

While I was in my local library trying to decide what to read as my daughter played and enjoyed her time, I found a book. I found the book. This book has really caught my attention. It's called "Blue Ocean Strategy", and it's written by two incredibly insightful authors, W. Chan Kim and Renée Mauborgne. These two have done a fantastic job in presenting a whole new perspective on business strategy, and I can't wait to share it with you.

So, what's this Blue Ocean Strategy all about? Well, imagine you're out in the ocean. In a red ocean, you're competing with other businesses, fighting over the same customers—it's a tough battle, and the water gets bloody, hence the name. But the Blue Ocean Strategy encourages us to break away from this fight. It's about creating your own space in the market (or your own 'blue ocean') where the competition is irrelevant. Sounds refreshing, right?

This strategy is about innovation and creating new demand, rather than competing in an overcrowded market. It's a game-changer, and it's helped many businesses to thrive. So, if you're feeling stuck in the red ocean, it might be time to set sail for bluer waters.

Life is nothing but a competition to be the criminal rather than the victim.

Bertrand Russell

[In this blog post, we will go over:](#)

- What is Blue Ocean Strategy?
- What is the Blue Ocean Book About?
- The Gist of the Blue Ocean Strategy
- The Six Principles of Blue Ocean Strategy
- Final Thoughts

What is Blue Ocean Strategy?

Now that we've set the stage with a brief introduction to the book and its authors, let's delve into the heart of the matter—the Blue Ocean Strategy itself.

The Blue Ocean Strategy is a revolutionary approach to business strategy. It's about breaking away from the competition and creating your own unique space in the market. This unique space, or 'blue ocean', is an uncontested market area that allows for high growth and profits.

So, how does this work?

Well, instead of competing in a 'red ocean' filled with sharks (your competitors), you create a 'blue ocean' where you're the only fish in the sea. You achieve this by innovating and offering something different to your customers—something they didn't even know they needed. This could be a new product, a unique service, or an innovative way of doing things.

But why is it so important to create these uncontested market spaces? Well, in a 'blue ocean', there's no competition, which means you have the freedom to set your own prices and dictate your own terms. You're not constantly battling for customers; instead, you're attracting new ones who are excited about what you have to offer.

In the next section, we'll dive deeper into the book's content and explore what the Blue Ocean Strategy is about.

What is the Blue Ocean Book About?

Having understood what the Blue Ocean Strategy is, let's now delve into the book that started it all. "Blue Ocean Strategy: How to Create Uncontested Market Space and Make the Competition Irrelevant" is a book that has truly transformed the way we think about business strategy.

The book is a masterclass in strategic thinking. It's packed with fascinating case studies from a wide range of industries, showing how businesses have successfully created their own blue oceans. From Cirque du Soleil's reinvention of the circus industry to Yellow Tail's disruption of the wine industry, the book provides practical examples of the Blue Ocean Strategy in action.

But the book isn't just about case studies. It also provides practical tools and frameworks that businesses can use to create their own blue oceans. It guides readers through the process of creating a strategy canvas, a tool for visualizing a company's current strategy and its future prospects.

The impact and influence of the Blue Ocean Strategy book have been phenomenal. It has been published in over 40 languages and has sold millions of copies worldwide. It's used in business schools around the world and has become a must-read for anyone interested in business strategy.

In the next section, we'll get to the core of the Blue Ocean Strategy by exploring its key takeaways.

The Gist of the Blue Ocean Strategy

Now that we've explored what the book is about, let's distill the essence of the Blue Ocean Strategy.

Create Uncontested Market Space

Instead of battling competitors, the focus should be on making the competition irrelevant by creating a leap in value for buyers and your company, thereby opening up new and uncontested market space.

Value Innovation

Value innovation is the cornerstone of the Blue Ocean Strategy. It's about focusing on innovation that creates value for the company and its customers. This is what leads to the creation of a blue ocean.

Break the Value-Cost Trade-off

Traditional strategies are based on the trade-off between value and cost. The Blue Ocean Strategy breaks this trade-off by creating high value for customers while simultaneously reducing costs.

