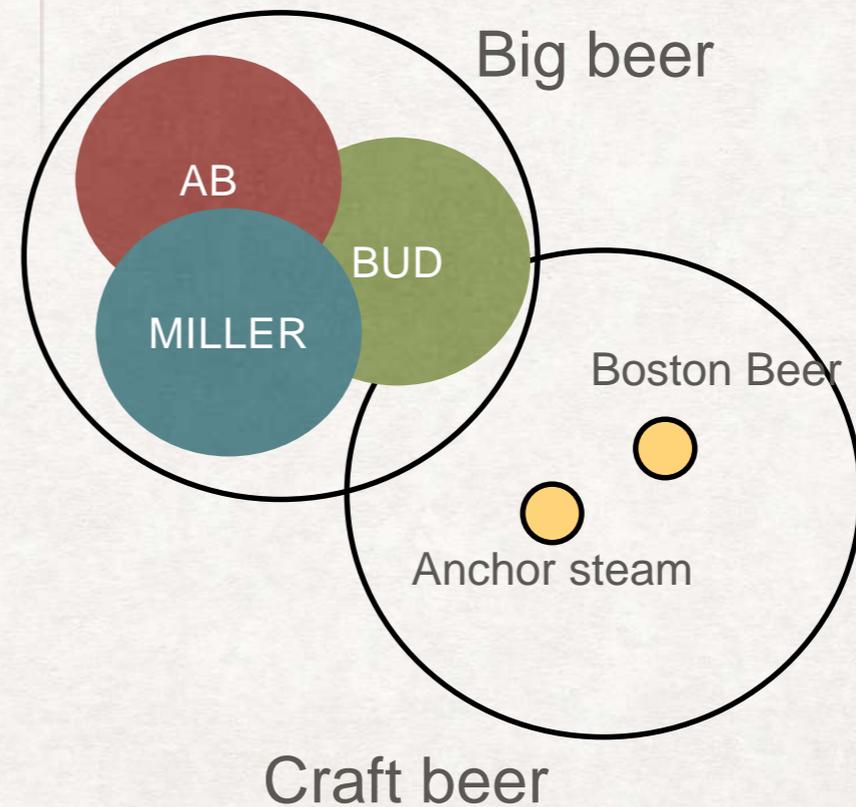
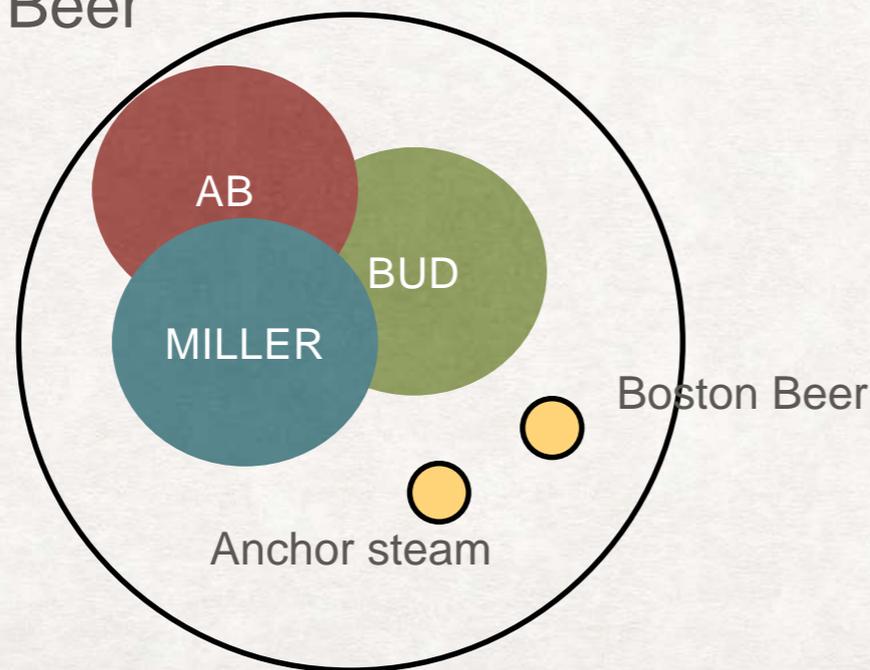
Location sharing —> Networked photo-sharing

FOUNDATIONS OF CATEGORY STRATEGY

SOCIAL AND PSYCHOLOGICAL



Beer



CATEGORY STRATEGY TOOLS

... AND RESISTING THE CONSENSUS

Labeling

Competitor definition

Media coverage

Enthusiasts

Enter or Create?

“... we moved into the platform space. It wasn't the perfect fit ... but the potential was huge. Then the question is do we start positioning ourselves as competitors, of Adobe's main product and Salesforce's main product... knowing that we're just this little kinda start-up. For us, we thought, if we were competitors to those other organizations, our product had potentially more value to offer our clients. We looked at what the potential of the industry was.

Meanwhile, when we entered [new market category], that was not hot. The perception from investors was that this was a future commodity business, and they weren't interested.”

FUTURE RESEARCH

TESTING CATEGORY STRATEGY HYPOTHESES

- How can category strategy help entrepreneurs effectively pivot: change strategy without losing vision?
- For which types of pivots are some category strategy tactics more or less important? Are there additional tactics that should be included?
- How is category strategy different when trying to define a new market, versus redefine an existing one?
- Is there a difference in a new category → new category pivot, versus new → existing or existing → new?

THANK YOU!