Increase market share: the full report

Example: a paint maker in Colombo, Sri Lanka, losing share in exterior paint. All five stages, from the guided tour.

The playbook at a glance

1. Where are you losing share, and to whom?
   Exterior paint lost the most share: 4 points in 3 years, mainly to **The market leader**, while its market grew 12% a year
2. Which product lines are worth fighting for?
   Push **Exterior paint** for share, a Question Mark at 0.31 of the leader's share, in a market growing 12% a year, funded by **Wood finishes**
3. What do you have that rivals can't copy?
   Ten years of coastal weather tests is hard to copy, but not used yet: look here first
4. On what basis can you win?
   Win share in **Exterior paint** with differentiation focus, resting on **Ten years of coastal weather tests**
5. What exactly will you change?
   Raise **How long it lasts in sun and rain**, **Colors mixed in the shop** and 3 more, paid for by dropping **A brand they have seen advertised** and cutting **Range of colors**

STAGE 1 OF 5

Where are you losing share, and to whom?

Stage 1 diagnosis

Exterior paint lost the most share: 4 points in 3 years, mainly to **The market leader**, while its market grew 12% a year

Exterior paint: **15% to 11%: down 4 points over 3 years, while the market grew 12% a year. Lost mainly to The market leader.**

Interior paint: **17% to 15%: down 2 points over 3 years, while the market grew 3% a year. Lost mainly to The low-price brand.**

Wood finishes: **30.1% to 31%: steady over 3 years, while the market grew 4% a year.**

Waterproofing: **8.1% to 9%: up 1 point over 3 years, while the market grew 14% a year.**

Sales against share: **Sales of Exterior paint grew 1% a year, but the market grew 12%: growing slower than the market is losing share.**

What the lost share is worth: **At its old share, Exterior paint would sell about LKR 478.59 million more in the latest year.**

What buyers weigh: **8 factors listed, from 18 people asked**

What this may mean

Its market grew, so this isn't a market shrinking away from you: rivals took the sales. Its sales still rose, which hides the loss. 2 lines lost share, but not all of them are worth winning back: the next step decides which one is.

Investigate next

In stage 2, place each line on the BCG Growth-Share Matrix, to choose the one line worth fighting for and the line that pays for it.

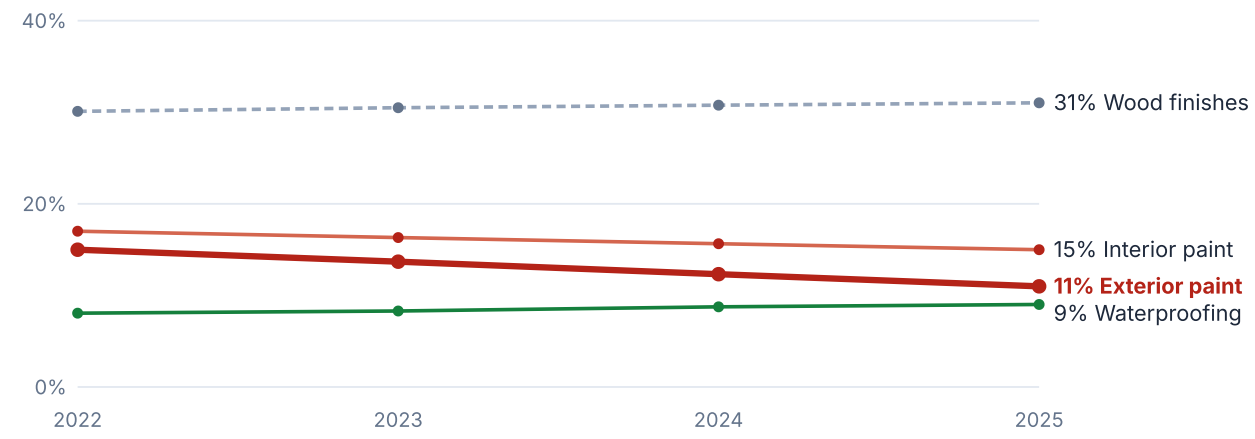
Share is your sales divided by everyone's sales in the same market and period, in value (money). Market growth is the yearly rate between the first and latest years given.

