



**15.900 COMPETITIVE STRATEGY**  
MIT SLOAN SCHOOL OF MANAGEMENT  
FALL 2025  
**Syllabus**

**Instructor:**

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**Class schedule (All classes on Monday and Wednesday):**

Section A (8:30 – 10:00) in room E51-335  
Section B (10:00 – 11:30) in room E51-335  
Section C (1:00 – 2:30) in room E51-325  
Section D (2:30 – 4:00) in room E51-325

**Teaching Assistants:**

Sara Munoz ([saramfl@mit.edu](mailto:saramfl@mit.edu)) — Section A  
Leon Herdan Gampel ([lherdan@mit.edu](mailto:lherdan@mit.edu)) — Section A  
Aditi Ramakrishnan ([aditi99@mit.edu](mailto:aditi99@mit.edu)) — Section B  
Sara Hoffman ([sarahoff@mit.edu](mailto:sarahoff@mit.edu)) — Section B  
Alejandra Mazo Gonzalez Choren ([amazog@mit.edu](mailto:amazog@mit.edu)) — Section C  
Ivori Liu ([ivoriliu@mit.edu](mailto:ivoriliu@mit.edu)) — Section D

**Course Administrator:** Kimberly Crumpton ([kimc714@mit.edu](mailto:kimc714@mit.edu))

To be effective, business leaders must understand the factors that influence their company's performance and make choices to improve future performance. This course helps students develop and hone the core skills of strategic thinking, strategy analytics, and persuading with data to help company's create, capture, and sustain economic value. We use case studies and readings to explore a wide range of strategic problems.

This course takes a holistic view of strategy. Formulating and executing a strategy requires leaders to consider multiple external stakeholders--including customers, competitors, and suppliers--as well as the internal resources and capabilities that interact with one another to shape firm performance. The course complements your other core curriculum courses, including Economics, Accounting, and Organizational Processes. The course also serves as a foundation for subsequent material in both the Enterprise Management (EM) and Entrepreneurship and Innovation (E&I) certificate.

## COURSE OBJECTIVES

The objectives for the course are as follows:

- *Learn first principles of strategy.* You will learn a handful of foundational concepts in strategy, including willingness to pay and cost advantages as the drivers of value creation, the inevitability of competition, and the importance of competitive moats to keep competitors at bay, and allocentric thinking among others. These core principles provide guidance for crafting an effective strategy across a broad range of contexts.
- *Develop strategic thinking skills:* Over the semester, you will learn a set of core skills in three broad categories: strategic thinking (the ability to apply strategic first principles to novel and ambiguous situations), strategy analytics (grounding your assessments and recommendations in high quality data and rigorous analyses), and persuading with evidence (organizing quantitative and qualitative data, analyses, and arguments into message or recommendations that are coherent, focused, and easy to follow).
- *Practice strategic thinking skills to analyze novel situations and decide what to do.* Throughout the course, we discuss complex, real-world case studies. You will use your strategic thinking skills in novel situations using the data available to you. With repetition, you will become more proficient in the core skills of strategic thinking, strategy analytics, and persuading with evidence.
- *Develop an appreciation for the difficulty of formulating strategy:* Shifting market conditions, competitive dynamics, technological changes, macroeconomic volatility, geo-political shifts and other factors complicate the challenge of making sound strategic decisions. Our case discussions will build an awareness of the danger of glib buzzwords or superficial analysis.

## GRADING AND REQUIREMENTS

This class can only be taken for a grade. The grading is divided as follows:

Class participation	25%
Pre-Class Surveys	5%
Group Case Memos	30%
Midterm Case Memo	15%
Final Case Memo	20%
Group 360 Evaluation	5%

### a. Class Participation (25%)

The character of the course naturally lends itself to active exchange among students, and we encourage, value, and recognize in-class contribution. Effective class participation includes attendance, preparation, and making an active and constructive contribution to the class discussion.

- You should be prepared for every class. If for some reason you are not prepared, please let the TA know before the start of class.
- The best comments in class respond to the issue under discussion, engage with (rather than repeat) other students' comments, and draw on data and analysis.

- The quality of class discussions improves dramatically when students bring diverse points of view to the issues and debate with one another in a respectful manner. It is fine to disagree with your classmates, provided you show respect for other points of view.

b. Pre-Class Surveys (5%)

For most classes, a very brief pre-class survey will be distributed through Canvas 24 hours prior to the class session. Survey responses are required, and are expected to demonstrate familiarity with readings and case materials. **Each student is responsible for answering each survey, and they must be completed by 5:00 PM of the calendar day that immediately precedes the class session to receive full credit.**

c. Group Case Memos (3 x 10% = 30%)

In the first week of class, you will form a memo team that you will work with throughout the semester. The memo teams will consist of four students. To ensure they receive early feedback, each team will need to write one memo from group one, and then choose to write two additional memos from memo groups two through four. Each team will therefore write three memos in total.

