Your companion for teaching strategy, innovation, and growth

INTRODUCING

THE ESSENTIAL COLLECTION OF

BLUE OCEAN CASES

THE SYNOPSIS OF BLUE OCEAN STRATEGY, BLUE OCEAN SHIFT & BEYOND DISRUPTION CASES

By
INSEAD Blue Ocean Strategy Institute

TEACHING WITH BLUE OCEAN CASES

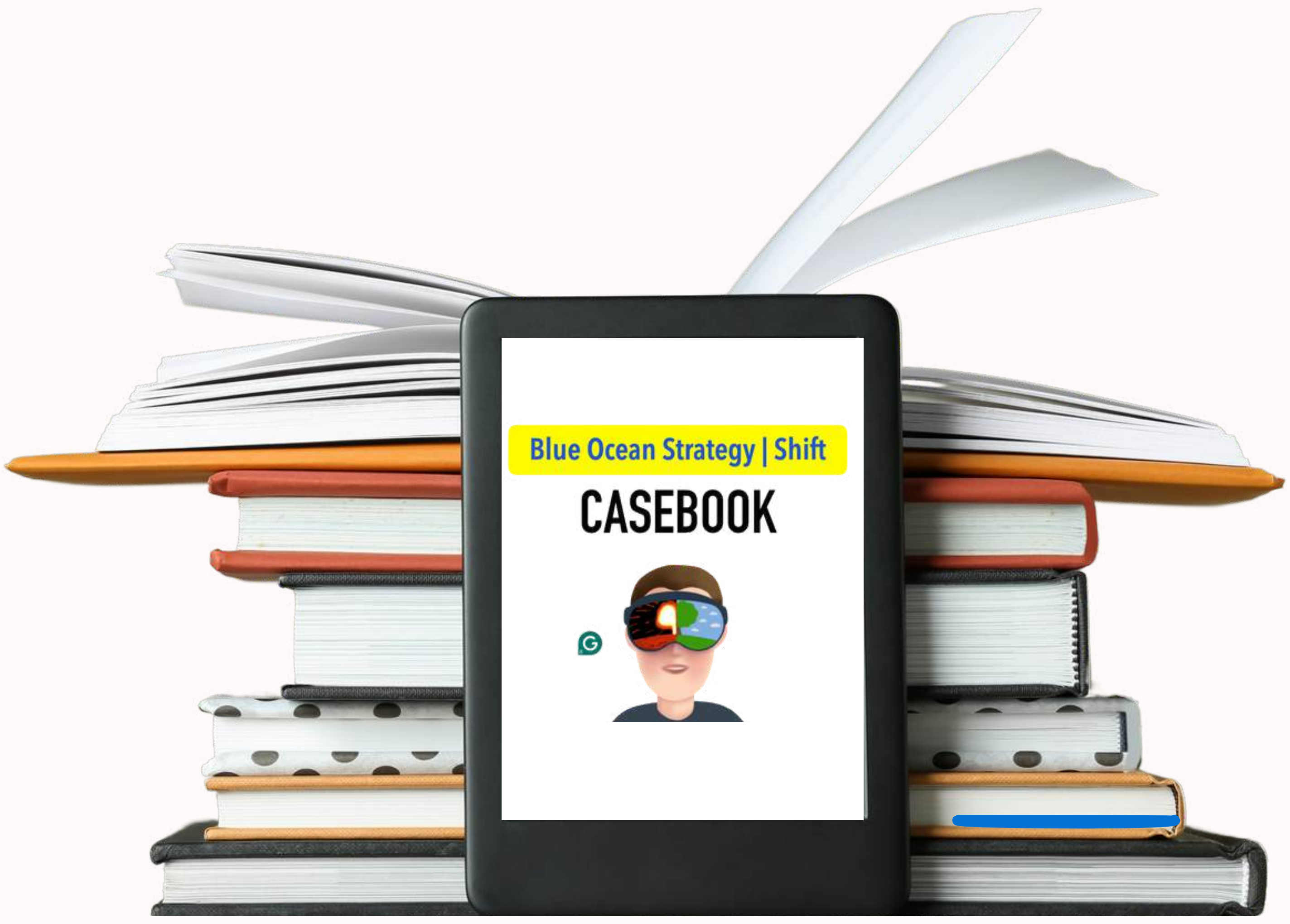
This is not your typical book. Rather, it serves as a catalog of over 50 blue ocean cases produced by the INSEAD Blue Ocean Strategy Institute, many of which are global bestsellers and award winners which have collectively been adopted by over 3,000 universities across the world.

