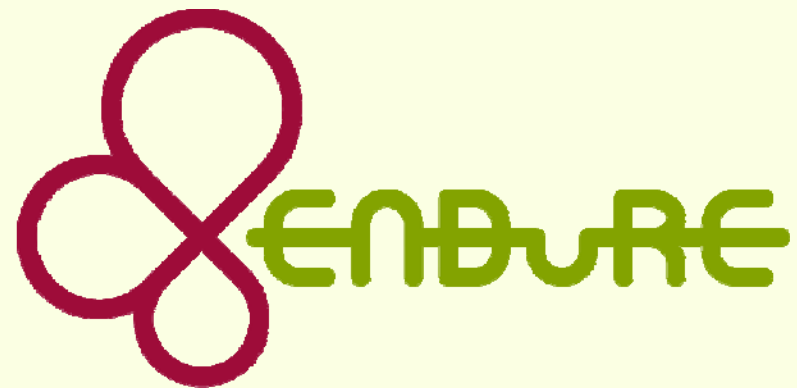




Implementation Strategy & Strategic Marketing



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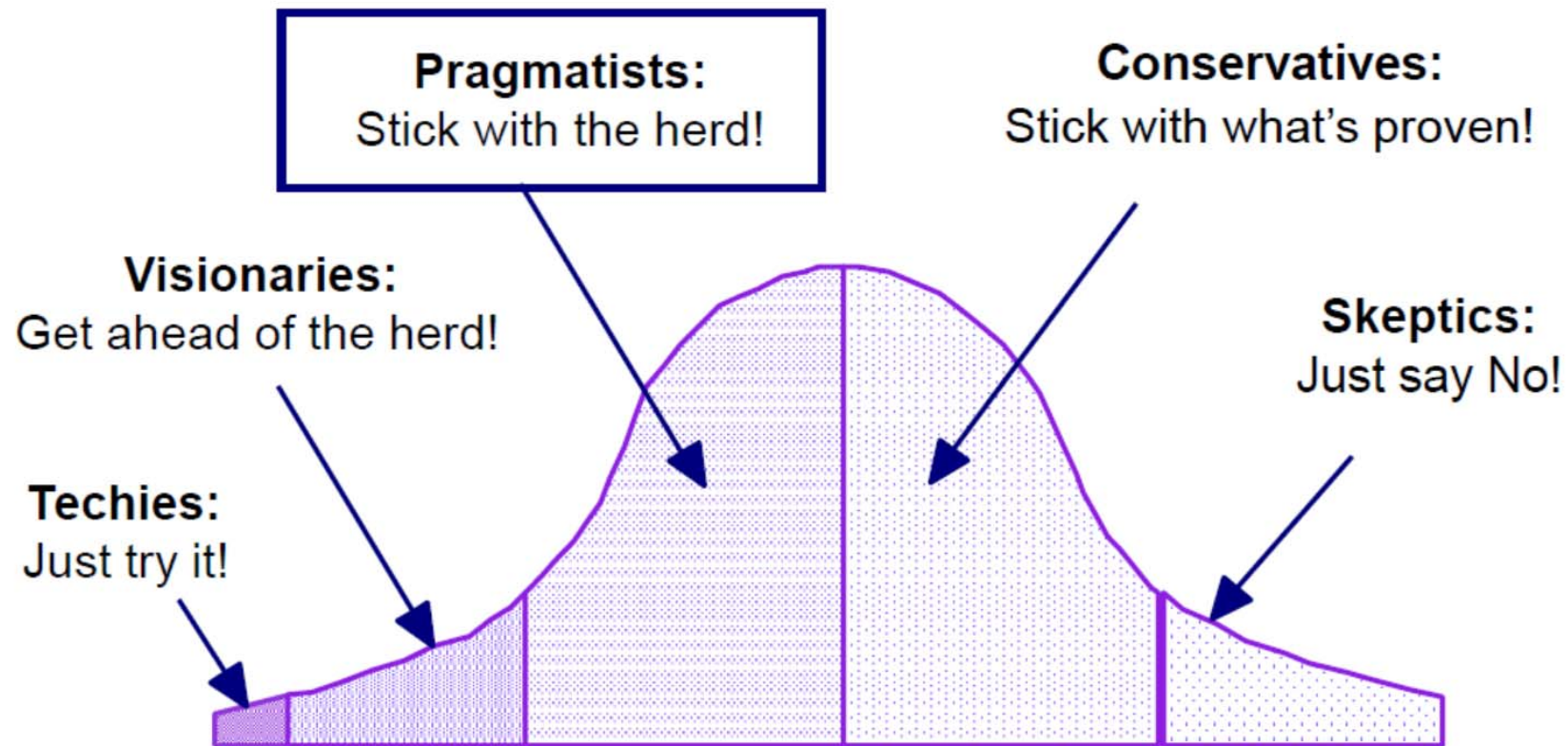


