

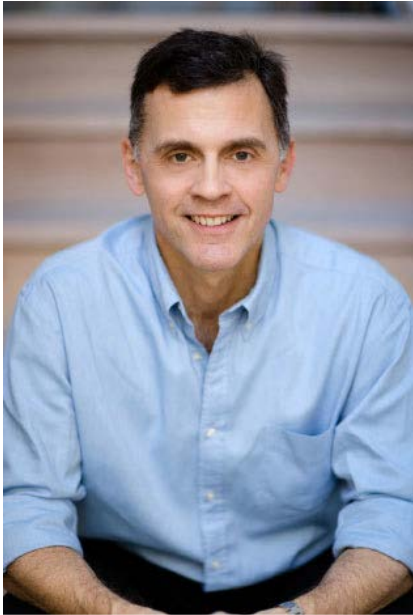
Blue Ocean Strategy

Webinar with Bob Empson
September 13th, 2017



TTMassociates
insight that moves

BOB EMPSON



- 1981: BP Oil International (UK/Southern Africa)
- 1985 - : management consultant
- Advised over 250 organisations from diverse sectors
- Work in both the boardroom and operations/field
- Delivery in nearly 40 countries on 6 continents
- BSc: University of Bristol
- MBA: University of Warwick (and tutor on MBA programme 2003 – 2013)
- Professional Certificate in Coaching: Henley Business School
- Specialises in strategy, change, marketing/brand and organisation/management development.
- He is also a seasoned executive/team coach and facilitator.

As this is an interactive webinar, you will be asked to participate in polls. Also please feel free to post your questions in the chat box as we will have a Q&A at the end of the presentation.

BLUE OCEAN WEBINAR

- Strategic management framework and traditional tools
- Blue Ocean vs. Red Ocean
- Blue Ocean Tools
 - Value Innovation
 - Strategy Canvas
 - Four Actions Framework
 - ERRC grid
- Case Studies
 - Cirque du Soleil
 - Southwest Airlines
- Questions & Answers

What is Blue Ocean Strategy?

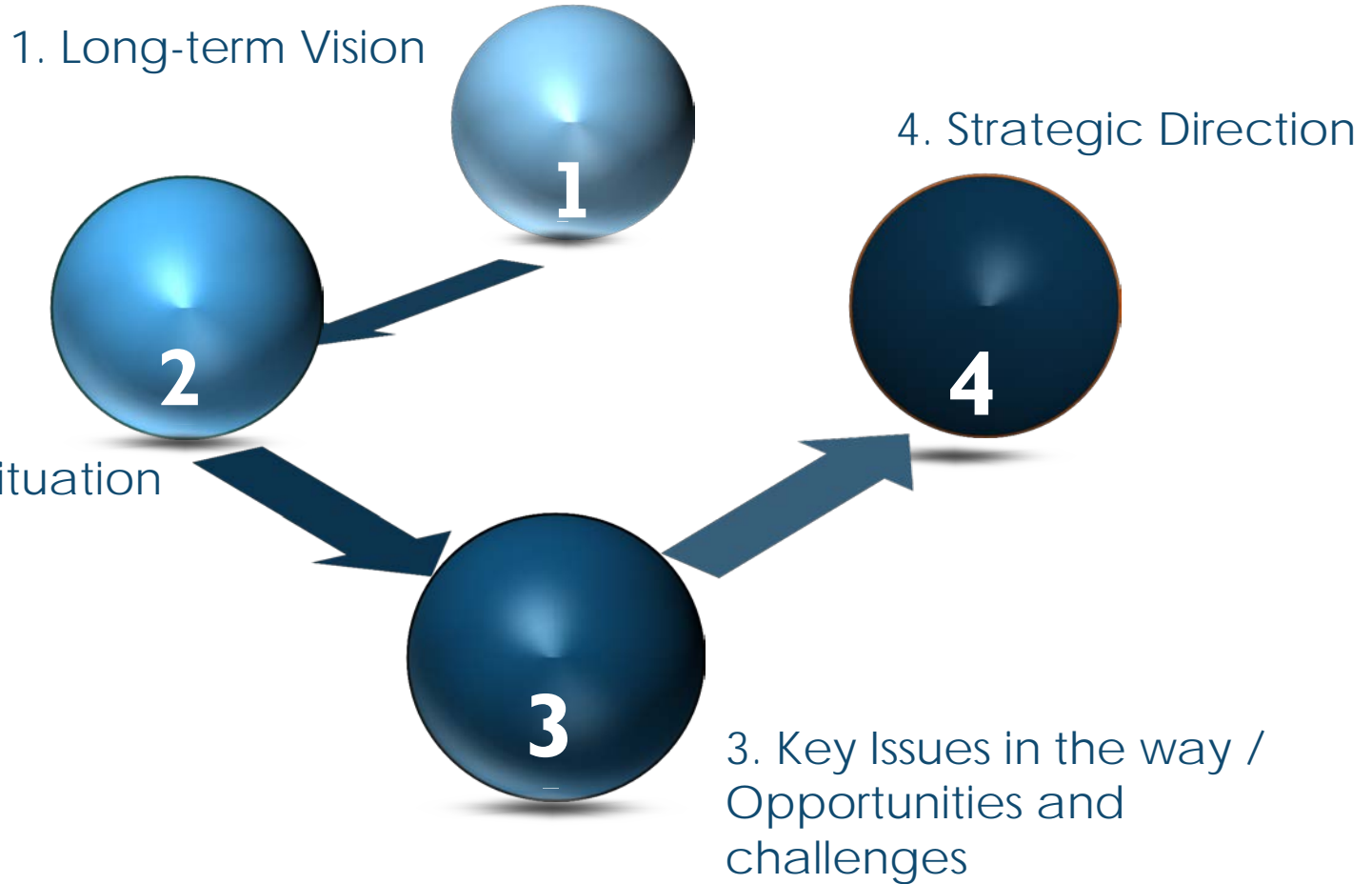
A new way of thinking?