The book was created in response to the rising global demand for teaching and training materials on blue ocean strategy, blue ocean shift, and beyond disruption in both academic and corporate settings. These research outputs serve as the theoretical perspectives guiding the blue ocean cases compiled here.

The blue ocean cases range from Nvidia to Marvel, Stitch Fix, Webtoons and Taylor Swift, to industries as diverse as AI, wine, circuses, classical orchestras, cricket, finance, sustainability, post-natal care, and even a national-level turnaround.

Using a concise format, this eBook provides a brief visual synopsis of each case and a 2-minute video trailer summarizing the case. It highlights the key learning points students and executives will glean from each case, and provides click-through links to access the case in full plus further highly rated supporting materials. These materials include complementary firsthand videos, lecture slides, teaching notes, exercises and even classroom games.

We invite you to explore the contents of this eBook and all the case synopses it contains with the hope it can support you in your teaching and learning journey.



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FROM BLUE OCEAN STRATEGY TO BEYOND DISRUPTION

W. Chan Kim | Renée Mauborgne

Co-Directors of the INSEAD Blue Ocean Strategy Institute
Creators of the blue ocean family of concepts

What Is Strategy?

Over thirty years ago, we began our research journey with a simple question – What is strategy?

Many believe that strategy is about competing; the goal is to beat the competition. Indeed, the strategic focus of many corporate executives is on outperforming rivals in their existing industries. Existing theory supported that view. It held that some industries are more attractive than others so strategy should be about exploiting that attractiveness based on competing. This is an industry-based view of strategy. It effectively says let's analyze the existing industry and let's analyze the competition within it to figure out how to best position in existing industry space. And still today competing is a very viable view and effective approach to strategy.

But we posed the question, why should strategy only be about how to compete? When you compete, one player wins, and one player loses. Why should we play a zero-sum game? That's driven by zero-sum thinking where one wins at the expense of the other.

So we asked, Why can't strategy also be about how to create?

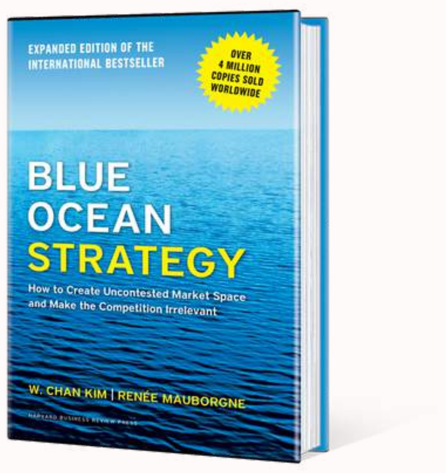
The history of industries is very clear here. History shows industries are first created, companies then jump in and start to imitate, and only after that does competition begin.

Yet the field of strategy was only focusing on competing and positioning once an industry already existed. It was missing the other half of strategy, the half about how to create new market space to begin with.

From Competing To Creating

So, we set out to study and understand how strategy can be a theory of creating, with tools and processes to achieve it.

That's how blue ocean strategy came about. Our goal was to create a theory, framework, tools and process on this missing half of strategy because there was no clear strategic thinking or real process and tools on how to create. So based on years of research, our book *Blue Ocean Strategy* laid out the logic and tools to create what we term 'blue oceans' of new market space in contrast to the red oceans of existing industries which often have supply exceeding demand and were intensely competitive.



How to Shift from the Red to the Blue Ocean

After we published *Blue Ocean Strategy*, people from across the world began to raise new questions. People shared how they were already competing in the red ocean. Their question was no longer what is blue ocean strategy but, How can we shift from competing to creating - or from the red to the blue ocean?

This query came from business managers seeing their businesses in industries characterized by intense competition. It came from corporate CEOs. And it came from division managers who said their units were mired in the red ocean. Whichever level they were at in their organization, they saw their current market contracting, their margins getting tighter and their growth slowing, and they wanted to shift the trajectory of their strategy from competing to creating, and, importantly, they wanted to know how.

This second question was therefore a dynamic question - How to shift from the red to the blue ocean? How to transform and move an organization and its people to a culture of creating? This inquiry triggered the second chapter of our blue ocean journey as our research expanded beyond what is blue ocean strategy to how to effectively execute it in action.

A Step by Step Roadmap that Builds Confidence to Act

To shift an organization rests not only on strategy. It involves organizational transformation. It's about moving people and changing their mindset and actions from one of competing to creating.

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Here integrating strategy with people is critical. As without people, no shift will occur. So, you need more than a blue ocean compass. We also need a road map, a step-by-step process, for people to have the confidence to act. At the same time, we need to understand that the human is much more than a mechanical, rationale being. We need to understand people are also emotional with vulnerabilities and that we need to build humanness into the process. What is missing in strategy is often the human element or humanness, and the confidence to effectuate change.