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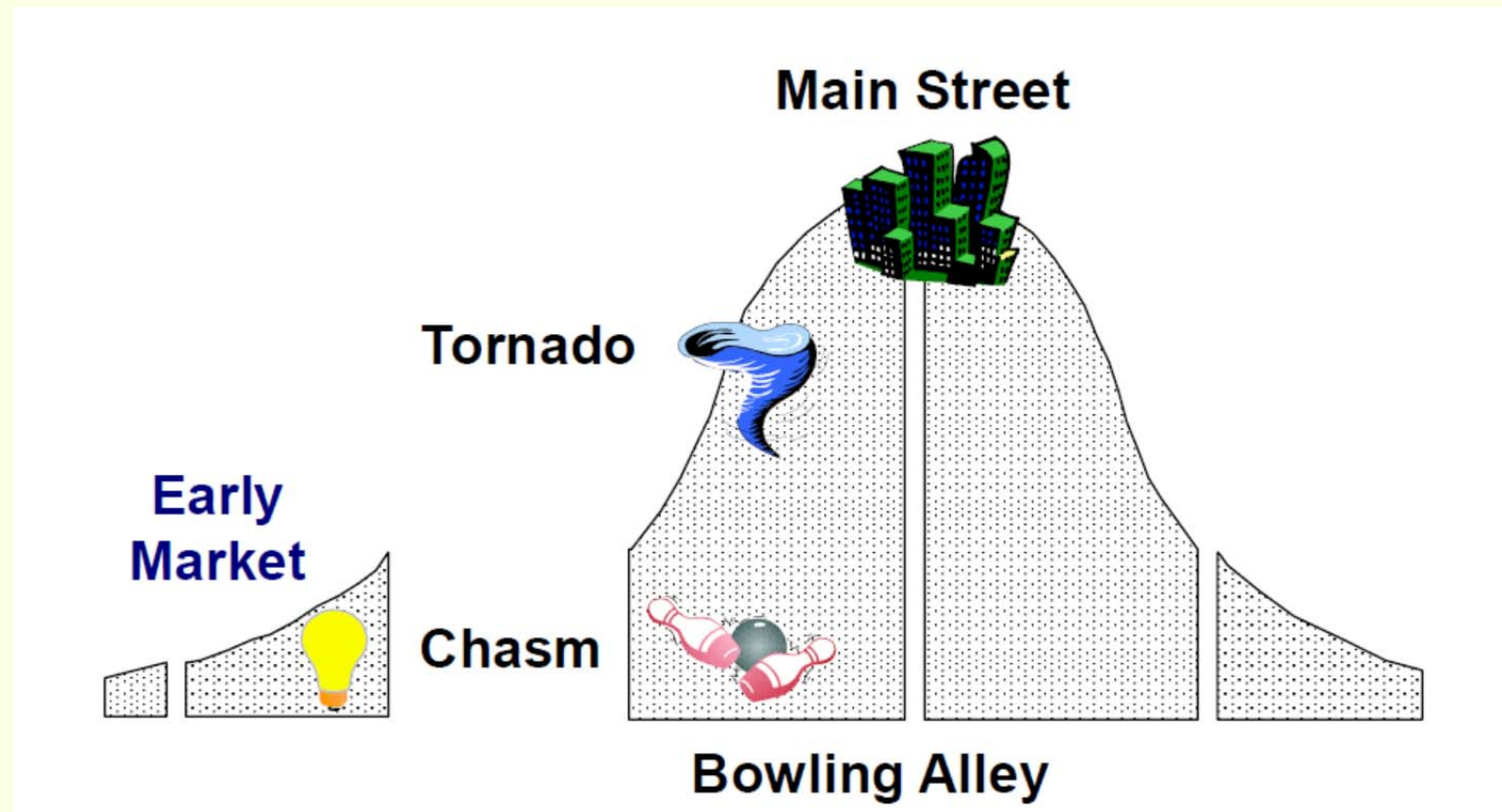
Underlying Drivers in Growth Markets

Technology Adoption Strategies



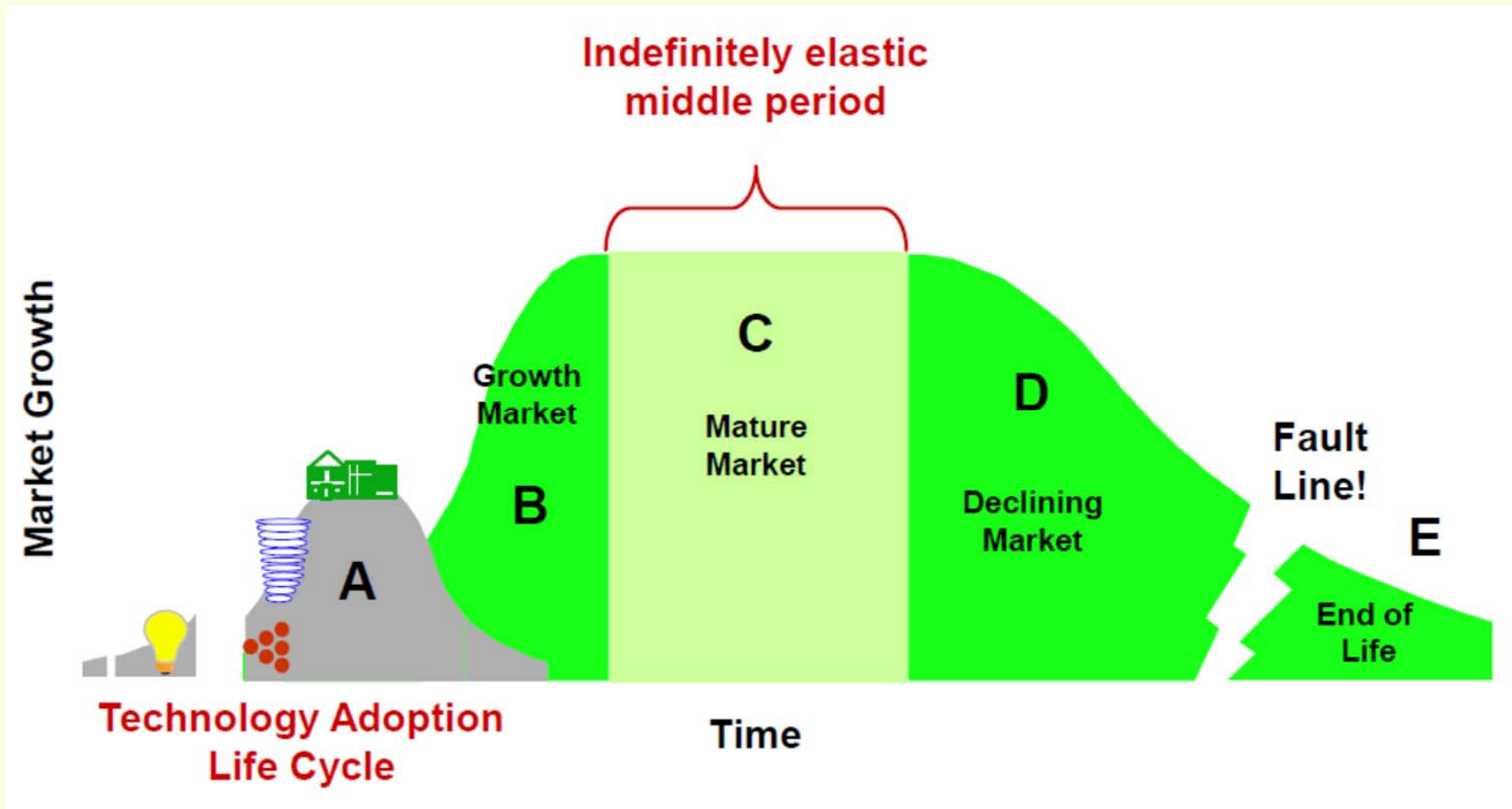
Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