It started with one question:

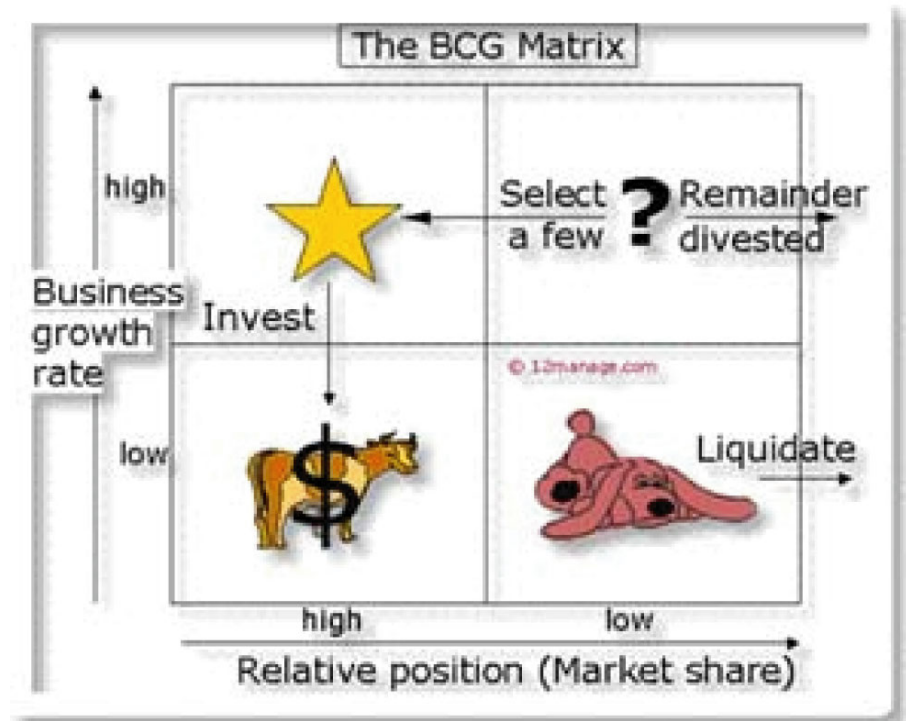
Why do some companies succeed in creating new market spaces while others fail?



STRATEGIC MANAGEMENT FRAMEWORK:



SOME TRADITIONAL TOOLS... TO BEAT THE COMPETITION



POLL

WHAT ANALYTICAL TOOLS ARE YOUR ORGANISATION USING TO DEVELOP STRATEGY?

What is Blue Ocean Strategy?

A new way of thinking

It started with one question:

Why do some companies succeed in creating new market spaces while others fail?



Red Ocean

v

Blue Ocean

Compete in
existing market
space

Aims to beat
competition

Exploits existing
demand

Differentiation OR
low cost

Creates
uncontested market
space

Make competition
irrelevant

Creates/captures
new demand

Differentiation AND
low cost



“ The only way to beat **the competition** is to stop **trying** to beat the Competition. ”

Renée Mauborgne (Professor of Strategy and Management)

Which Organisations have created Blue Oceans?

swatch[®]

CIRQUE DU SOLEIL



LEXUS

Canon



SOUTHWESTSM



 iTunes



Nintendo[®]
WiiTM

Blue Ocean Vs. Red Ocean



How can a company break out of the red ocean of bloody competition?

And how can it create a blue ocean?

