Find Your Unfair Advantage

Idea In Short

Your unfair advantage is the combination of what you know, what you care about, what you have done, and who you are. Identify it through honest self-examination, then sharpen it relentlessly to become impossible to ignore.

Strategy Comes Down to a Few Principles

Strategy is a set of activities forming a virtuous cycle, a flywheel of path-dependent decisions. Strategy is about choices involving trade-offs, not a collection of me-too best practices. Strategy equals an economic moat, protected from new entrants. Warren Buffett popularized this concept, arguing that durable competitive advantage comes from network effects, economies of scale, switching costs, and customer loyalty 1.

Strategy is strategic positioning. Where in the industry do you want to set up shop? A position of advantage is like a castle on a hill, where your customers self-select and find you, and rivals would be crazy to try and copy you. Strategy is coping with competition from rivals, suppliers, customers, and new entrants. Strategy is about raising barriers to entry. Strategy emerges as managers make smart decisions and win. Strategy uses your embedded awesomeness that others cannot easily copy.

Strategy Simplified

Strategy is not planning. If it is not scary, your strategy is probably no good. Strategy is more like poker, with probabilities, luck, and leadership, than chess. Despite the complexity of frameworks, strategy comes down to a few core ideas. Knowing yourself means understanding what winning looks like and what you are awesome at. Loving specific customers means finding those willing to pay and grow with you.

Amplifying your strengths and digging a wide economic moat around your work and profits. Saying no a lot and being picky about how you use your most valuable resource, which is time. Getting leverage means finding where small input produces big output, where you are an alchemist. Being stubborn on purpose and principles for the long term while being flexible with process.

Learn the Rules Like a Professional

Pablo Picasso said it best: learn the rules like a professional so you can break them like an artist. Know the basics, meaning the best practices in your field. Be hungry and humble enough to learn. Learning has an architecture and a sequence. It takes time, because your first bike ride is definitely not your most elegant. Learning for yourself matters, because it is not all search engines and generative artificial intelligence 2.

The professionals who master their craft understand that fundamentals are non-negotiable. You cannot innovate on a foundation of ignorance. The rules exist because generations of practitioners tested them against reality. Learn them, internalize them, and then identify which ones no longer serve the changing landscape.

Break Them Like an Artist

You cannot be all things to all people. No one pays significant money for average, weak tea. The status quo can change: the economy, the customers, the competitors, and even yourself. The fear of missing out is not helpful. Your individuality is your advantage, so sharpen it. The artists who break rules effectively do so with intention. They know exactly which rule they are breaking and why.

Breaking the rules without understanding them is recklessness. Breaking them with mastery is innovation. The difference lies in the depth of your craft. Study your field exhaustively, then ask which conventions are ripe for disruption. That is where your unfair advantage lives.

Unfair Means You Know the Customer

The expression unfair advantage describes why random requests for proposals are a waste of time. If the opportunity is random, then you lack a proprietary insight or relationship. You are one of many companies. Essentially, you are a commodity, like a bag of unremarkable potatoes. Knowing the customer means understanding their pain, their language, and their decision-making process intimately.

When you know the customer deeply, you can anticipate their needs before they articulate them. This is not mind-reading. It is the product of sustained attention, dozens of conversations, and genuine curiosity. The client can feel the difference between a vendor who understands them and one who is guessing.

Unfair Means You Know the Topic

You are an expert. You have done research. You did your doctoral work on this topic. You have interviewed people by the dozen. You have listened to podcasts by the hundreds. You read articles and reports and save them by the hundreds. This depth of knowledge creates a moat that competitors cannot cross without investing the same years of effort.

Expertise is not a credential. It is a body of work. The person who has read five hundred articles on supply chain optimization sees patterns the generalist misses. When you know the topic this well, your recommendations carry authority. Clients pay for confidence grounded in evidence, not for opinions dressed up in jargon.

Unfair Means You Have Done This Before

The learning curve means you have made silly mistakes. Ben Franklin said, "Experience is the teacher of all things, and an expert is a person who has made all the mistakes that can be made in a very narrow field." Having done the work before means you can navigate the inevitable obstacles with calm rather than panic.

Your track record is a repository of lessons learned. Each project, each failure, each success adds to your pattern recognition. When a client describes a challenge, you can draw on analogous situations you have already navigated. This accumulated wisdom is an unfair advantage that only time and repetition can build.

Unfair Means You Have Resources

You are set up for success. You know where to look for data, information, analysis, and insights. You have templates, tools, process diagrams, checklists, and standard operating procedures. You have underutilized staff who can accelerate your work at a marginal cost approaching zero. Resources compound your effectiveness.

Having resources is not just about money. It is about the infrastructure you have built over years of practice. A well-organized library of frameworks, a network of specialists you can call, and a team trained to execute efficiently all multiply your output. These assets make you faster and more reliable than competitors starting from scratch.

Unfair Means You Have a Point of View

You have something to say because you have thought deeply about the problem. You understand the scope and frame of the problem, like finding the edges of a jigsaw puzzle first. You have decomposed the messy data into buckets, like sorting puzzle pieces by color. You have strong opinions loosely held, willing to be wrong because you have gained confidence through studying 3.

This is the opposite of a generic query to an artificial intelligence tool for best practices. A point of view means you can challenge the client's assumptions. You can say what others will not. You can recommend the uncomfortable but correct path. Clients hire consultants for perspective, not forechoing.

Unfair Means You Care and You Have Results

Very few people treat their work as if it were their own business. Of the last 10 people you interacted with, how many would be in business if they sold their work, their attitude, their responsiveness, and their answers in a marketplace? People buy from people. Clients want professionals who care. Caring shows up in the quality of your questions and the thoroughness of your follow-through.

If you are that good, you probably have results. Your resume is full of problem-activity-result bullet points that attest to your work. You have more client references and stories than you have time to talk about. Results are the proof that your advantages are real, not theoretical. With the fragmentation of supply chains and digitization of everything, anything without an edge will quickly become commonplace.

Fifteen Questions to Find Your Advantage

What are you uniquely good at? What comes easy to you and hard for others? What do people often seek your advice about? What do you care about, geek out on, and spend money on? What are you willing to spend three to five years getting really good at? What kind of projects, work, or art have you sold in the past? How frequently are you putting your work on display for customers to react to?

Which 10 people do you admire and want to learn from? What combination of skills can you mix together to be a category of one? What are the last three good ideas you did not act on? Who are your advocates pushing you toward your talents? How do you think work is changing, and do you want to bet on it? How are you wired on a risk scale from one to 10? How much time does your balance sheet allow for learning and experimentation? What should you stop doing to free up 15 hours a week? What should you say no to so you can say hell yes to something else?

- 1Buffett on Economic Moats
- 2Unfair Advantage: The Edge Competitors Can't Buy, Copy, or Hire
- 3The Unfair Advantage

Summary

Strategy comes down to knowing yourself, loving specific customers, amplifying strengths, saying no often, and getting leverage. Find your unfair advantage through fifteen honest questions. Learn the rules like a professional so you can break them like an artist. Become a category of one.