Technology Adoption Lifecycle



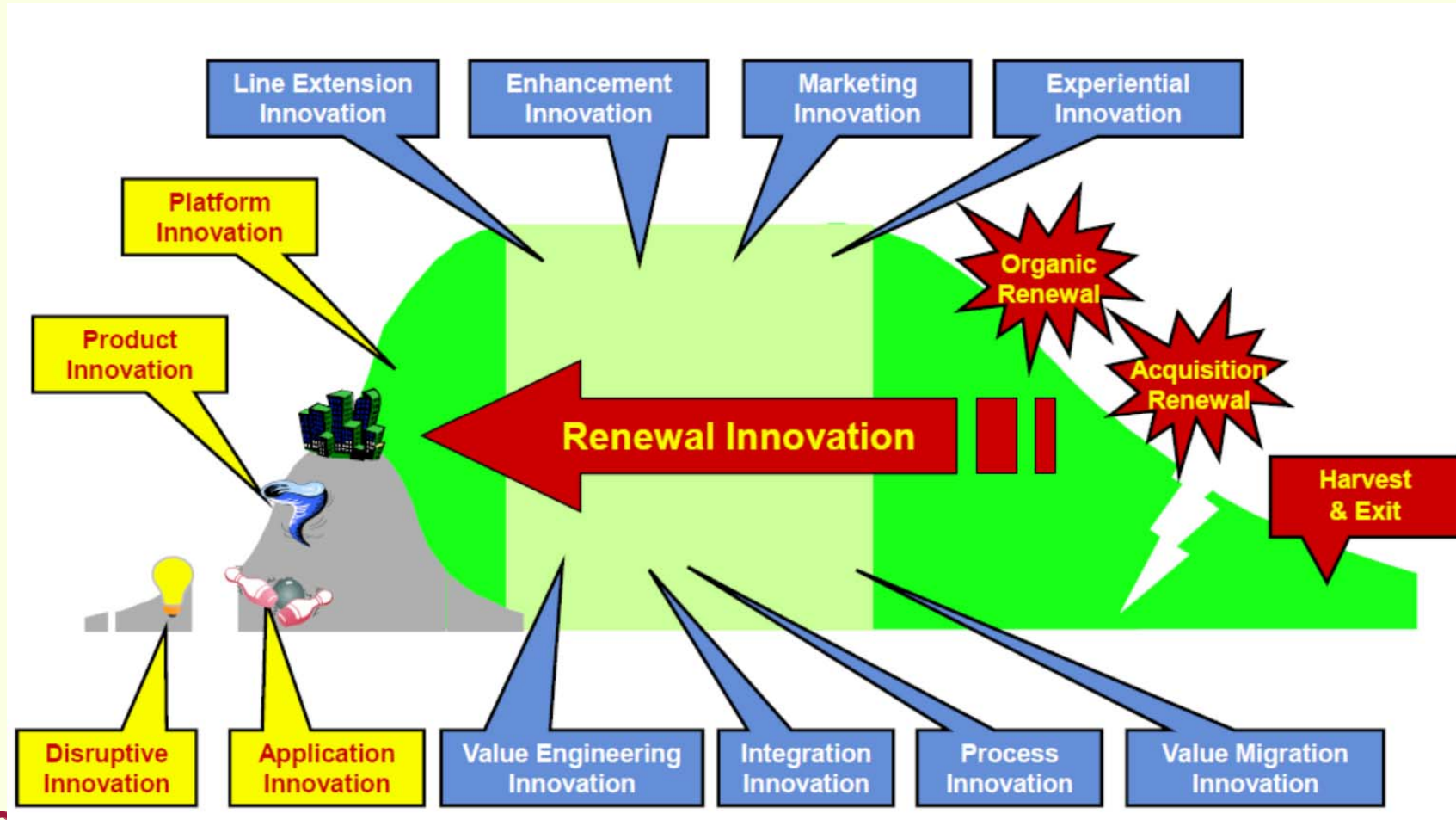
Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