Blue Ocean Tools

ANALYSIS & PLANNING TOOLS



VALUE
INNOVATION



STRATEGY
CANVAS



4 ACTION
FRAMEWORK



ERRC GRID



THE SIX
PATHS

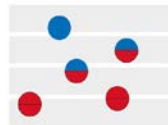


NON-
CUSTOMER

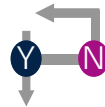
FORMULATION TOOLS



VISUALIZATION



PMS MAP



SEQUENCE
OF BOS



PRICE
CORRIDOR



BUYER
UTILITY

EXECUTION TOOLS

E E E

FAIR PROCESS

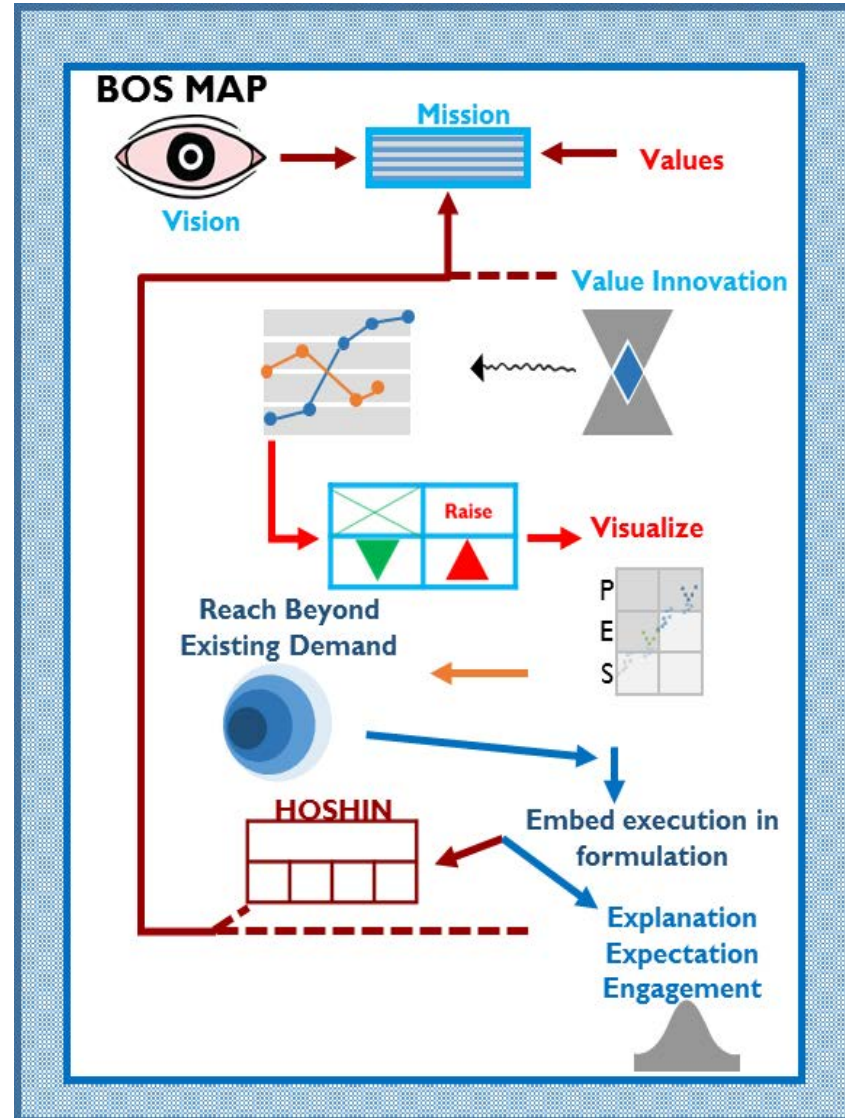


OBSTACLES