This is what the second chapter of our blue ocean research journey centered on. Based on our research on how companies shifted from the red to the blue ocean, our second book *Blue Ocean Shift* laid out the strategic roadmap and human architecture to move from competing to creating in a way that your people own and drive the process for success.

A New Avenue Beyond Disruption

As the energy around *Blue Ocean Strategy* and *Blue Ocean Shift* continued to climb, the third chapter of our blue ocean research journey unfolded. In the parallel but separate field of innovation corresponding with blue ocean's rise was the rise of the concept of disruption. As we explored the overlap, similarities and differences, we extended our research further into the field of innovation. As we did, we found that although some blue ocean cases, such as Apple's iPhone, grew their industry and created new demand while also largely displacing existing offerings, blue oceans in our data were largely created not within existing industry boundaries but across them. Like the classic case of Cirque du Soleil, which created a new market space across the existing boundaries of both circus and theater. Although Cirque pulled a degree of share from both industries, generating a measure of disruption at the margin, it did not significantly displace either.

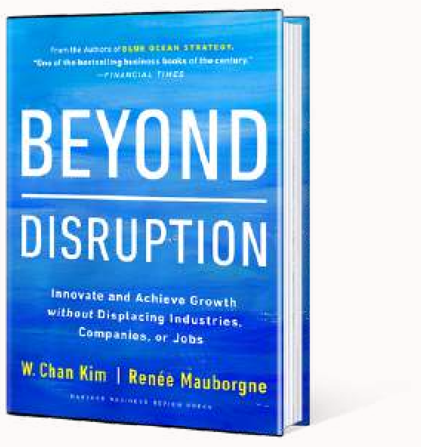
Our examination, however, also revealed something else that greatly intrigued us and became the focus of the third chapter of our blue ocean research. In short, we found that among the cases that had been added to our original blue ocean database over time, a few such cases had triggered no disruption or displacement at all, which was completely at odds with the dominant innovation theory of creative destruction or disruption.

That piqued our curiosity. Did those cases represent a few unconnected anomalies, or were they the tip of an iceberg, examples of a new kind of innovation? If the latter, why had this been largely overlooked in the literature on innovation and growth? What were the implications for business and society, now and in the future? And was there a process or an approach by which we could conceive and realize this new kind of innovation in a systematic way?

To answer those questions we built a database on this. We found surprisingly there are many, many examples of what we have come to call nondisruptive innovation from e-sports to microfinance, bitcoin mining, men's cosmeceuticals to cell phone accessories and cybersecurity. But in the world of innovation a theory was missing of market creation and growth without disruption.

That new theory we believed is worth developing because creating without destruction opens a new path for the business world to achieve positive-sum outcomes for the good of both business and society without trading off one for the other.

So we set out to understand the theory, concept, tools and process behind realizing nondisruptive creation and growth. The outcome of which is our third book *Beyond Disruption*.



As the race to AI quickens and the adoption of AI grows, so does the prediction of leaps in productivity accompanied by the loss of countless jobs across sectors. Where will the new human jobs come from? Nondisruptive innovation holds the promise to play an important role here if we use these technologies not only to disrupt, but to unlock nondisruptive creation.

About Chan Kim & Renée Mauborgne

W. Chan Kim and Renée Mauborgne are professors of strategy at INSEAD and codirectors of the INSEAD Blue Ocean Strategy Institute. In 2023, they were honoured as two of the four leading thinkers in the one hundred years of Harvard Business Review's publication for the global impact of their far-reaching body of research and ideas. In 2019, they were named the world's most influential management thinkers by Thinkers50.

They are the authors of the global bestseller Blue Ocean Strategy, recognized as one of the most iconic and impactful strategy books ever written. Blue Ocean Strategy, with over four million copies sold, is being published in a record-breaking forty-nine languages and is a bestseller across five continents. They are also the authors of the New York Times and #1 Wall Street Journal bestseller Blue Ocean Shift and the USA Today bestseller Beyond Disruption (2023). To date, blue ocean teaching materials have been adopted by over three thousand universities across the globe.

Kim and Mauborgne have published numerous articles in top academic and managerial journals including Academy of Management Journal, Management Science, Organization Science, Strategic Management Journal, Administrative Science Quarterly, Journal of International Business Studies, Harvard Business Review, MIT Sloan Management Review, The Wall Street Journal, The New York Times and The Financial Times, among others. Their research has inspired the largest virtual high school entrepreneurship competition in the world – The Blue Ocean Entrepreneur Competition – with students from over 170 countries and 10,000 high schools participating.