The Category Maturity Lifecycle



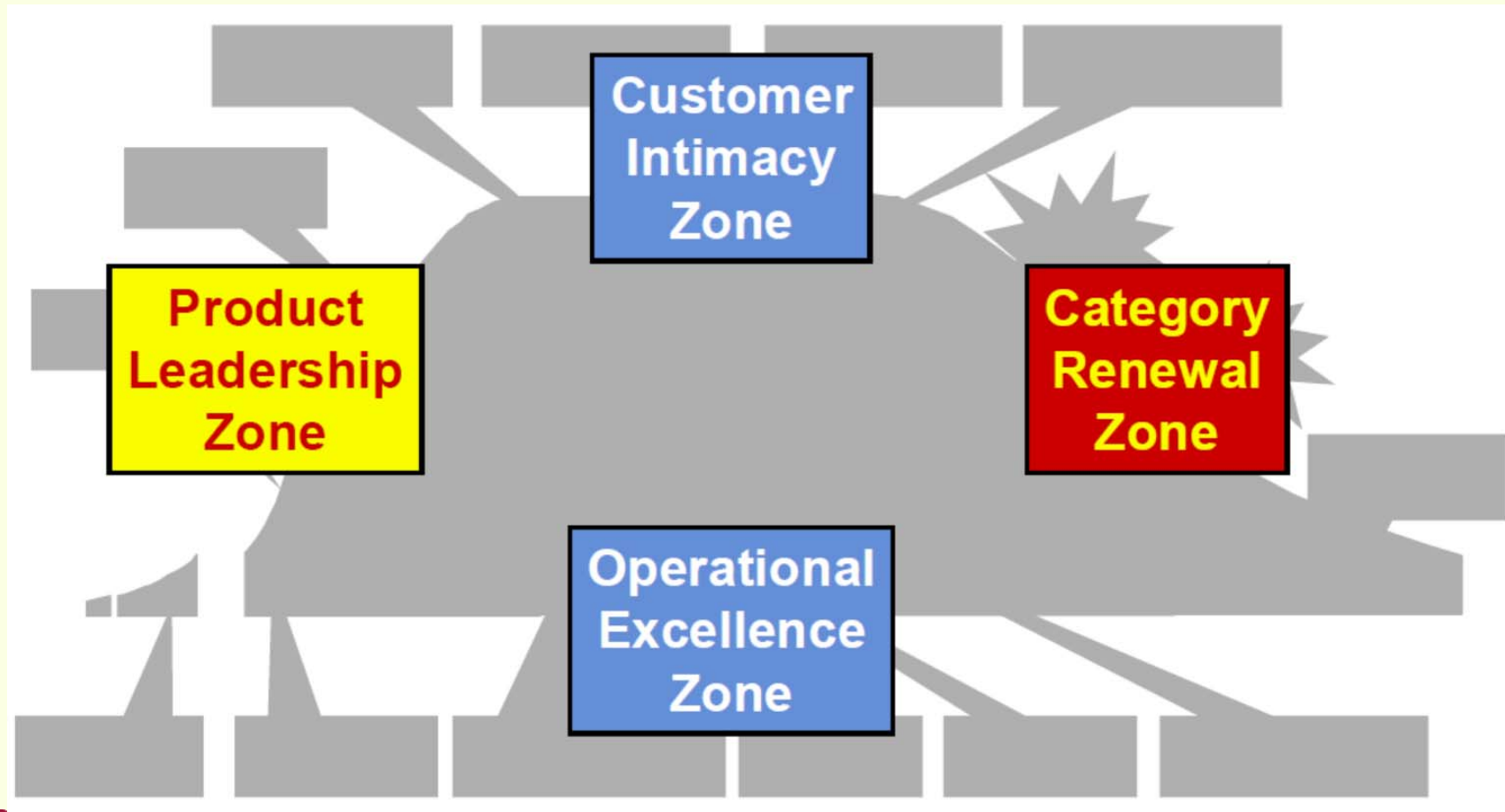
Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