Losing share means down by 1 point or more, or by a tenth of the share; gaining is the same upwards. The rest counts as steady.

Share by product line

MEASURED IN

value (LKR), 2022 to 2025



Losing share Gaining Holding steady

PRODUCT LINE	SHARE, FIRST YEAR	SHARE, LATEST	CHANGE	MARKET GROWTH A YEAR	LOST MAINLY TO	WHAT BUYERS SAID
Interior paint	17%	15%	−2 points	3%	The low-price brand	Cheaper by about a quarter
Exterior paint	15%	11%	−4 points	12%	The market leader	Any color mixed in the shop; a 7-year warranty
Wood finishes	30.1%	31%	+0.9 points	4%	–	The brand carpenters trust
Waterproofing	8.1%	9%	+1 point	14%	–	Few know the company makes it

Share is your sales divided by the whole market's, in the same year. Market growth is the yearly rate between the first and latest years. The highlighted row lost the most.

What buyers weigh

Price	14 of 18
How long it lasts in sun and rain	12 of 18
Colors mixed in the shop	11 of 18
Warranty	9 of 18
A brand they have seen advertised	7 of 18
Range of colors	6 of 18

A dealer close by		5 of 18
Help and training for painters		4 of 18

Kept for stage 5: the strategy canvas starts from this list.

DECISION POINT

Take the share figures to stage 2

Lost mainly to The market leader. Not every line that lost share is worth winning back. The BCG Growth-Share Matrix shows where share is worth the most.

STAGE 2 OF 5

Which product lines are worth fighting for?

Stage 2 diagnosis

Push **Exterior paint** for share, a Question Mark at 0.31 of the leader's share, in a market growing 12% a year, funded by **Wood finishes**

The growth line: **7% a year (above it is high growth)**

Question Marks: **Exterior paint**: 0.31, growing 12%; **Waterproofing**: 0.32, growing 14%

Cash Cows: **Wood finishes**: 1.63, growing 4%

Dogs: **Interior paint**: 0.39, growing 3%

Pushed for share: **Exterior paint**

Pays for it: **Wood finishes**

More share, lower costs or better prices?: **Yes**

What this may mean

A Question Mark is where share is worth the most: the market is growing, so share won now gets cheaper to hold as it grows. Funded fully, it can become a Star; left half-funded, it stays behind. The Cash Cow pays: harvest it, but don't starve it.

Investigate next

In stage 3, test what you have behind **Exterior paint** that rivals can't easily copy, with VRIO.