They are Fellows of the World Economic Forum, Davos and the founders of Blue Ocean Global Network and are the recipients of numerous academic and management awards including the Nobels Colloquia Prize for Leadership on Business and Economic Thinking, the Carl S. Sloane Award by the Association of Management Consulting Firms, the Leadership Hall of Fame by Fast Company, the Eldridge Haynes Prize for the best original paper by the Academy of International Business, among others. To learn more, visit www.blueoceanstrategy.com and www.insead.edu/insead-blue-ocean-strategy-institute.

INSEAD BLUE OCEAN STRATEGY INSTITUTE

The INSEAD Blue Ocean Strategy Institute (IBOSI) is a central research hub of INSEAD in Fontainebleau, France, which is consistently ranked as one of the world's leading and largest graduate business schools, bringing together people, cultures, and ideas to change lives and to transform organizations at both the graduate and executive levels.

At INSEAD, IBOSI's globally diverse Institute Fellows are dedicated to building on and extending the research on Blue Ocean Strategy, Blue Ocean Shift, Blue Ocean Leadership, and Beyond Disruption created by IBOSI's Co-Directors and INSEAD Professors of Strategy, Chan Kim and Renée Mauborgne.

IBOSI pursues two core objectives: to make meaningful theoretical contributions to the fields of strategy, management, and innovation, and to enhance the performance of businesses, governments, and non-profits through the practical application of its research. Through pioneering research and teaching materials, IBOSI sets new standards for research and pedagogical excellence with real-world impact.

The Institute's research streams encompass applications across the corporate, public, and social sectors, while also advancing the development of innovative pedagogical materials that bring and translate the theories of Blue Ocean Strategy and Leadership into impactful classroom learning.

To learn more, click here.

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- BTS
- HYBE
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- Universidad Privada Boliviana (UPB)
- Nintendo Wii
- Liquid Death (A & B)
- Mei KTV
- Strategy & Leadership

THE KEY COMPONENTS OF THE CASE SYNOPSIS

Here is everything you'll discover on the following case synopsis pages:

BLUE OCEAN CASEBOOK

Video trailer of the case for a fun, fast paced 2 minute case summary - *simply CLICK on the image to play!*

TOO GOOD TO GO

A Surprise Bag That Creates a Win for Business and the Environment

Blue ocean concepts brought out in the case

Blue Ocean Concepts

Nondisruptive Creation
Break Value/Cost Trade-off
Positive-sum Logic

Case study settings

Case Setting

Two-sided Market
Platform
Food Serivce Providers
Sustainability
Environment
Food Waste

Available teaching materials that accompany the case

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case authors

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

Link to the case's webpage

Go to the case webpage

Go back to the list of cases

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Case description

Transitioning to a greener economy often requires significant pain and costs. Can there be a way to achieve sustainability in business without compromising profits and growth? The case shows how *To Good To Go* defied the conventional wisdom that sustainable practices must come at the expense of profit and value. It explores how a new business can be created where sustainability and profitability go hand in hand.

Key learning points

Key Learning Points

1. The dilemma of food service providers in pursuing profitability and responsibility: How can food waste reduction be achieved without compromising a company's current profitability?
2. Discover what hasn't been seen given the existing assumptions regarding risk/return, business scope and target customers, and how by reframing conventional assumptions beyond industry boundaries brand-new opportunities can be revealed.
3. The positive-sum outcome of nondisruptive creation: Win for the company to create a profitable business, Win for consumers to pursue conscious yet economic consumption, Win for food retailers as they turn waste into new revenue, and a Win for society by reducing food waste and carbon emissions.