A Broad Universe of Innovation Types



Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

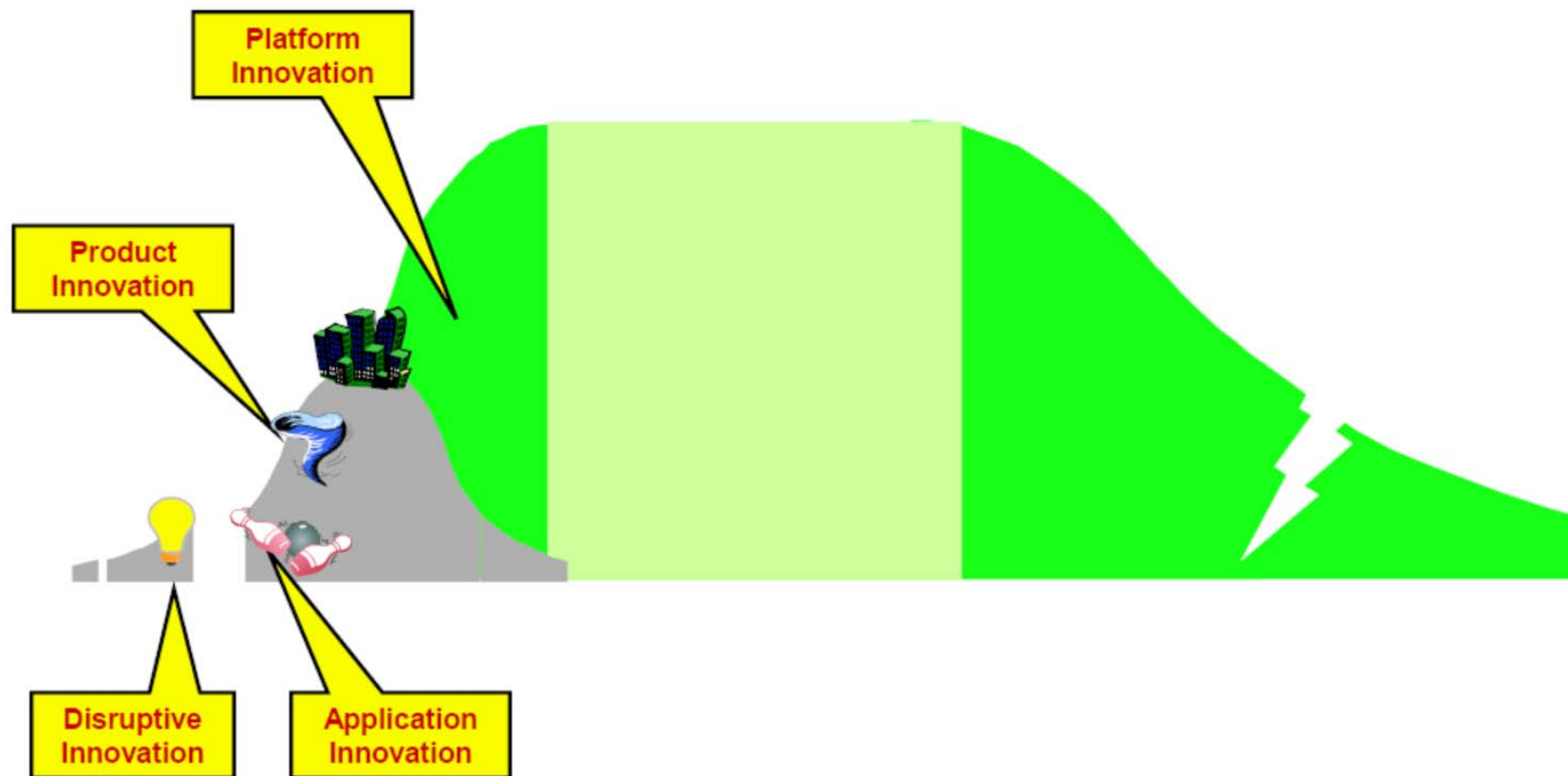
Four Innovation Zones



Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

Innovation Types for Growth Markets

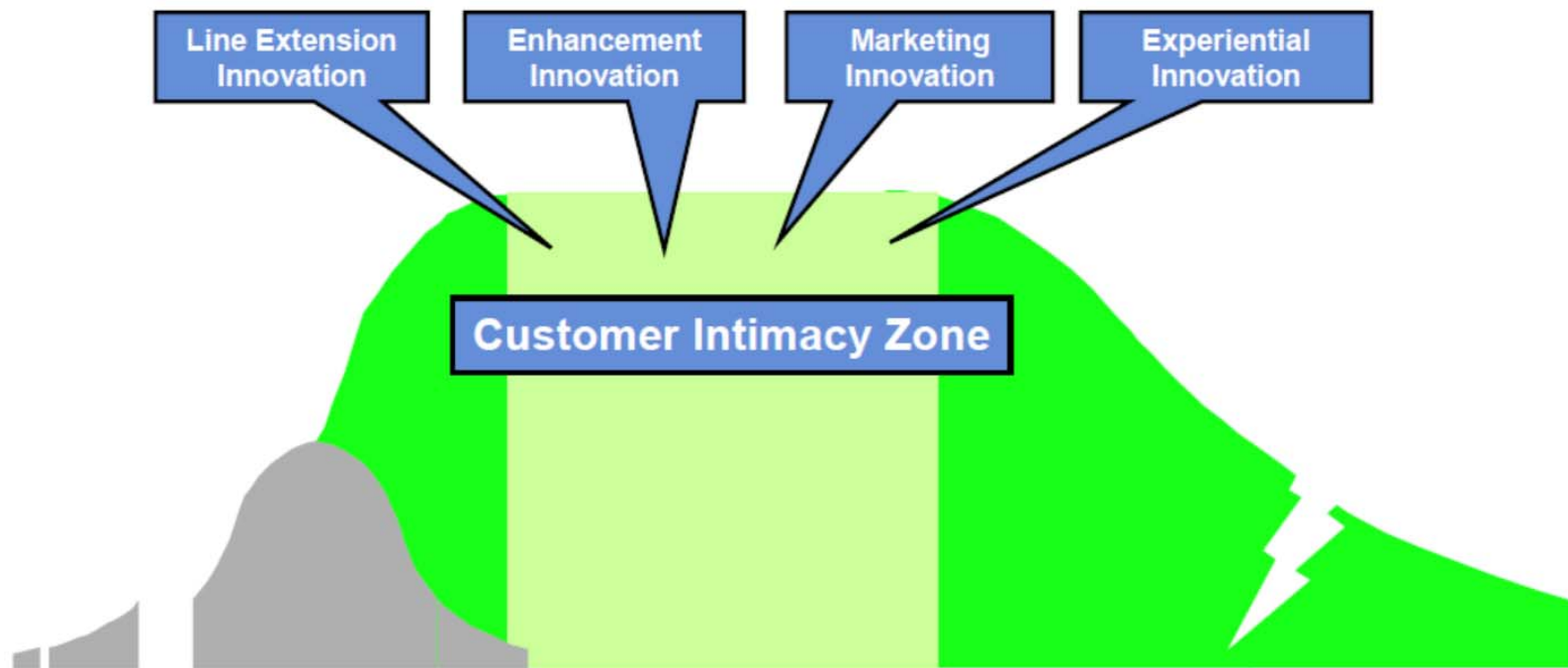