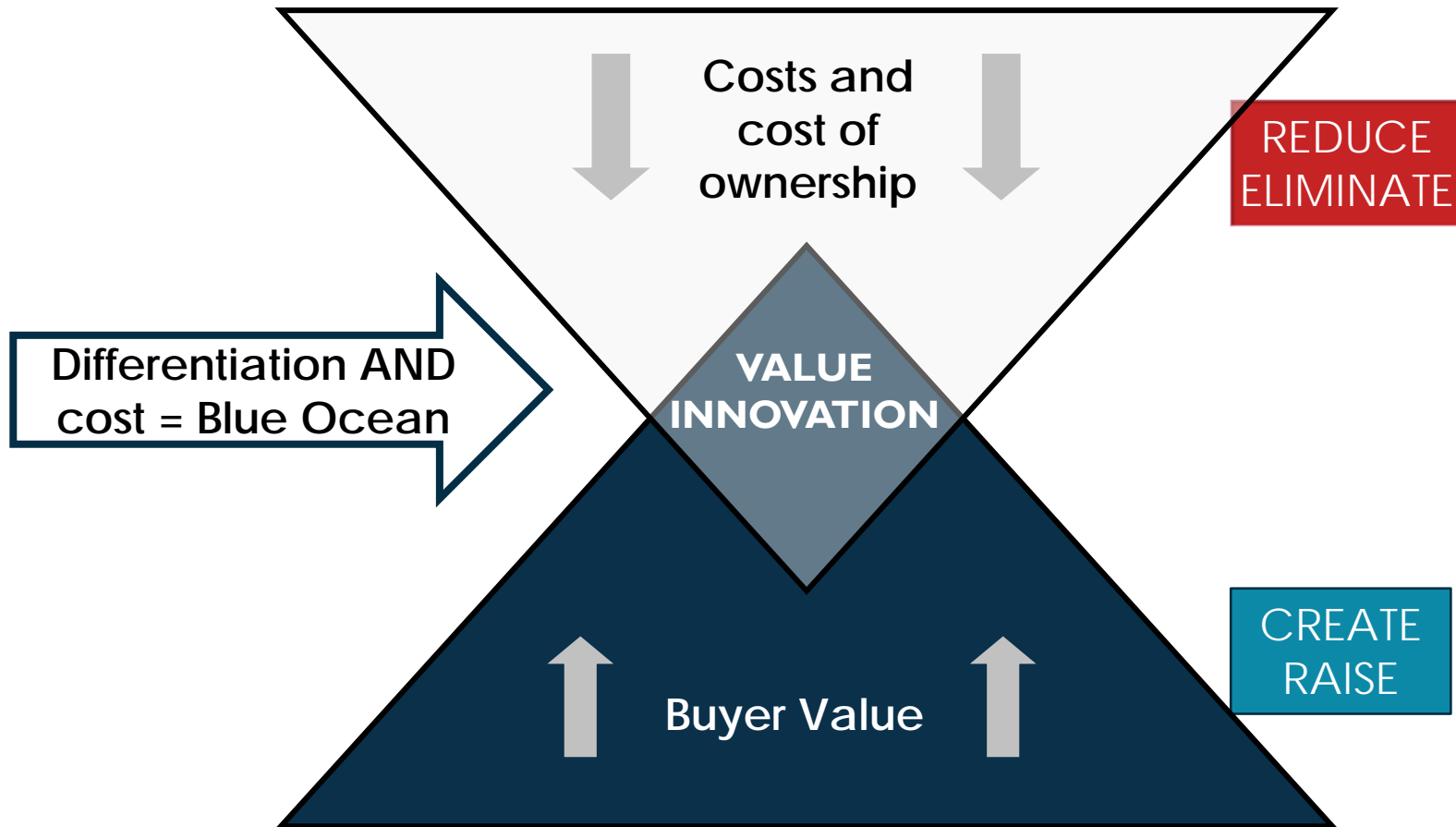


BLUE OCEAN
LEADERSHIP

BLUE OCEAN: NEW APPROACH AND NEW TOOLS



Value Innovation: a new strategic logic



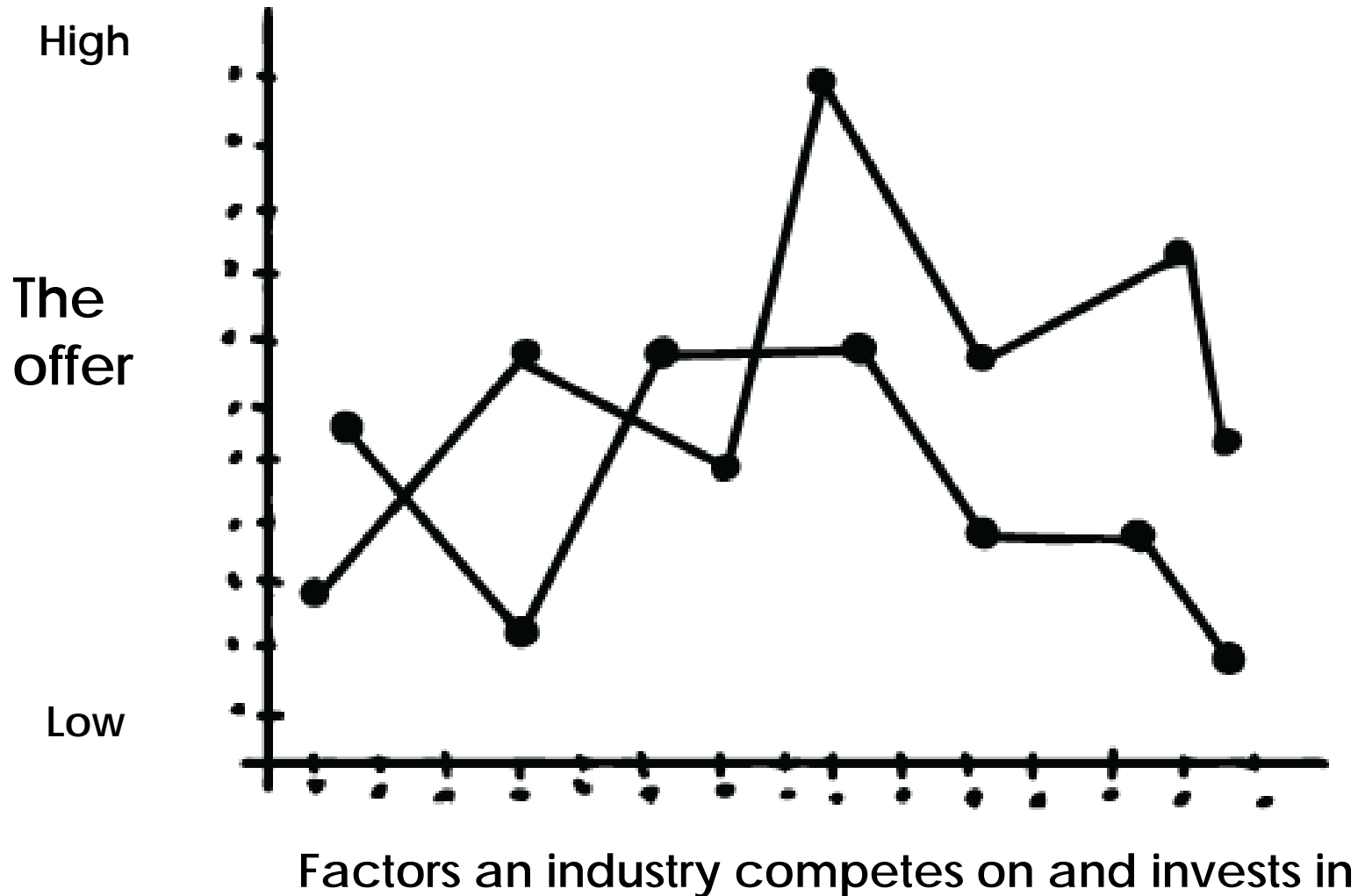
Blue Ocean Analytic Tools & Framework

3 key Blue Ocean tools

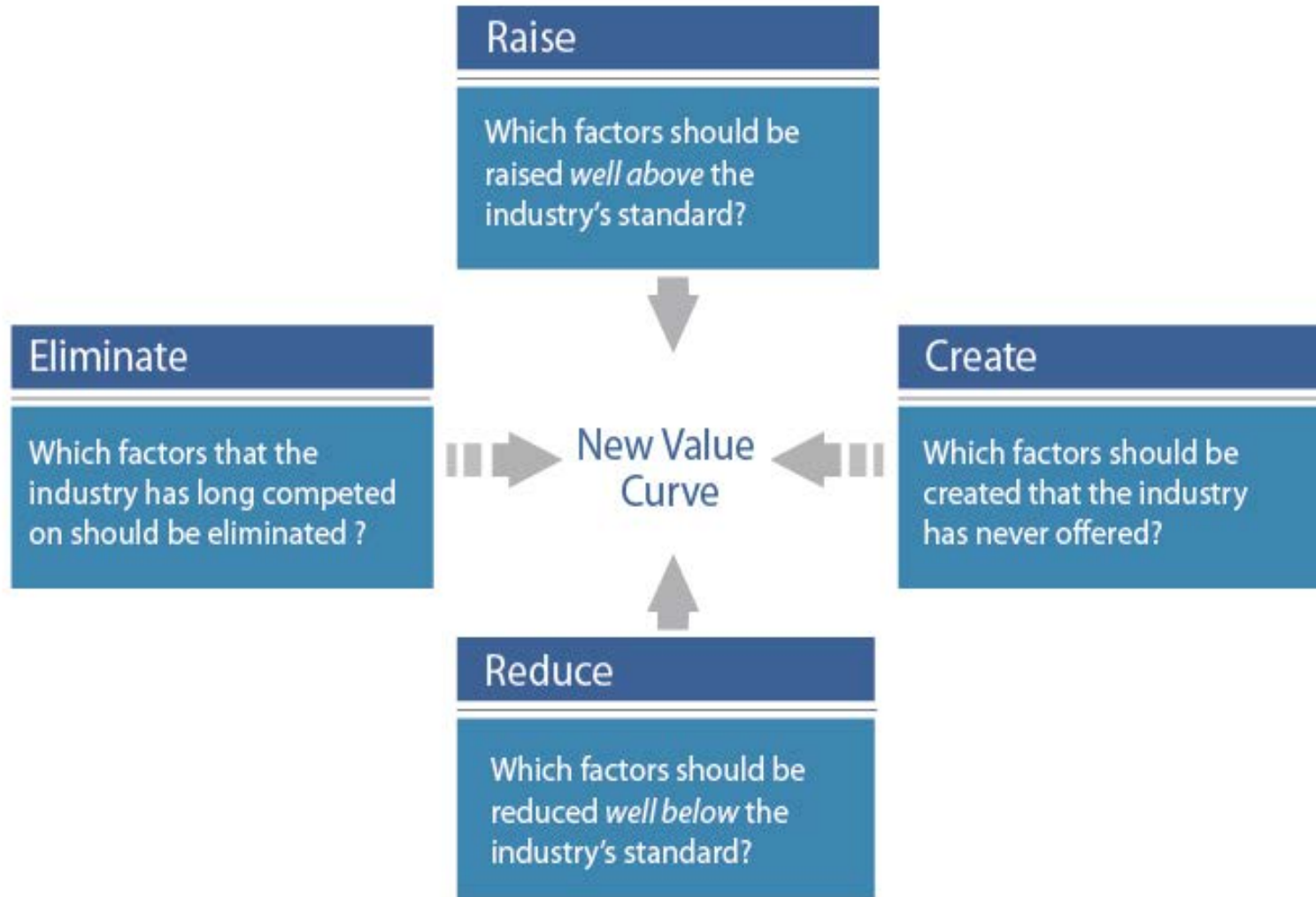
1. Strategy canvas
2. Four actions framework
3. Eliminate-reduce-raise-create

1. Strategy Canvas

The strategy canvas is both a **diagnostic** (shows **value curves**) and an **action** framework



2. Four Actions Framework



3. Eliminate-Reduce-Raise-Create: ERRC grid

Eliminate	Raise
Which of the factors that the industry takes for granted should be <i>eliminated</i> ?	Which factors should be <i>raised well above</i> the industry's standard?
Reduce	Create
Which factors should be <i>reduced well below</i> the industry's standard?	Which factors should be <i>created</i> that the industry has never offered?

