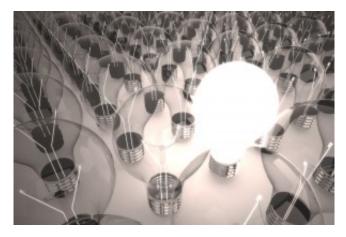
How to Do a "Blue Ocean Strategy®?": Step 3

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We recently presented a workshop on "Change Matters: How to Find New Market Space" at a Vistage group. The Chair introduced us by noting how someone in one of his other groups had taken our workshop last year and had had one of those "aha" moments, when a big new idea popped into his head. The visual exploring exercise we had led, where we Reverse Everything, opened his mind up to what he had walked away from. He had literally been rejecting an area of business because of the way he had defined his business—a "that's not our business" problem. By defining success in just one way, he had not been able to "see, feel and think" about potential opportunities in new ways.



In your own discovery phase of Blue Ocean Strategy, that "it's not our business" problem might be the next challenge facing you if you are going to push into new markets where often, those new opportunities are waiting for you.

Let's Stop the Pain Points

The essence of creating a Blue Ocean Strategy is grounded in the premise that you lack information about two big areas of opportunity:

- 1. Non-users—who could use you but never think of you, refuse to use you, or only occasionally choose your solutions
- 2. **Unmet Needs**—where are those pain points and unmet needs where people do go-around's because they have not found a good solution

Who are Those Non-Users with Unmet Needs? They are often right in front of you. One way to find them is to dig into their actual experiences when they are searching for a solution and see if you can make yours work for them. To better understand those pain points, we use the Buyer Experience Map:

Look Across the Buying Cycle for Your Products

The Six Stages of the Buyer Experience Cycle

		1. Purchase	2. Delivery	3. Use	4. Supplements	5. Maintenance	6. Disposal
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Value	Customer Productivity						
Think About How to Add	Simplicity						
	Convenience						
	Risk						
Thin	Fun and Image						
	Environmental friendliness						

On the left horizontal axis are the Six Levers. How could you add value in an innovative way and make:Imagine the buying cycle for your company's products or services. The one shown here is generic; make yours specific. This one begins with where and how people and companies search for a solution to their problem. From left to right on the vertical axis, it maps out where and how they purchase a product, how delivery takes place, how they use a solution/product, how they find/buy supplements or maintain it, and how they dispose of it. For your current customers, map out the buyer experience cycle as you believe it is today.

- The Customer More Productive—that might be a strong opportunity
- Buying your solution More Simple—Simple sells better than you think
- Using it More Convenient—regardless of what you offer, Convenience can be a big differentiator
- · Less Risk—take out or diminish the Risk and you can add real value
- Fun and Adventure—reverse what you know and see how you can add more Fun and Adventure across the Buyer
 Cycle
- Environmental Friendliness—it does matter and it could open a big market space

Think about Pain Points across the Buying Cycle. Once you have mapped it out, go down each column and ask about the Pain Points that a potential user might have along their buying cycle. Where could you help them Get Rid of the Pain in the future?

Pain Points are all those things that keep someone from finding you, buying you, using you and replenishing, supplementing or even disposing of your products/solutions.

What do you see?

Once you have identified what you think are the major pain points, take your map to customers and find out if you are right. Where do they have trouble finding products? Is using your product more complex than you thought? Can they easily dispose of what you are selling them?

How could you rethink your current business model to include better, more innovative solutions that could open a new market for you, differentiate you from competitors, and make them irrelevant?

What about those non-users?

Now imagine this for non-users who might be future customers of your company, if you only could better understand what their real needs were. Could you create demand for your new innovative solutions?

For one client, EAC/Integrated Power Solutions, an OEM in the battery design industry, the CEO found that his customers had unmet needs and were not using him for several power solutions that he could provide—from chargers to consulting expertise. He was actually walking away from the charger solutions that over half his top customers wanted him to provide. To what are you saying "no, we don't do that here?"

In another example, customers were asking a different client of ours for all types of specialized chain. They were having a difficult time finding what they were looking for—they had pain. He only manufactured traction chains for snow. All of a sudden, he realized that people were searching for something that he could provide if he repositioned his company to offer a variety—not just one. While not a "big Blue Ocean" it was enough to grow his company in new directions.

The moral? Test what your gut is telling you. Don't stay in your office and imagine this. Once you have mapped it, get out and actually walk through the buyer's experience yourself. Try to buy something from you and then try to use it. Experience all the moments of discomfort or outright pain.

A Blue Ocean Might Await You

It might seem hard to believe but those big Blue Oceans of opportunity are there. You just have to look for them with different eyes. Next, in Step 4, I'll discuss how to convert those nonusers into loyal fans who will follow you for solutions they never imagined were available.