The Product Leadership Zone



Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

Innovation Types for Mature Markets

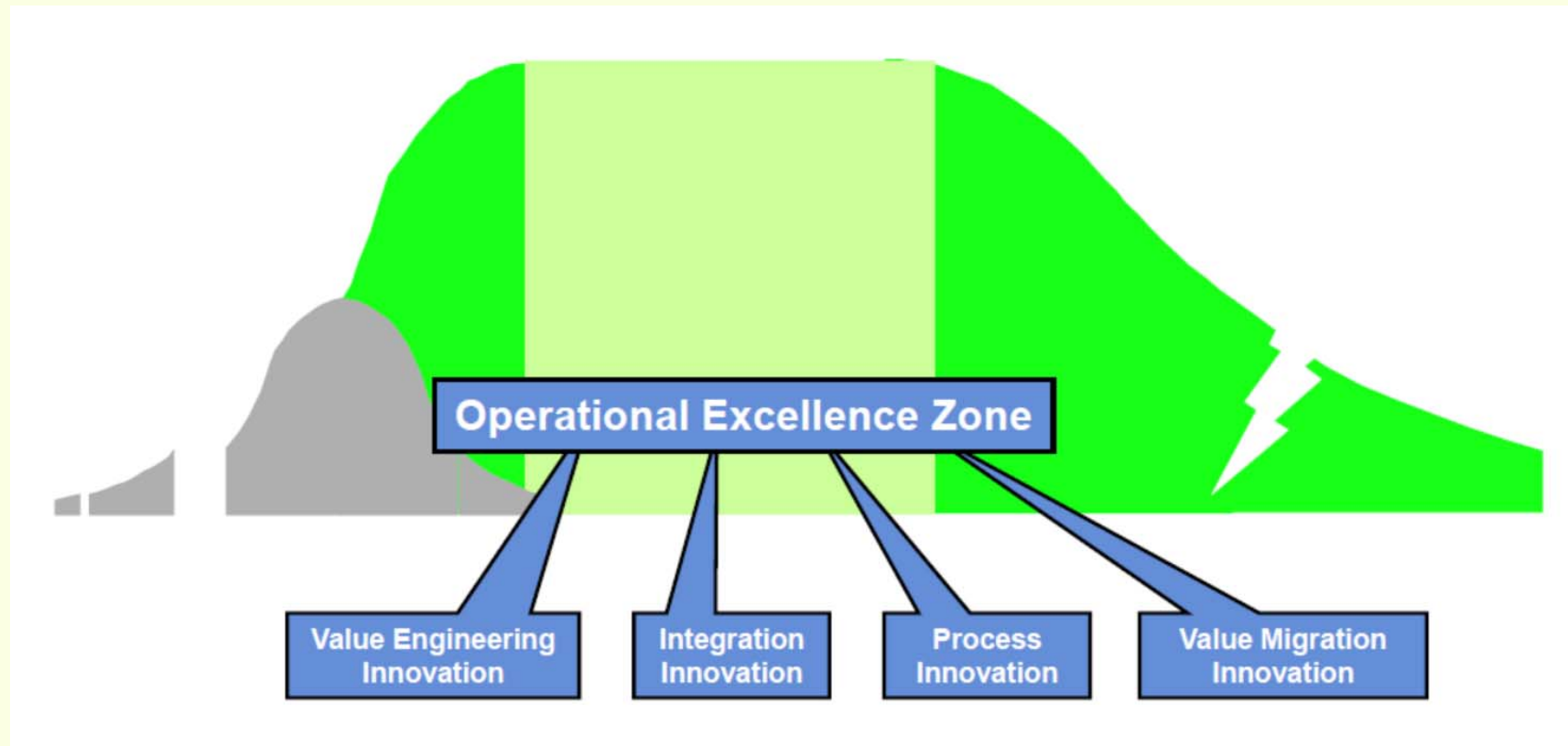
The Customer Intimacy Zone



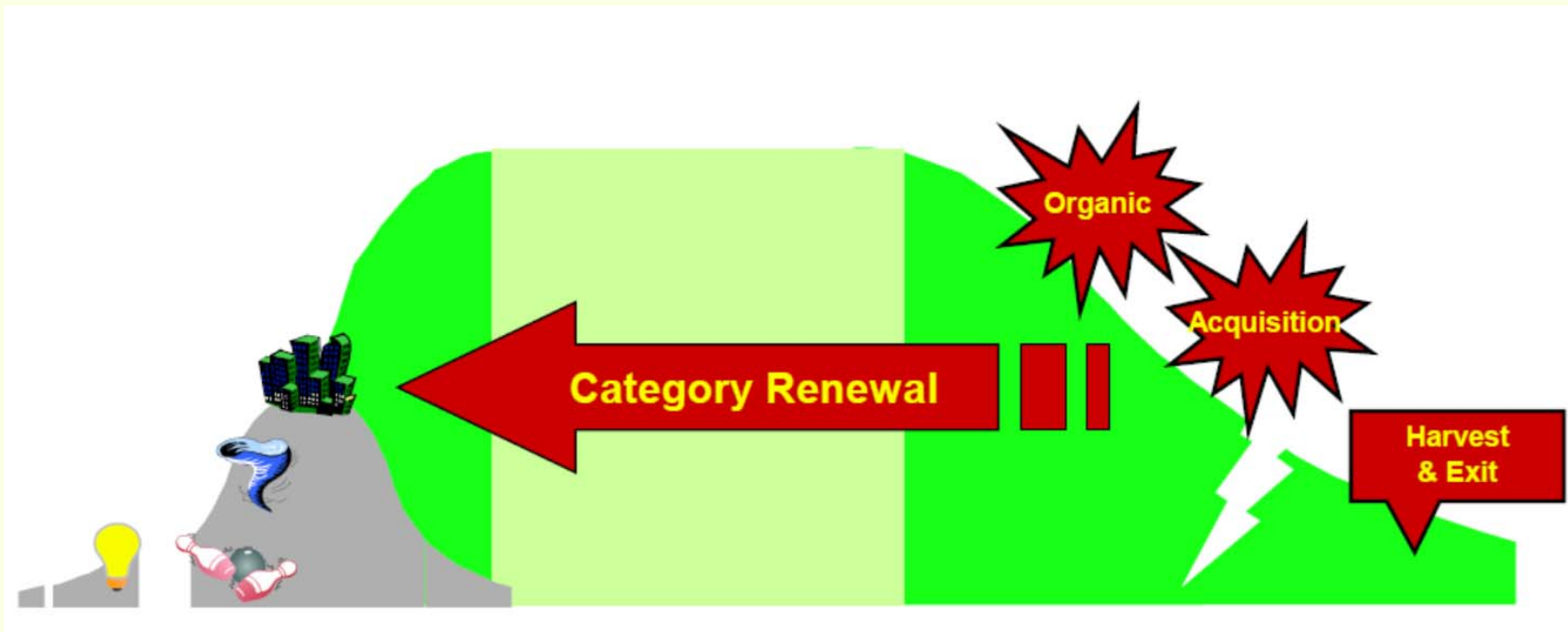
Source: Geoffrey A. Moore, 'Dealing with Darwin' (2005)