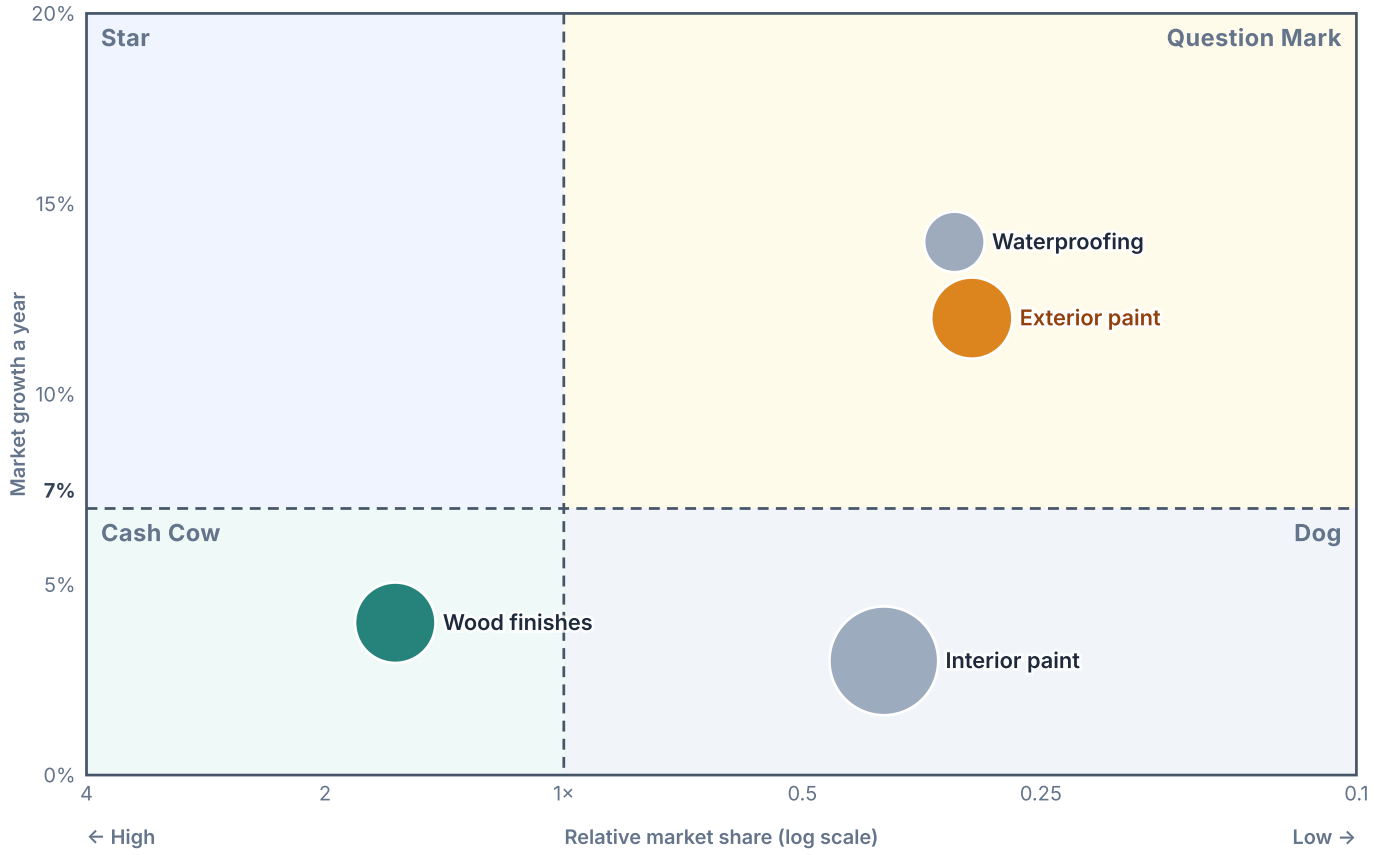
Relative market share is your share divided by the largest rival's (the next largest, when you lead). It is a ratio, not a percentage: 1.0 or more means you lead.

High growth means the market grows at 7% a year or more. The quadrants split at that line and at a relative share of 1.0.

The matrix

GROWTH LINE

7% a year; relative share split at 1.0



Push for share · Pays for the push · Other lines · Bubble size: your sales

Each line, measured

PRODUCT LINE	MARKET GROWTH	YOUR SHARE	LARGEST RIVAL'S SHARE	RELATIVE SHARE	QUADRANT	ROLE
Interior paint	3%	15%	38%	0.39	Dog	Hold
Exterior paint	12%	11%	36%	0.31	Question Mark	Push for share
Wood finishes	4%	31%	19%	1.63	Cash Cow	Pays for the push
Waterproofing	14%	9%	28%	0.32	Question Mark	Wait for now

Relative share is your share divided by the largest rival's. It is a ratio, not a percentage: 1.0 or more means you lead.

DECISION POINT

Take Exterior paint to stage 3

Wood finishes pays for it: harvest, but don't starve it. Before choosing how to win share there, find what you have that rivals can't easily copy.

STAGE 3 OF 5

What do you have that rivals can't copy?

