BCG's Atlas of Strategy Traps

Idea In Short

A consulting firm's report used explorers and pioneers throughout history to illustrate ten recognizable strategy traps, paired opposites like combing the ocean versus backyard exploration, or trapped in the past versus perpetual search. The historical framing makes abstract strategic failure modes suddenly vivid and memorable.

Strategy Told as History

A consulting firm's report on strategic decision-making leaned unusually hard into history, anecdote and storytelling rather than frameworks alone, using explorers and pioneers who each got one big thing spectacularly right and several other things spectacularly wrong.1 The approach makes abstract strategy concepts considerably easier to remember than a typical two-by-two matrix ever could on its own.

Strategy as "Yes, And"

Strategy is never a set-it-and-forget-it exercise. What worked once does not necessarily keep working forever, and part of strategic skill is recognizing when to keep pushing through a temporary rough patch versus recognizing a genuine inflection point that demands real change. The healthy mindset treats strategy as a spectrum of ongoing exploration rather than a single locked-in decision made once and never revisited.

Five Dimensions, Two Failure Modes Each

The report organizes ten distinct traps across five paired dimensions. Defining the option space too broadly, called combing the ocean, sits opposite sticking only to already-familiar options, called backyard exploration. Exploiting the same option repeatedly, trapped in the past, sits opposite constantly chasing new options without ever adequately exploiting any of them, perpetual search. Ignoring the real cost of exploration, misjudged harshness, sits opposite missing genuinely available opportunities unnecessarily, unleveraged resources.

Making big goals with only small incremental investment, a drop in the ocean, sits opposite always betting everything on one big push, risking the ship. And never adapting methods despite changing conditions, a fixed itinerary, sits opposite chasing every new lead indiscriminately, a forgetful wanderer.

Alexander and the Danger of Combing the Ocean

Alexander the Great's roughly eleven-year military campaign built an enormous empire that collapsed within about three years of his death, a vivid illustration of defining an option space so broadly that consolidation becomes impossible. The business parallel involves a major dairy and food company that deliberately pruned a sprawling portfolio of non-core businesses, choosing to stop combing the ocean and apply effort more narrowly and effectively instead.

Gold Rush Investors and the Danger of the Past

A successful gold prospector who owned dozens of mines at the peak of a nineteenth-century gold rush kept doubling down on the same investment thesis long after most of the accessible gold had already been discovered, dying nearly penniless as a result, a case of staying trapped in the past. A modern parallel appears in industries facing diminishing research productivity, where continued heavy investment in an aging discovery model fails to produce the breakthrough results it once reliably delivered.2

The Forgetful Wanderer's Cautionary Tale

A sixteenth-century Spanish explorer searching for legendary cities of gold in the present-day American southwest chased so many shifting leads and rumors that he ended up far off course with nothing to show for the effort, a clean historical parallel to chasing every promising-sounding new lead during a speculative technology boom without ever committing deeply enough to any single one.

Sirens and Lighthouses

The report frames leading indicators poetically: sirens represent dangerous, tempting signals that lure decision-makers toward failure, while lighthouses represent the reliable best practices and indicators that guide safer strategic choices. The metaphor captures something genuinely true about strategy: the most dangerous decisions often look appealing precisely because they resemble a siren's song, compelling in the moment and disastrous in hindsight.

Applying the Traps Diagnostically

The real value of a framework like this is diagnostic rather than merely illustrative: a strategy team stuck debating whether to expand into a new market or double down on an existing one can locate the actual disagreement inside one of the five paired dimensions, rather than arguing past each other in vague terms. Naming a proposal as risking the ship, for instance, reframes an emotional disagreement about boldness into a specific, testable question about how much of the organization's total resources a single bet should reasonably consume.3

Why the Framing Works

Combining design, infographics, storytelling and genuine historical research makes strategic failure patterns memorable in a way that a dry list of ten labeled traps never quite manages on its own. Reading strategy through history's explorers, rather than through quarterly earnings alone, gives the underlying lessons staying power precisely because human ambition and overreach have not changed nearly as much as the specific technologies and markets have.

- 1Strategic management
- 2Sunk cost
- 3Risk management

Summary

History's explorers, from Alexander the Great to a Spanish conquistador chasing rumors of gold, map cleanly onto ten modern strategy traps: search too broad or too narrow, calibration too rigid or too restless, investment too timid or too reckless. Sirens lure toward failure; lighthouses guide toward better choices.