To ensure an even distribution of teams across the memos, there will be a cap on the number of teams that can write a memo for any case. The TA team will announce when teams can sign up for their preferred cases, and spots will be allocated on a first-come, first-serve basis. If your first-choice case is not available, you will need to select one of the other cases for in that memo group.

- **GROUP 1: Cola Wars (Sep 15), First Solar (Sep 17). All teams need to write a memo for one of these two cases**
- GROUP 2: Carnival Corporation (Sep 24), Burberry (Sep 29), Ferrari (Oct 1)
- GROUP 3: Interviewing.io (Oct 29), Rent the Runway (Nov 5)
- GROUP 4: Graphic Packaging (Nov 17), Tempur Sealy (Nov 19), Bain case (Nov 24)

Each of the memo cases will have an assignment posted on Canvas offering clear instructions on the content. Please note, the memo assignment is separate from the pre-class study questions. The memos should reflect the thinking of all four members of the team, and everyone should be prepared to defend their answer in class. The TAs will hold a recitation in the first week or two of class to discuss how to write a good memo.

Each memo should be typed and double-spaced, 12 point font with one-inch margins. The two page limit is for text only. There is no cap on the number of exhibits. If you do include exhibits, be sure to reference them in the text of your memo and explain their importance. Please cite your sources (page or exhibit in case) for any data you include in your exhibits. There is no need to gather data outside the case, and in fact we actively discourage it to ensure all students are on an equal footing.

**Memos should be uploaded to Canvas in the homework folder for your class by 5:00 PM of the calendar day that immediately precedes the class session.** Each memo will be graded on a five-point scale. Along with your numerical grade, you will receive written feedback on your memo within two weeks of submitting it. We encourage you to use the feedback from earlier memos to improve later memos as well as your write up of the midterm and final.

d. Midterm Case Memo (15%)

**A Midterm Individual Case Memo Assignment is due on Tuesday, October 14th (5:00 pm).** The case will be assigned approximately two weeks before this due date. Your midterm should be 4-5 pages typed and double-spaced, 12-point font with one-inch margins. The page limit is for text only. There is no cap on the number of exhibits. If you do include exhibits, be sure to reference them in the text of your memo and explain their importance. Please cite your sources (page or exhibit in case) for any data you include in your exhibits. The midterm is an individual assignment. Every student must compose his or her own answer on an individual basis.

e. Final Case Memo (20%)

**A Final Individual Case Memo is due on Monday, December 1st (8:00 am).** The case will be assigned approximately two weeks before this due date. Your final should be 4-5 pages typed and double-spaced, 12-point font with one-inch margins. The page limit is for text only. There is no cap on the number of exhibits. If you do include exhibits, be sure to reference them in the text of your memo and explain their importance. Please cite your sources (page or exhibit in case) for any data you include in your exhibits. The midterm is an individual assignment. Every student must compose his or her own answer on an individual basis, and hand in the assignment by the due date.

f. Group 360 Evaluation (5%)

After the last day of class, you will be asked to anonymously assess each of your memo team members in terms of their contribution over the semester.

g. AI Policy

Students are permitted to use generative AI tools for case memos, midterm, and final assignments. Using generative AI tools can negatively impact your grade if you fail to apply class frameworks, incorporate hallucinated or inaccurate data, rely on data outside the case study, or provide generic analyses or recommendations. Appropriate uses of AI include polishing your prose, assist in brainstorming and generating ideas, and offer other beneficial uses we haven't thought of. If you use an LLM for a memo, please include all prompts used as an appendix to your work.

## **SUPPORT DURING THE SEMESTER**

The teaching assistants are available to conduct individual or group "help" sessions on an occasional basis for any students who might find them useful. Students are encouraged to contact the TA prior to class sessions where materials are reviewed. You should feel free either to approach the teaching assistant or to make an appointment to see the instructor if you have any questions regarding the course or the material.

Additional resources to help develop strategic thinking skills include:

- The strategy analytics memo which covers many of the core analyses we use in class
- The short videos walking through how to conduct core analyses
- The MBA office makes tutors available to support students, especially with the quantitative analyses we use in class
- Practice! The best way to develop skills is by practicing them. With each repetition--whether in preparing a case, discussing a start-up idea with a friend, or having lunch with an executive--will build your comfort and confidence in applying strategic skills.