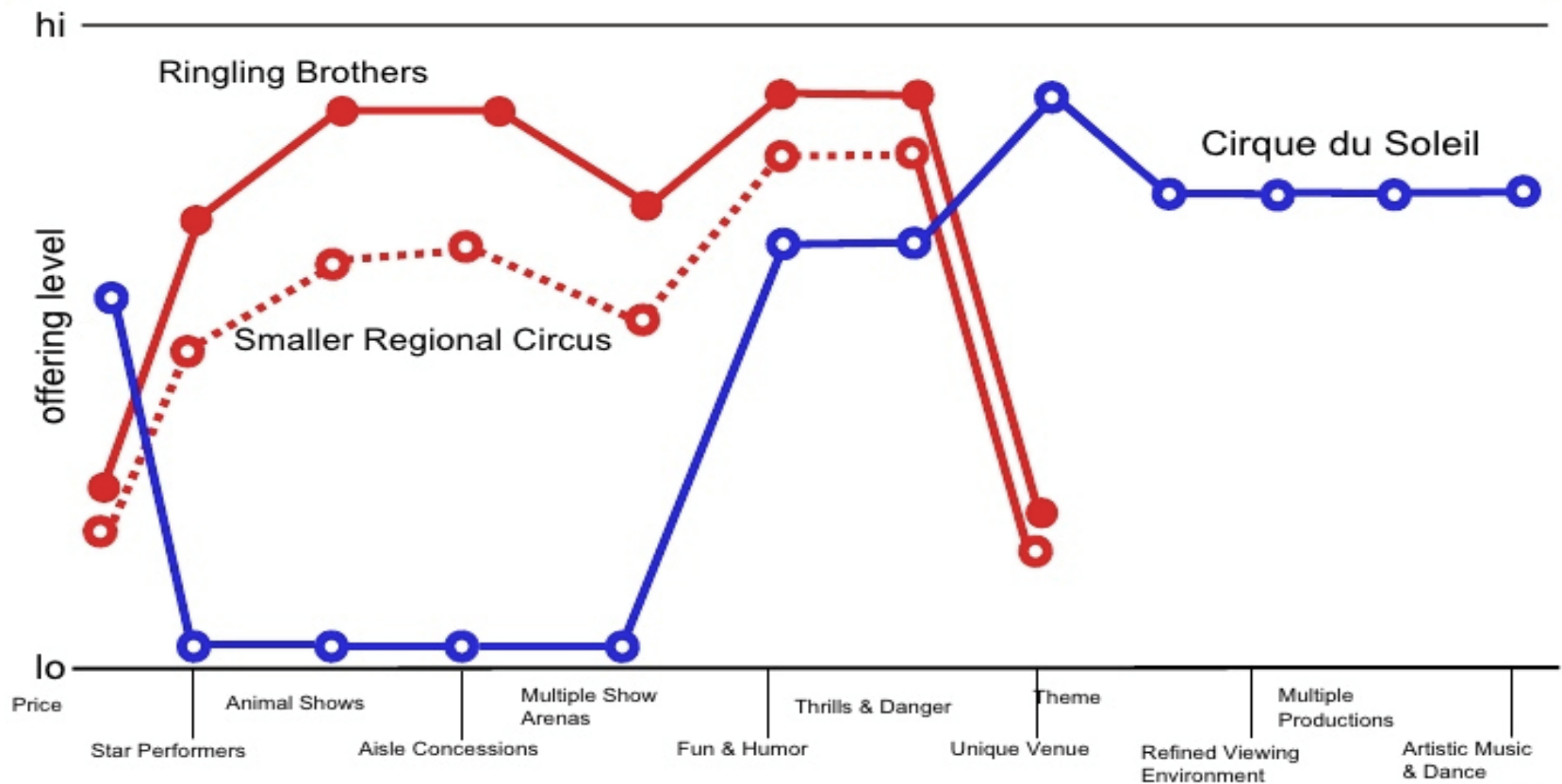
Case Study Of Cirque Du Soleil

CIRQUE DU SOLEIL



Strategy Canvas Of Cirque Du Soleil

The Strategy Canvas of Cirque du Soleil



FOUR ACTIONS FRAMEWORK: CIRQUE DU SOLEIL

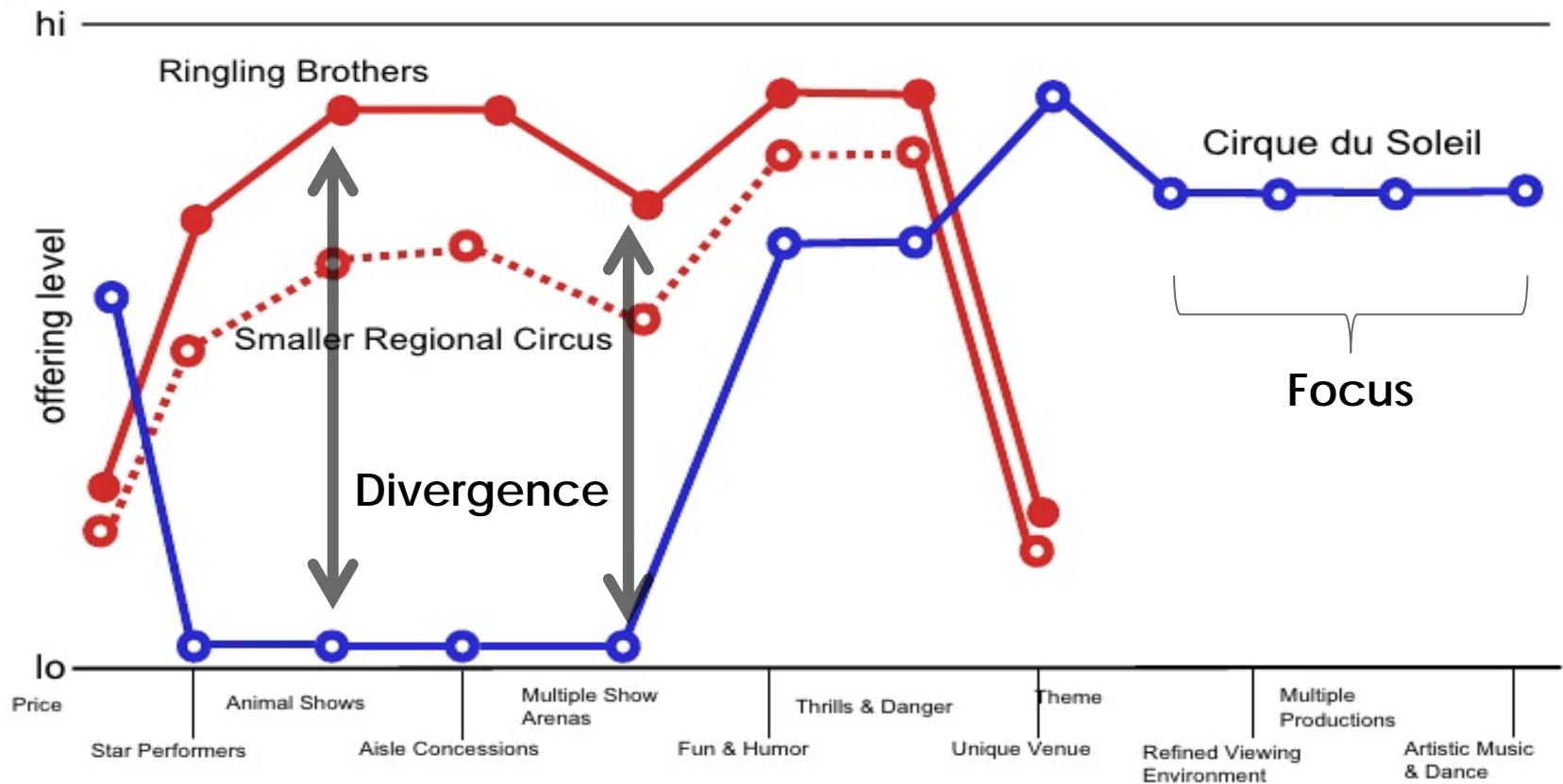
Eliminate	Raise
Star Performers Animal shows Aisle concession sales Multiple show arenas	Price Unique venue Create Theme Refined Environment Multiple Productions Artistic music & dance