Stage 3 diagnosis

Ten years of coastal weather tests is hard to copy, but not used yet: look here first

Not used yet: **Ten years of coastal weather tests**: passes the first three tests, but the company isn't organized to use it

Temporary: **A painters' club of 3,000 contractors**: rare, but a rival could copy it within a year or two

Parity: **Factory with 30% spare capacity** and **1,400 dealers**: valuable, but rivals have them too

What this may mean

A resource that is valuable, rare and hard to copy, but unused, is often the best find in VRIO: rivals can't buy it, and it costs little to start using. It isn't an advantage until the company is organized to use it: people, processes and budget. **A painters' club of 3,000 contractors** can help for now, but rivals could copy it.

Investigate next

In stage 4, choose a position that rests on **Ten years of coastal weather tests**, and plan what it takes to use it: who owns it, and how buyers will hear about it.

The four questions are asked in order, and a No ends it: not valuable = no advantage; valuable but common = parity; rare but easy to copy = temporary; hard to copy but not used = not used yet; all four = a lasting advantage.

Value comes from buyers: what they said in stage 1, not what the company is proud of.

The four questions, in order

BEHIND

Exterior paint, where share went to The market leader

RESOURCE	V	R	I	O	VERDICT
Factory with 30% spare capacity Every serious rival has one	Yes	No	–	–	Parity
1,400 dealers The leader has 2,600	Yes	No	–	–	Parity
A painters' club of 3,000 contractors The leader could start one within a year	Yes	Yes	No	–	Temporary
Ten years of coastal weather tests No rival can buy ten years of results, but no buyer has been told	Yes	Yes	Yes	No	Not used yet: look here first

Each question is asked only if the one before it was answered yes. The outlined row is the one to look at first.

What holds up

Not used yet

Hard to copy, but nobody uses them. Look here first: organize to use them.

- Ten years of coastal weather tests

Temporary

Rare today, but a rival could copy them within a year or two.

- A painters' club of 3,000 contractors

Parity

Valuable, but rivals have them too. Needed to compete, not to win.

- Factory with 30% spare capacity
- 1,400 dealers

DECISION POINT

Look here first: Ten years of coastal weather tests

Hard to copy, and nobody uses it yet. Plan who owns it and how buyers will hear about it, then choose a position that rests on it in stage 4.

STAGE 4 OF 5

On what basis can you win?

Stage 4 diagnosis

Win share in **Exterior paint** with differentiation focus, resting on **Ten years of coastal weather tests**

Before you rely on this

- Part of what it rests on isn't used yet. Name who will organize it, and when buyers will hear about it.

The market leader: **Cost leadership**

The low-price brand: **Cost focus**

You today: **In between: a bit cheaper and a bit better, known for nothing in particular**

Lowest costs: **The market leader**

Your choice: **Differentiation focus, for one segment**

It rests on: **Ten years of coastal weather tests** and **A painters' club of 3,000 contractors**

A price cut to win share: **Planned, then dropped**

What this may mean

One clear position, resting on what rivals can't copy, is what keeps a challenger out of the middle. Today you sit in between: a bit cheaper and a bit better, which Porter calls stuck in the middle. You lose price-minded buyers to the cheapest player and the rest to whoever stands for something.

Investigate next

In stage 5, turn the position into specific changes: what to drop, cut, raise and add, on a strategy canvas against the rivals.

Porter's four positions cross the basis of competition (lower cost, or uniqueness buyers pay more for) with the scope (the whole market, or one segment).

Stuck in the middle: trying to be cheaper and different at once, and ending up neither.

Who sits where

YOUR CHOICE

Differentiation focus: Coastal and high-rain homes, sold through painting contractors

	LOWER COST	UNIQUENESS
BROAD MARKET	**Cost leadership** Cheapest across the market The market leader	**Differentiation** Different, across the market
NARROW SEGMENT	**Cost focus** Cheapest for one segment The low-price brand	**Differentiation focus** Different, for one segment Your choice

Stuck in the middle: you today. A bit cheaper and a bit better, known for nothing in particular.