## SCHEDULE OF SESSIONS AND READINGS

Class	Date	Topic	Preparation
<b>Introduction</b>			
1	Sep 3	What strategy is (and isn't)	Porter, "What is Strategy"
2	Sep 8	Value Creation and Value Capture	Tesla's Entry into the U.S. Auto Industry Brandenburger & Stuart, "Value-based business strategy"
<b>Industry Structure</b>			
3	Sep 10	Industry Structure Analysis	Porter, "The Five Competitive Forces that Shape Strategy"
	Sep 11	Cracking a case recitation	Highly recommended, but not required
4	Sep 15	Five Forces in Action	Cola Wars Continue: Coke and Pepsi in 2010 Coca-Cola 2009: The CCE North America Acquisition
5	Sep 17	Analyzing an Industry in Flux	First Solar
	Sep 20	Class day on Cape Cod (optional)	Bring sun screen
<b>Firm-Level Strategy</b>			
6	Sep 22	Choosing How to Compete	Ghemawat and Rivkin "Creating Competitive Advantage"
7	Sep 24	Cost based competition	Carnival Corporation: The P&O Princess Acquisition
	Sep 26	Strategy Analytics Recitation	Read (or skim) Strategy Analytics memo
	Sep 27	Class day on Cape Cod (rain date)	It Never Rains in Philadelphia-Massachusetts
8	Sep 29	Competitive Moats	Burberry's Digital Strategy Sull and Davis "Dynamic Moats"
9	Oct 1	Pulling it all together	Ferrari in 2025: Balancing Tradition and Innovation to Grow
	Oct 4	Class day Cape Cod (rain date 2)	No way it could rain this much
10	Oct 6	Making Strategy Practical	Trader Joe's New York Times article
11	Oct 8	Midterm review	Strategy discussion template
12	Oct 15	Midterm case de-brief	<b>Midterm Case Analysis Due Oct 14 at 5:00 pm</b>
<b>LEAD WEEK (October 20-24)</b>			
<b>Products and Platforms</b>			
13	Oct 27	Introduction to Platform Strategy	Azoulay and Tucker, "Notes on platform strategy"
14	Oct 29	Platform Pricing	interviewing.io
	Oct 29	CEO Strategy Lunch	
<b>Disruption and Entrepreneurial Strategy</b>			
15	Nov 3	Thinking Clearly about Disruption	Gans, "Thinking clearly about disruption."
16	Nov 5	Disruptive Entry Strategies	Rent the Runway
<b>Game Theory for Strategy</b>			
17	Nov 12	Game theory for strategy	Brandenburger and Nalebuff, "The right game"
18	Nov 17	Capacity Expansion	Graphic Packaging (A)
19	Nov 19	Bargaining Power	Tempur Sealy International (A)
20	Nov 24	From insight to action	Bain & Company data pack Kazakoff, <i>Persuading with Data</i> , chapter 5
21	Dec 1	Final case de-brief	<b>Final Case Analysis Due on Monday Dec 1st at 8:00 am</b>
22	Dec 3	Wrap-Up	No pre-reading

Color coding denotes cases in each of the four memo groups.

### CLASS 1: What strategy is (and isn't)

- Michael Porter, 1996, "What Is Strategy?" *Harvard Business Review*
- Donald Sull, 2025, "Strategy Analytics," *MIT Sloan School Course note*. We will work through sections of the note throughout the semester, but you may find it helpful to read the memo in its entirety at some point prior to the strategy analytics recitation.
- Video: Intro to Competitive Strategy Course

### CLASS 2: Value Creation and Value Capture

- Tesla's Entry into the US Auto Industry, MIT Sloan case
- Tesla case exhibits (spreadsheet)
- Adam Brandenburger and Harborne Stuart, 1996, "Value-based business strategy" *Journal of Economics & Management Strategy*, 5(1): 5-12. *Please read only sections 1-4 (pages 5-12)*.
- Strategy Analytics, section III.3 "Willingness to pay"
- Video: Willingness to Pay

## INDUSTRY ANALYSIS

### CLASS 3: Industry Structure Analysis

- Michael Porter, 2008, "The Five Competitive Forces that Shape Strategy," *Harvard Business Review*
- Video: 5 Forces in 5 Minutes: The US Airline Industry
- Video: Why Industry Analysis?

RECITATION: CRACKING A CASE (virtual over Zoom).

3:00-4:00 pm, September 11

### CLASS 4: Five Forces in Action

- Cola Wars Continue: Coke and Pepsi in 2010, HBS case
- Coca-Cola 2009: The CCE North America Acquisition Decision, MIT Sloan case
- Strategy Analytics memo sections: I, "Industry attractiveness," II.1 "profitability ratios," and II.2 "return on investment ratios"
- Video: Industry attractiveness
- Video: Measuring profitability
- Video: Return on investment

**CLASS 5: Analyzing an Industry in Flux**

- First Solar, MIT Sloan case
- First Solar exhibits (workbook)

**CLASS DAY ON CAPE COD (purely optional)**

10:00 am - 4:00 pm September 20

Everyone is invited to join us for a day on Cape Cod. You'll have your choice of a seaside hike with Pierre or bike ride from Orleans to Wellfleet with Don. Bikes are available to rent. We'll then converge for pizza on Nauset beach, one of the most beautiful beaches on Cape Cod. Spouses, partners, kids, significant others, and dogs are most welcome. Rain date is September 27th, but since it never rains on Cape Cod the rain date is purely hypothetical.