Three characteristics of a good Blue Ocean strategy...

1. Focus
2. Divergence
3. Compelling tag line

Strategy Canvas Of Cirque Du Soleil

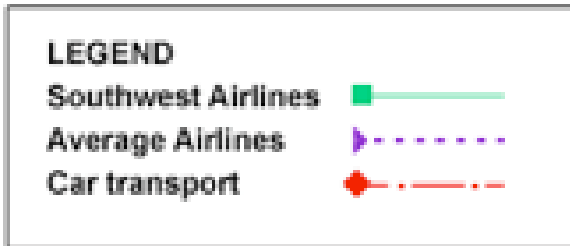
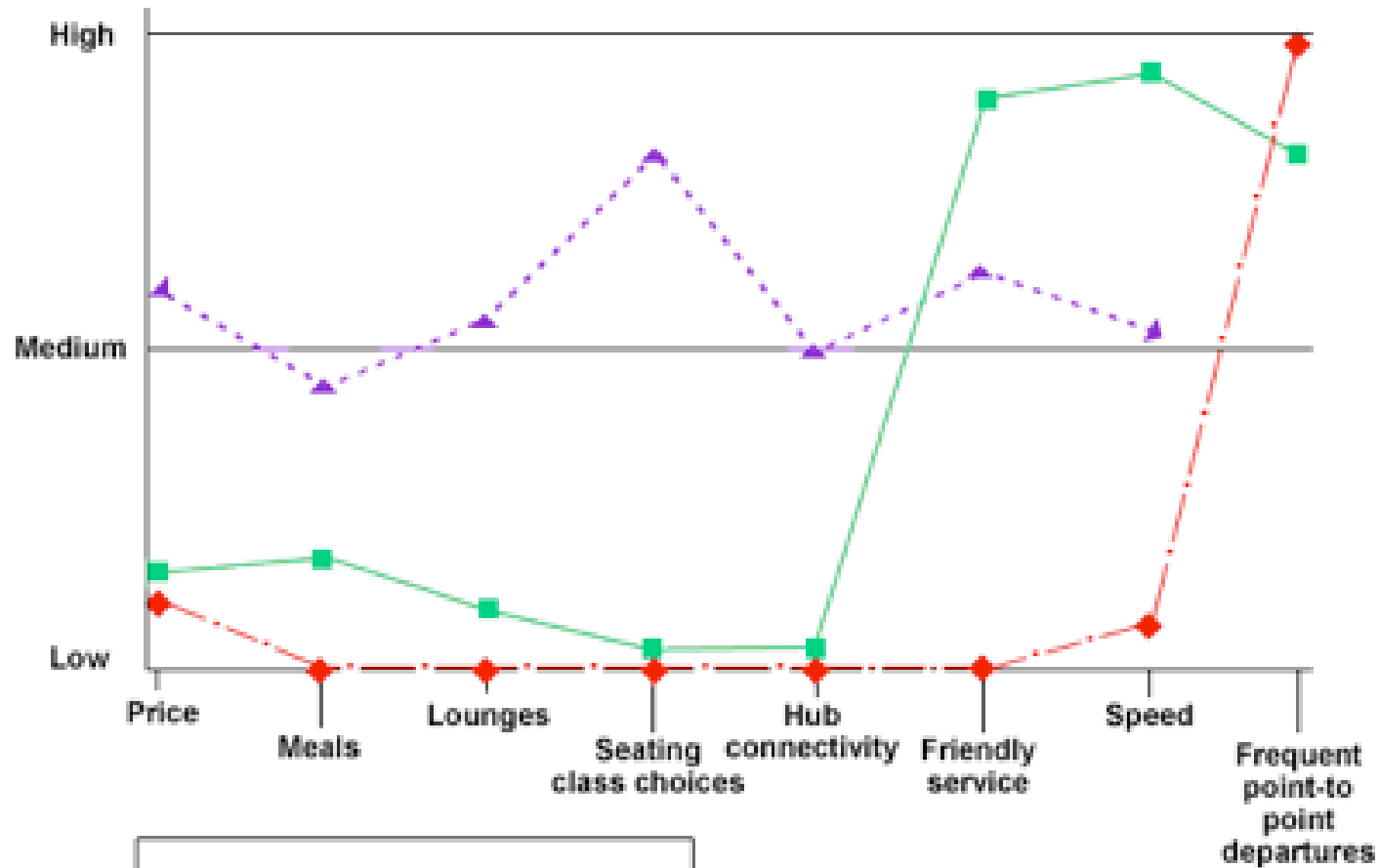
The Strategy Canvas of Cirque du Soleil