PLAYER	POSITION	LOWEST COSTS?
The market leader	Cost leadership	Yes
The low-price brand	Cost focus	
You today	In between	
Your choice	Differentiation focus Coastal and high-rain homes, sold through painting contractors	

What it rests on

- Ten years of coastal weather tests — Not used yet
- A painters' club of 3,000 contractors — Temporary

A price cut was planned, and has been dropped.

DECISION POINT

Take differentiation focus to stage 5

It takes you out of the middle. The price cut stays dropped. Next, decide what to drop, cut, raise and add to serve it.

STAGE 5 OF 5

What exactly will you change?

Stage 5 diagnosis

Raise **How long it lasts in sun and rain**, **Colors mixed in the shop** and 3 more, paid for by dropping **A brand they have seen advertised** and cutting **Range of colors**

Eliminate: **A brand they have seen advertised**

Reduce: **Range of colors**

Raise: **How long it lasts in sun and rain**, **Colors mixed in the shop**, **Warranty** and **Help and training for painters**

Create: **Site check before work**

Against **The market leader**: Above on **Price**, **How long it lasts in sun and rain**, **Warranty**, **Help and training for painters** and **Site check before work**

Below **The market leader**: **A brand they have seen advertised**, **Range of colors** and **A dealer close by**

Easy to copy: **Colors mixed in the shop**, **Help and training for painters** and **Site check before work**: no advantage from stage 3 stands behind them

What this may mean

The new curve crosses **The market leader**'s: above it where you raise, below where you cut. That is a different offer, not a cheaper or dearer copy of the leader's, and the cuts pay for what you raise. It turns stage 4's differentiation focus into changes people can act on. Expect rivals to answer **Colors mixed in the shop**, **Help and training for painters** and **Site check before work** first: nothing hard to copy stands behind them.

Investigate next

Track the early signs every month, check share each quarter, and watch how rivals respond.

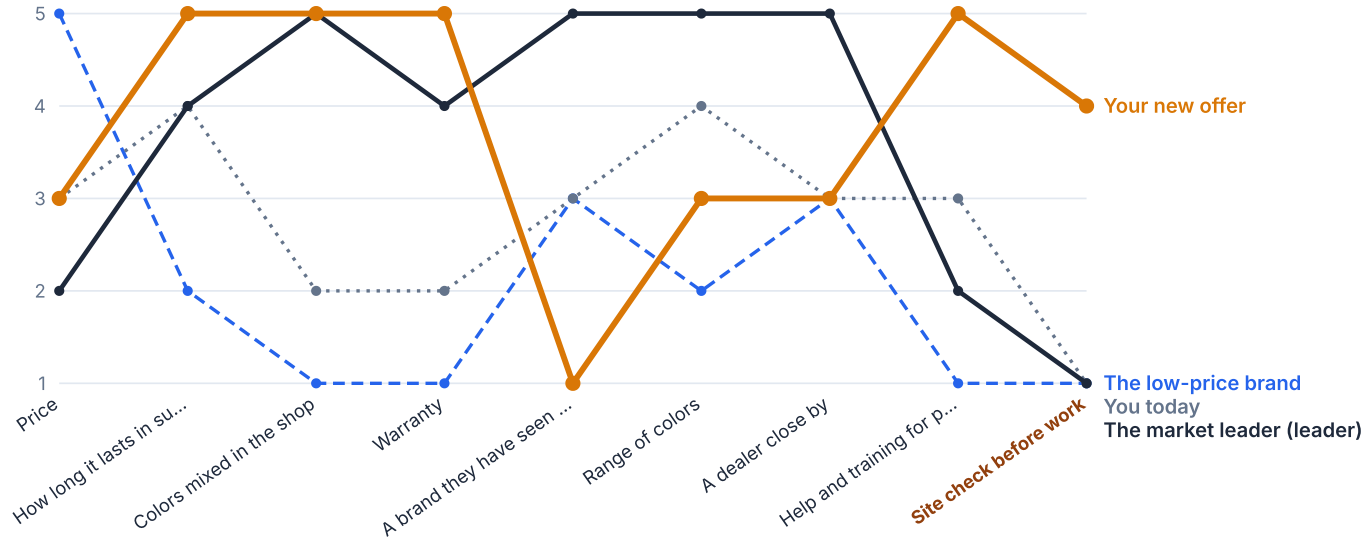
Each factor is scored 1 to 5, where 1 means little or none. Joined up, each player's scores make its value curve.

