

Whether a resource can actually sustain an advantage.

Applied to a specific resource or capability, not to the firm.

Valuable?

1

Does it exploit an opportunity or neutralise a threat? If no — competitive disadvantage.

Rare?

2

Do few competitors have it? If no — competitive parity.

Inimitable?

3

Is it costly to copy or substitute? If no — temporary advantage.

Organised to capture it?

4

Is the firm structured to exploit it? If no — unrealised advantage.

SOURCES OF INIMITABILITY

Unique history

Causal ambiguity — nobody knows why it works

Social complexity — culture, relationships

Patents and legal protection

Culture is the classic inimitable resource: socially complex, historically formed, and impossible to buy.