Innovation Types for Mature Markets

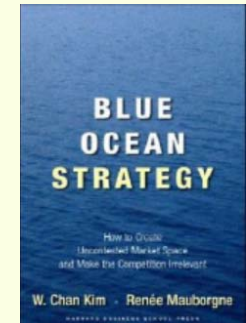
The Operational Excellence Zone



Innovation Types for Declining Markets Leveraging Category Renewal



Blue Ocean Strategy



Red Oceans represent all industries in existence today.

They have defined rules, competitors, and market boundaries.

Key words might include *competition, price wars, market share, commoditization, benchmarking, strategic positioning, value add.*

Blue Oceans represent all industries NOT in existence today.

This is undefined market space, otherwise known as OPPORTUNITY.

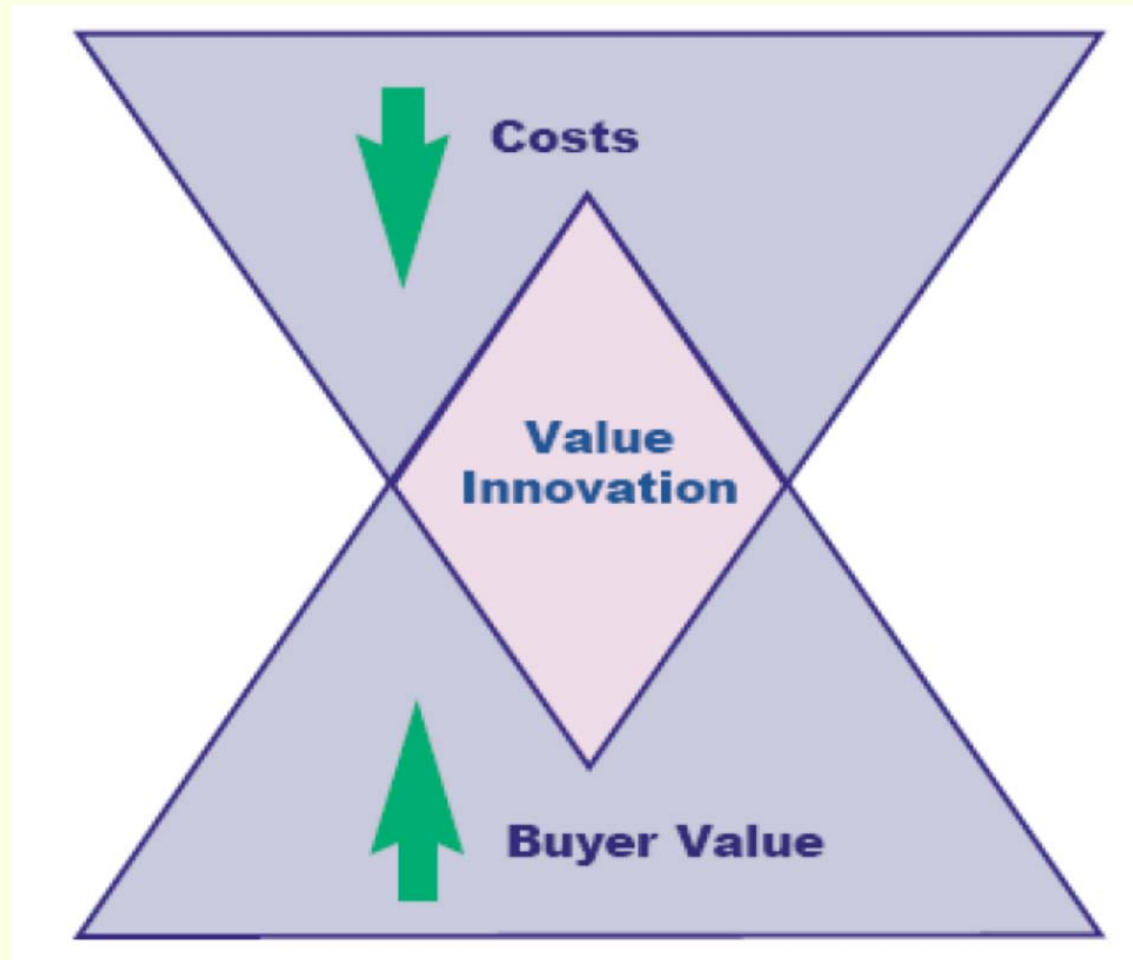
Key words might be *value innovation, focus, differentiation, creation of demand, new marketplace*

	Head-to-Head Competition	Blue Ocean Creation
Industry	Focuses on rivals within its industry	Looks across alternative industries
Strategic Group	Focuses on competitive position within strategic group	Looks across strategic groups within industry
Buyer Group	Focuses on better serving the buyer group	Redefines the industry buyer group
Scope of Product or Service Offering	Focuses on maximizing the value of product and service offerings within the bounds of its industry	Looks across to complementary product and service offerings
Functional-emotional Orientation	Focuses on improving the price performance within the functional-emotional orientation of its industry	Rethinks the functional-emotional orientation of its industry
Time	Focuses on adapting to external trends as they occur	Participates in shaping external trends over time

Value Innovation

- **Value innovation** is the “new” strategic logic behind Blue Ocean Strategy.
- Instead of focussing on beating the competition, you focus on *making it irrelevant* by creating a leap in value for buyers and creating uncontested market space.
- Only occurs when organizations have aligned innovation with utility, price and costs

