

BLUE OCEAN SHIFT BEYOND COMPETING

**Proven Steps to Inspire Confidence
and Seize New Growth**

W. CHAN KIM and RENEE MAUBORGNE

W. CHAN KIM is professor of strategy and international management at INSEAD, the world's second largest business school. He previously served as a professor at the University of Michigan Business School and as a board member and advisor for a number of multinational corporations. He is a fellow of the World Economic Forum and the author of numerous articles as well as the co-author of *Blue Ocean Strategy*. He is a graduate of the University of Michigan business school.

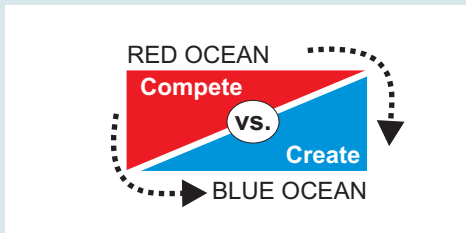
RENEE MAUBORGNE is also a professor of strategy at INSEAD and a fellow of the World Economic Forum. She served on President Barack Obama's Board of Advisors on Historically Black Colleges. She is ranked as one of the World's 50 Best Business School Professors by Fortune magazine. In addition to publishing numerous articles in the business press and academic journals, *Renee Mauborgne* is also co-author of *Blue Ocean Strategy*.

The website for this book is at: www.BlueOceanShift.com.

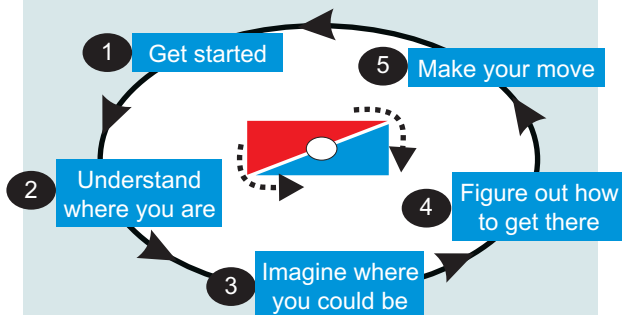
ISBN 978-1-77544-927-0

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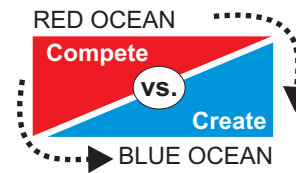
Don't fight your competitors for market share of your existing industry. That's a "Red Ocean" strategy that always leads to lower profits as you seek differentiation or try and become the low cost player in your industry. Instead, adopt a "Blue Ocean" mindset. Figure out how to create a larger economic pie for all rather than obsess over divvying up the existing pie.



So how do you do that? You have to change from thinking about market competing strategies to market creating strategies. Making a Blue Ocean shift for your organization involves five steps:



"Blue ocean shift is a systematic process to move your organization from cutthroat markets with bloody competition—what we think of as red oceans full of sharks—to wide-open blue oceans, or new markets devoid of competition, in a way that brings your people along. As Nelson Mandela once noted, "It always seems impossible until it's done."
 – W. Chan Kim and Renee Mauborgne



1. What is a Blue Ocean shift? Pages 2 - 3

Pure and simple making a Blue Ocean shift is about moving your organization from market competing to market creating. There are really only three ways you can make a Blue Ocean shift:

1. Offer a breakthrough solution for an existing problem in your industry
2. Redefine an existing problem within your industry
3. Identify a brand-new problem or seize a brand-new opportunity

Figure out which of these approaches you are trying to pull off and then come up with your market-creating strategy and you're halfway there. A Blue Ocean shift creates a larger pie for everyone first and foremost. Figuring out who gets what comes later.

2. Five steps to making a Blue Ocean shift. Pages 4 - 8

The process for making a Blue Ocean shift follows a five-step sequence:

Step 1 -- Get started

Choose a starting point which is not too ambitious and which makes maximum use of what you already have. Use the pioneer-migrator-settler map to choose the area where you have the most to gain by making the blue ocean journey.

Step 2 -- Understand where you are

Build a clear picture of the strategic landscape as it currently stands within your industry and where you presently stand. Create a baseline for change that everyone buys into and understands.

Step 3 -- Imagine where you could be

Discover the pain points your existing customers feel and identify the unexplored spaces where value is trapped and waiting to be unlocked. Redefine who your customers truly could be and give a glimpse of the blue ocean which exists outside industry boundaries.

Step 4 -- Figure out how to get there

In practice there are six paths you can follow to reconstruct your market boundaries or create larger markets to go after. Explore each path, generate insights and come up with a well constructed Blue Ocean action plan for moving forward.

Step 5 -- Make your move

Run an internal Blue Ocean fair where you generate buy-in for the Blue Ocean strategy you will execute. Get all your key stakeholders pointing and pulling in the same direction. Finalize and launch your Blue Ocean move.

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