So, how does the Blue Ocean Strategy differ from traditional business strategies? Traditional strategies often involve fighting over a shrinking profit pool with numerous competitors, leading to a bloody "red ocean" of rivals fighting over a shrinking profit pool. It's a zero-sum game with clear boundaries and accepted rules.

On the other hand, the Blue Ocean Strategy is about breaking away from the competition and creating a new market space or "Blue Ocean" where there is no competition. It's about rewriting the rules of the game, creating new demand, and offering superior value to customers.

In the next section, we'll delve into the six principles of the Blue Ocean Strategy. These principles provide a practical guide on how to create your own blue ocean.

The Six Principles of Blue Ocean Strategy

This book is essentially built on 6 key principles that can help you find your blue ocean.

Principle 1: Reconstruct Market Boundaries

The first principle of the Blue Ocean Strategy is all about challenging the status quo. Traditional market boundaries are often accepted without question, leading to a crowded and competitive marketplace, or a 'red ocean'. But what if we could change that?

Reconstructing market boundaries involves looking beyond the existing customer base and considering the wider market. It's about questioning why things are done the way they are and exploring new possibilities.

Here are some practical tips on how to apply this principle:

- **Look Across Alternative Industries:** Don't just focus on your direct competitors. Look at alternative industries to see how they solve similar problems or meet similar needs. This can provide fresh insights and inspire innovative solutions.
- **Look Across Strategic Groups:** Within industries, there are often strategic groups or tiers (e.g., luxury vs budget airlines). By looking across these groups, you can identify new ways to add value.

- **Redefine the Industry Buyer Group:** Consider who else might benefit from your product or service. Could there be an entirely new group of customers who are currently being overlooked?
- **Look Across Complementary Products and Services:** Think about what happens before, during, and after your product is used. Could there be opportunities to create value in these areas?
- **Look Across Time:** How have needs and circumstances changed over time? What might the future look like? This can help you anticipate and shape future trends.

By reconstructing market boundaries, you can create a 'blue ocean' of new opportunities. In the next section, we'll explore the second principle of the Blue Ocean Strategy.

Principle 2: Focus on the Big Picture

The second principle of the Blue Ocean Strategy encourages us to take a step back and look at the bigger picture. Often, we can get so caught up in the details that we lose sight of our overall vision and strategy. But to create a blue ocean, we need to keep our eyes on the horizon.

Focusing on the big picture means understanding the broader context in which your business operates. It's about recognizing trends, anticipating changes, and seeing the opportunities that these changes present.

Here are some practical tips on how to apply this principle:

- **Understand the Landscape:** Take the time to understand your industry, your competitors, and your customers. This will give you a solid foundation from which to innovate.
- **Identify Trends:** Keep an eye on emerging trends in your industry and beyond. These trends could provide opportunities for creating a blue ocean.
- **Think Long Term:** Blue oceans aren't created overnight. They require a long-term commitment to innovation and customer value. So, don't be discouraged by short-term challenges or setbacks.
- **Be Visionary:** Don't be afraid to dream big. The most successful blue oceans are created by businesses that dared to envision a different future.

By focusing on the big picture, you can ensure that your strategy aligns with your vision and that you're moving in the right direction. In the next section, we'll explore the third principle of the Blue Ocean Strategy.

Principle 3: Reach Beyond Existing Demand.

The third principle of the Blue Ocean Strategy is about reaching beyond existing demand. This means not just focusing on your current customers, but also looking for ways to attract non-customers to your market.

Here are some practical tips on how to apply this principle:

- **Understand Non-Customers:** Try to understand why non-customers aren't buying your product or service. What are their needs and how can you meet them?
- **Expand Your Market:** Look for ways to expand your market. This could be by offering new products or services, entering new geographical markets, or targeting new customer segments.
- **Innovate:** Innovation is key to reaching beyond existing demand. By offering something new and different, you can attract customers who weren't previously interested in your market.
- **Communicate Value:** Make sure potential customers understand the value of your offering. This might involve educating the market about your product or service, or demonstrating its value in a clear and compelling way.

By reaching beyond existing demand, you can create a blue ocean of uncontested market space. In the next section, we'll explore the fourth principle of the Blue Ocean Strategy.