Value Innovation



Six Principles of Blue Ocean Strategy

Formulation Principles

Reconstruct market boundaries
Focus on the big picture, not the numbers
Reach beyond existing demand
Get the strategic sequence right

Risk factor each principle attenuates

▼ Search risk
▼ Planning risk
▼ Scale risk
▼ Business model risk

Evaluation principles

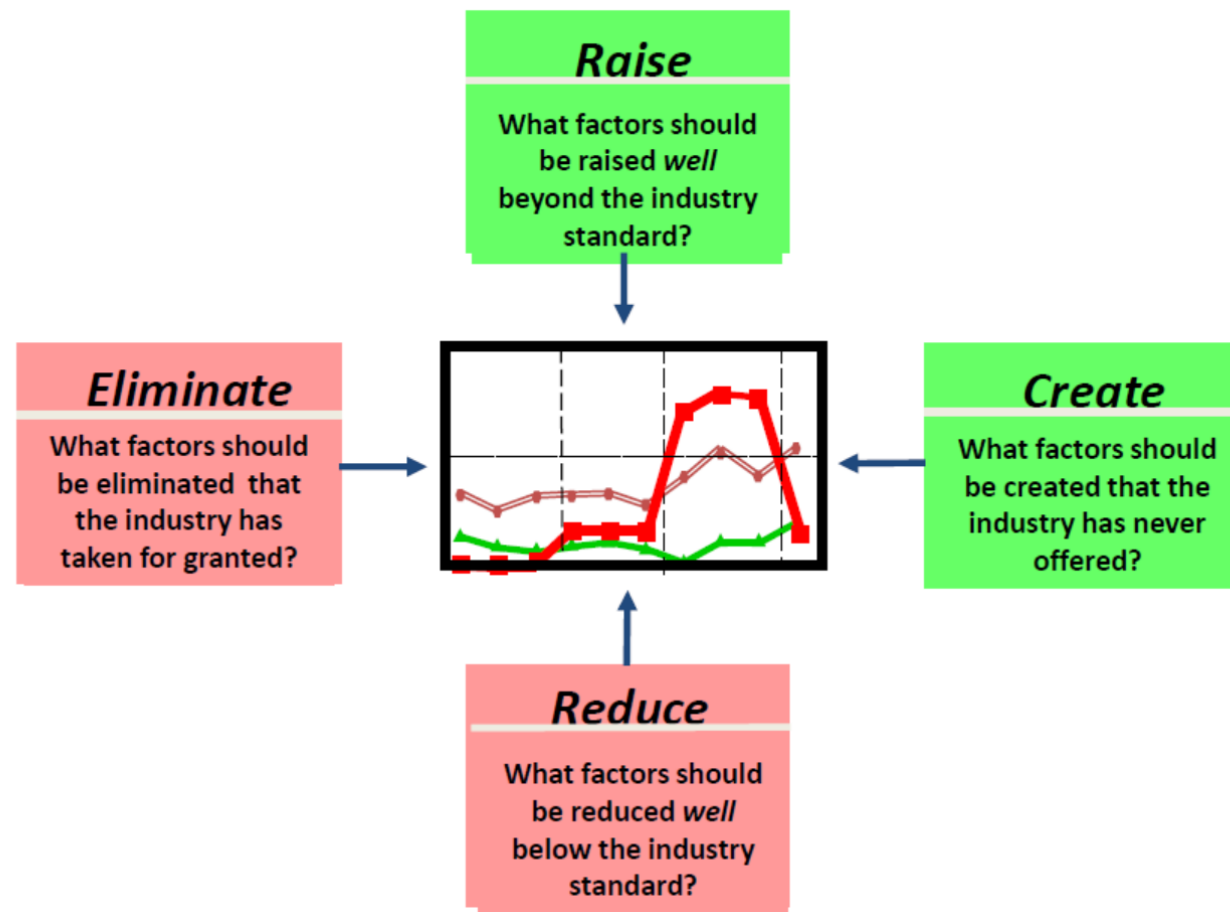
Overcome key organizational hurdles
Build execution into strategy

Risk factor each principle attenuates

▼ Organizational risk
▼ Management risk

Four Actions

Eliminate/Reduce/Raise/Create



Three Characteristics of a Good Strategy

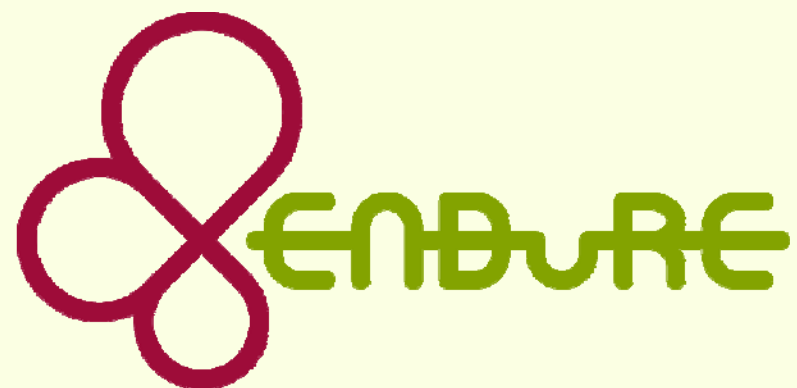
- It is *focused*; it is not diffused across all potential aspects of the market
- The shape of the value curve *diverges* from any potential competitors
- It has a compelling *tagline*

Your Strategy Canvas

At your table, choose an industry one (or more) of you belong to:

- What industry are you in?
- What factors does it traditionally compete on? (i.e. price, amenities, etc.)
- Are there any factors that set you apart?
- Are there any factors that do not add any value and could be dropped?
- What could be created to add value?

Discussion



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