Eliminate and reduce lower cost; raise and create lift value. Choose them to serve one position, and pay for what you raise with what you cut.

The strategy canvas

AGAINST

The market leader and The low-price brand; position: Differentiation focus



The market leader (leader) · The low-price brand · You today · Your new offer

Each factor scored 1 to 5, where 1 means little or none. Joined up, each player's scores make its value curve. The leader's curve is the solid dark line.

The four actions

E Eliminate — Lowers cost

Which factors the industry takes for granted can go?

- **A brand they have seen advertised**: TV advertising stopped

R Reduce — Lowers cost

Which are over-served, to match rivals?

- **Range of colors**: From 1,200 shades to the 300 that sell

R Raise — Lifts value

Which should rise well above the industry standard?

- **How long it lasts in sun and rain**: Ten years of coastal test results published
- **Colors mixed in the shop**: Mixing machines in 200 coastal dealers
- **Warranty**: Warranty from 3 to 10 years
- **Help and training for painters**: Training and certification for painters

C Create — Lifts value

What has the industry never offered?

- **Site check before work**: A free damp check before each quote; no brand offers one

ACTION	FACTOR	THE CHANGE	TODAY → NEW	EFFECT
Eliminate	**A brand they have seen advertised**	TV advertising stopped	3 → 1	Lowers cost
Reduce	**Range of colors**	From 1,200 shades to the 300 that sell	4 → 3	Lowers cost
Raise	**How long it lasts in sun and rain**	Ten years of coastal test results published Rests on Ten years of coastal weather tests	4 → 5	Lifts value
Raise	**Colors mixed in the shop**	Mixing machines in 200 coastal dealers Easy for rivals to copy	2 → 5	Lifts value
Raise	**Warranty**	Warranty from 3 to 10 years Rests on Ten years of coastal weather tests	2 → 5	Lifts value
Raise	**Help and training for painters**	Training and certification for painters Easy for rivals to copy	3 → 5	Lifts value
Create	**Site check before work**	A free damp check before each quote; no brand offers one Easy for rivals to copy	1 → 4	Lifts value

DECISION POINT

Make the changes, and track the share

The new curve crosses The market leader's, and the cuts pay for the raises. Expect rivals to answer Colors mixed in the shop, Help and training for painters and Site check before work first: nothing hard to copy stands behind them.

Tracking share, and watching rivals

Early signs, every month

Share figures arrive slowly. Track what moves first, such as dealers won or warranties registered.

EARLY SIGN	TODAY	TARGET
Coastal dealers with a mixing machine	0	200
Contractors certified	0	1,000
Warranties registered a month	0	150

Suggest signs from your raises

Add a sign

Share each quarter, and the rivals

Check share in the Market Share Calculator once a quarter: **December 31, 2026**, **March 31, 2027**, **June 30, 2027**, **September 30, 2027**.

Rivals can copy these quickly, so expect answers to them first: **Mixing machines in 200 coastal dealers**, **Training and certification for painters**, **A free damp check before each quote; no brand offers one**. What they can't copy is what stands behind the rest.

Run stage 2 again around **November 2, 2027**. When the pushed line leads its market, the next Question Mark gets the money.

Made with the free Market Share Growth Tool at whichframework.org/tools/market-share-growth-tool.html: all five stages of the "Increase market share" playbook. Figures are from your data; the diagnosis describes what such patterns often point to, not proven causes.