Compelling tagline Of Cirque Du Soleil

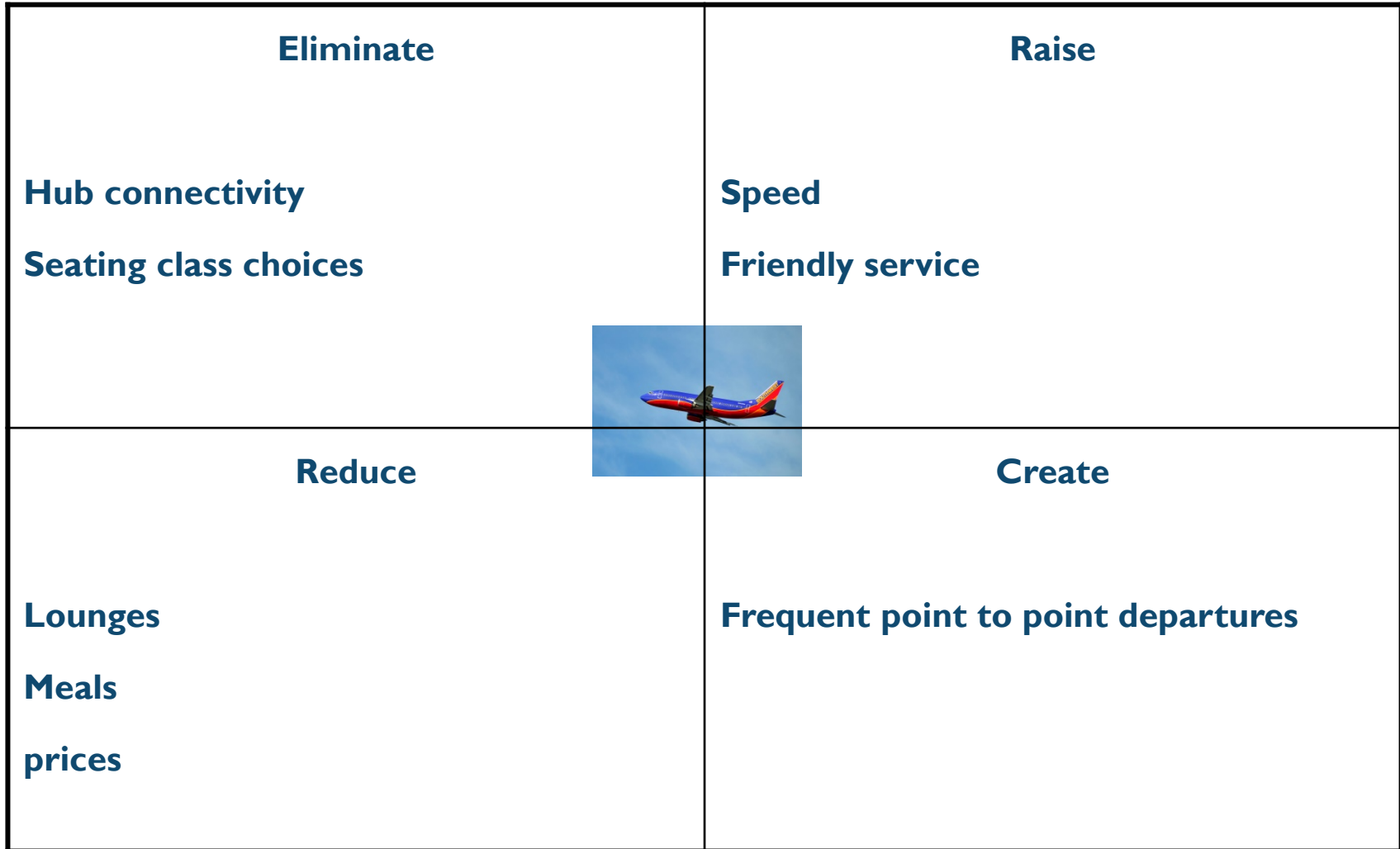
“We invoke the imagination, provoke the senses and evoke the emotions of people around the world.”

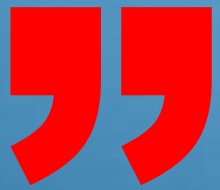
STRATEGY CANVAS - SOUTHWEST AIRLINES



ERRC GRID-SOUTHWEST AIRLINES

The Price Of A Car At The Speed Of A Plane





”

In blue oceans, **competition is irrelevant** because the rules of the game are waiting to be set.



”

Renée Mauborgne (Professor of Strategy and Management)

Q&A

The image features the text "Q&A" rendered in a bold, three-dimensional, blue font. The characters are thick and blocky, with a slight shadow cast beneath them, giving them a sense of depth and weight. The background is a plain, light blue gradient, which makes the darker blue text stand out. The overall style is clean and modern, typical of a corporate or professional logo.

Bibliography

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THANK YOU FOR ATTENDING THE
WEBINAR!



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