**FIRM-LEVEL STRATEGY****CLASS 6: Choosing How to Compete**

- Pankaj Ghemawat and Jan Rivkin (2006). "Creating Competitive Advantage," HBS course note
- Strategy Analytics, section VI.2 "Who/what/how"
- Video: Strategic frontier
- Video: Interdependent choices

**CLASS 7: Cost-based competition**

- Carnival Corporation: The P&O Princess Acquisition (A), London Business School case
- Carnival case exhibits (workbook)
- Strategy analytics memo sections: III.1 "analyzing operating costs" and III.2 "analyzing capital efficiency."
- Video: Analyzing operating costs
- Video: duPont formula

**RECITATION: STRATEGY ANALYTICS (virtual over Zoom)**

3:00-4:00 pm, September 26

**CLASS DAY ON CAPE COD (rain date)****CLASS 8: Competitive moats**

- Burberry's Digital Strategy, London Business School case
- Burberry case exhibits (workbook)

- Donald Sull & Cameron Davis, "Competitive moats," MIT Sloan Working Paper
- Review Strategy Analytics memo, II "Company performance."
- Video: Performance box score

CLASS 9: Bringing it all together

- Ferrari in 2025: Balancing Tradition and Innovation to Grow, MIT Sloan case
- Ferrari in 2025 case exhibits (workbook)

CLASS DAY ON CAPE COD (second rain date)

CLASS 10: Making Strategy Practical

- "For Trader Joe's, a New York Taste test," New York Times article

CLASS 11: Midterm review

- Strategy discussion template, MIT Sloan
- Video: Using the templates to structure strategy discussions

**MIDTERM CASE ANALYSIS DUE TUESDAY OCTOBER 14<sup>th</sup> AT 5:00 PM**

CLASS 12: Midterm Case Debrief

**LEAD WEEK (OCTOBER 20-24)**

**PRODUCTS AND PLATFORMS**

CLASS 13: Introduction to Platform Strategy

- Azoulay, Pierre and Catherine Tucker. 2020. "Notes on Platform Strategy." MIT Sloan School.

CLASS 14: Platform Pricing

- interviewing.io case study
- interviewing.io exhibits (workbook)

## **DISRUPTION AND ENTREPRENEURIAL STRATEGY**

### CLASS 15: Thinking Clearly About Disruption

- Video: “The Hidden Weakness of Established Firms.”  
<https://www.youtube.com/watch?v=Ws1tlscnqdl>
- Christensen, Clayton M., Michael E. Raynor, and Rory McDonald. 2015. “What is Disruptive Innovation?” Harvard Business Review, December Issue, pp. 44-53.
- Gans, Joshua. (2016). “Keep Calm and Manage Disruption.” Sloan Management Review, 57(3), pp. 83-90.

### CLASS 16: Disruptive Entry Strategies

- Rent the Runway, HBS Case
- Gans, Joshua, Erin Scott, and Scott Stern. 2021. “The Disruption Strategy.” Chapter 11, Entrepreneurial Strategy, mimeo, MIT Sloan School.

## **GAME THEORY FOR STRATEGY**

### CLASS 17: Game theory for strategy

- Adam Brandenburger and Barry Nalebuff (1995). “The Right Game: Use Game Theory to Shape Strategy,” Harvard Business Review, HBR Article 95402-PDF-ENG.
- Video: Matrices and trees--putting game theory into action

### CLASS 18: Capacity expansion

- Graphic Packaging: Project Cowboy (A), HBS case
- Graphic Packaging workbook
- Video: McKinsey Quarterly "Enduring Ideas: The industry cost curve"

### CLASS 19: Bargaining Power

- Tempur Sealy International (A), HBS case
- Tempur Sealy exhibits (workbook)
- Strategy Analytics, V "Assessing relative bargaining power"

- Video: Quantifying Bargaining Power

CLASS 20: From insight to action

- Bain & Company case data pack
- Miro Kazakoff, 2021, *Persuading with Data*, chapter 5, "Build effective slides"

**FINAL CASE ANALYSIS DUE MONDAY DECEMBER 2nd AT 8:00 AM**

CLASS 21: Final Case Debrief

CLASS 22: Wrap-Up Discussion

- No pre-reading