Principle 4: Overcome Organizational Hurdles.

The fourth principle of the Blue Ocean Strategy is about overcoming organizational hurdles. When you're trying to create a blue ocean, you're likely to encounter resistance. This could come from employees who are comfortable with the status quo, or from systems and processes that are designed for a red ocean strategy.

Here are some practical tips on how to apply this principle:

- **Communicate Your Vision:** Make sure everyone in your organization understands the vision behind your Blue Ocean Strategy. This can help to get buy-in and overcome resistance.
- **Provide Support:** Change can be challenging. Provide support to your team members as they adapt to new ways of working.
- **Celebrate Success:** Recognize and celebrate successes along the way. This can help to build momentum and keep everyone motivated.
- **Be Patient:** Creating a blue ocean is not an overnight process. It takes time to overcome organizational hurdles and implement new strategies.

By overcoming organizational hurdles, you can ensure that your entire organization is aligned with your Blue Ocean Strategy. In the next section, we'll explore the fifth principle of the Blue Ocean Strategy.

Principle 5: Build Execution into Strategy

The fifth principle of the Blue Ocean Strategy is about building execution into strategy. It's not enough to have a great strategy on paper; you need to be able to execute it effectively.

Here are some practical tips on how to apply this principle:

- **Align Your Team:** Make sure everyone in your organization understands the strategy and their role in executing it. This alignment is crucial for effective execution.
- **Set Clear Goals:** Break down your strategy into clear, achievable goals. This gives your team a clear direction and helps them stay focused.
- **Monitor Progress:** Regularly check in on your progress towards your goals. This allows you to spot any issues early and make necessary adjustments.
- **Adapt and Learn:** Execution is a learning process. Be open to feedback and willing to adapt your strategy as you learn more.

By building execution into your strategy, you can ensure that your Blue Ocean Strategy is not just a great idea, but a reality. In the next section, we'll explore the sixth and final principle of the Blue Ocean Strategy.

Principle 6: Look Across Time

The sixth and final principle of the Blue Ocean Strategy is about looking across time. This means considering not just the present, but also the past and future.

Here are some practical tips on how to apply this principle:

- **Learn from the Past:** Look at the history of your industry and your company. What has worked well? What hasn't? What can you learn from these experiences?
- **Anticipate the Future:** Try to anticipate future trends and changes. How might these impact your industry? How can you prepare for them?
- **Be Flexible:** The future is uncertain, and things often don't go as planned. Be flexible and willing to adapt your strategy as circumstances change.
- **Stay Ahead:** Don't just react to changes, try to stay ahead of them. By looking across time, you can anticipate changes before they happen and position your company to take advantage of them.

By looking across time, you can create a strategy that is not only effective in the present, but also sustainable in the long term. This concludes our exploration of the six principles of the Blue Ocean Strategy. In the next section, we'll provide a concise summary of the key points from the book.

Final Thoughts

The Blue Ocean Strategy is not just a theory, but a practical framework that has been applied by numerous companies to great success. Here's how it can be applied in real-world scenarios:

1. **Innovation:** The Blue Ocean Strategy encourages companies to innovate and create new value for customers. This could be through developing new products, improving existing ones, or finding new ways to deliver value.

2. **Market Creation:** By focusing on non-customers and untapped market spaces, companies can create new demand and grow the market.
3. **Competition:** Instead of competing head-on with competitors, companies can use the Blue Ocean Strategy to make the competition irrelevant. This is achieved by offering superior value in a way that competitors cannot easily replicate.
4. **Cost Savings:** The Blue Ocean Strategy can also lead to cost savings. By focusing on value innovation and eliminating unnecessary features or services, companies can reduce costs while increasing value for customers.

The Blue Ocean Strategy provides a powerful framework for companies looking to break away from the competition and create their own blue oceans. It's a strategy that requires creativity, courage, and a willingness to challenge the status quo. But for those who dare to take the plunge, the rewards can be immense. So, why not set sail for your own blue ocean?

“Create. Don't Compete.”

W. Chan Kim, Renée Mauborgne

You can also download for free an [Action-Step Workbook that discuss in details how to use the book's principle to break from competition.](#)

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