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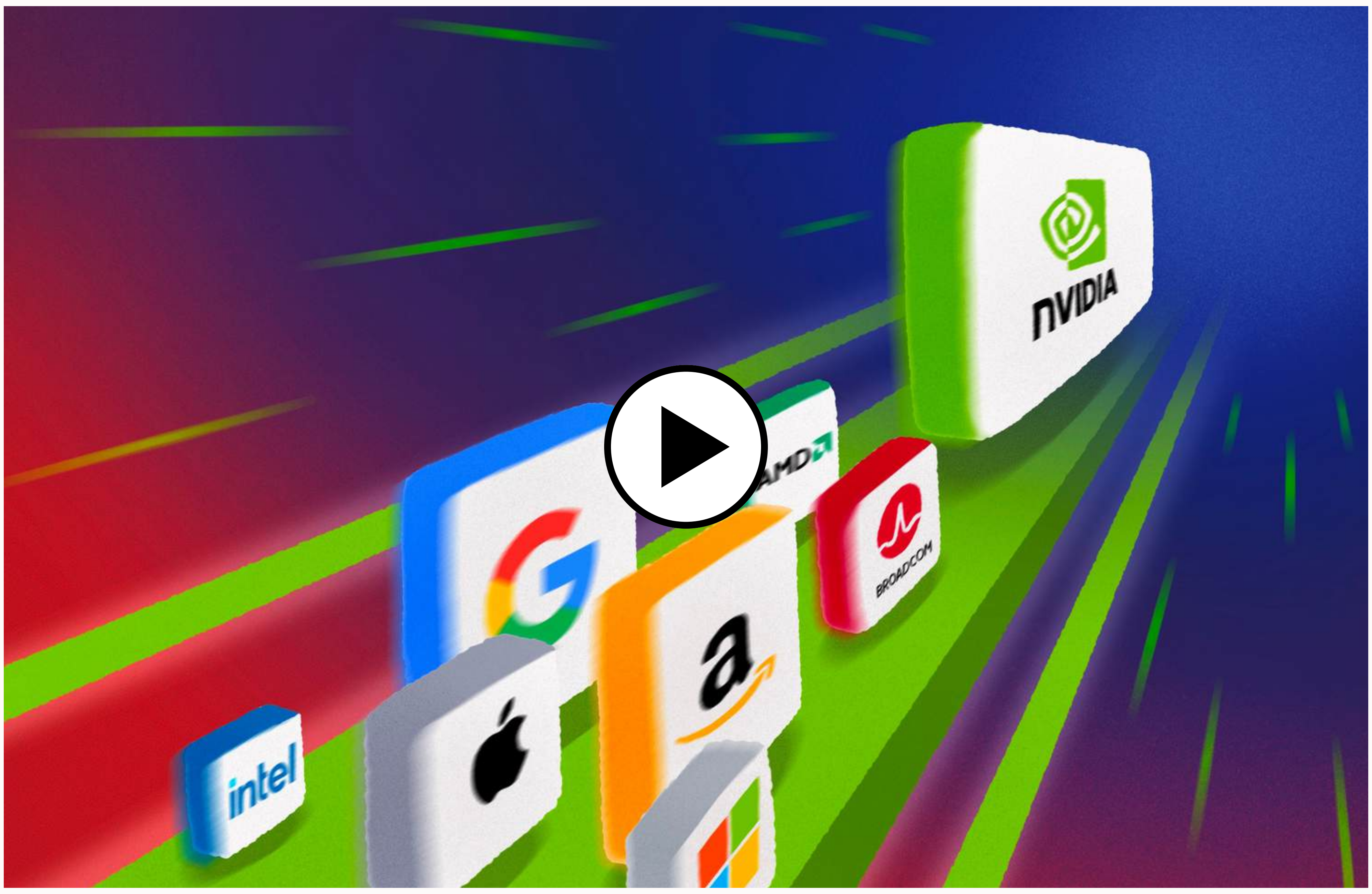
THE SYNOPSIS OF EACH CASE STUDY



NVIDIA'S FUTURE STRATEGY

Can It Sustain Its Blue Ocean?

The public release of ChatGPT in late 2022 marked a watershed moment in AI, transforming it from a specialized technology into a mainstream phenomenon. The sudden surge in interest in AI is directly linked to *NVIDIA*'s bottom line and its unprecedented rise to the ranks of the most valuable companies in the world by 2024. Companies scrambling to develop and deploy their own AI models have no place to go other than *NVIDIA*'s cutting-edge AI solutions. Yet, *NVIDIA*'s success now faces an intriguing paradox: its largest customers are increasingly becoming potential competitors. Companies like Google, Microsoft, and Meta, which buy huge quantities of *NVIDIA* chips, are developing their own AI accelerators. The case discusses how *NVIDIA* succeeded in creating a new market space for AI data centers and whether it is on a sustainable, high-growth path. Is it swimming in a blue ocean devoid of any competition? Or will the sharks lurking nearby soon turn the ocean bloody red? The case deals with a salient business issue – one that is happening right now.

(continued)

Blue Ocean Concepts

Value Innovation
Strategic Alignment
Barriers to Imitation
Portfolio Management
Blue Ocean Sustainability
Competitive Imitation

Case Setting

AI
Frienemy
Magnificent Seven
Graphic Chip
Technology

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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(Cont.)

NVIDIA'S FUTURE STRATEGY

Can It Sustain Its Blue Ocean?

Blue Ocean Concepts

Value Innovation
Strategic Alignment
Barriers to Imitation
Portfolio Management
Blue Ocean Sustainability
Competitive Imitation

Case Setting

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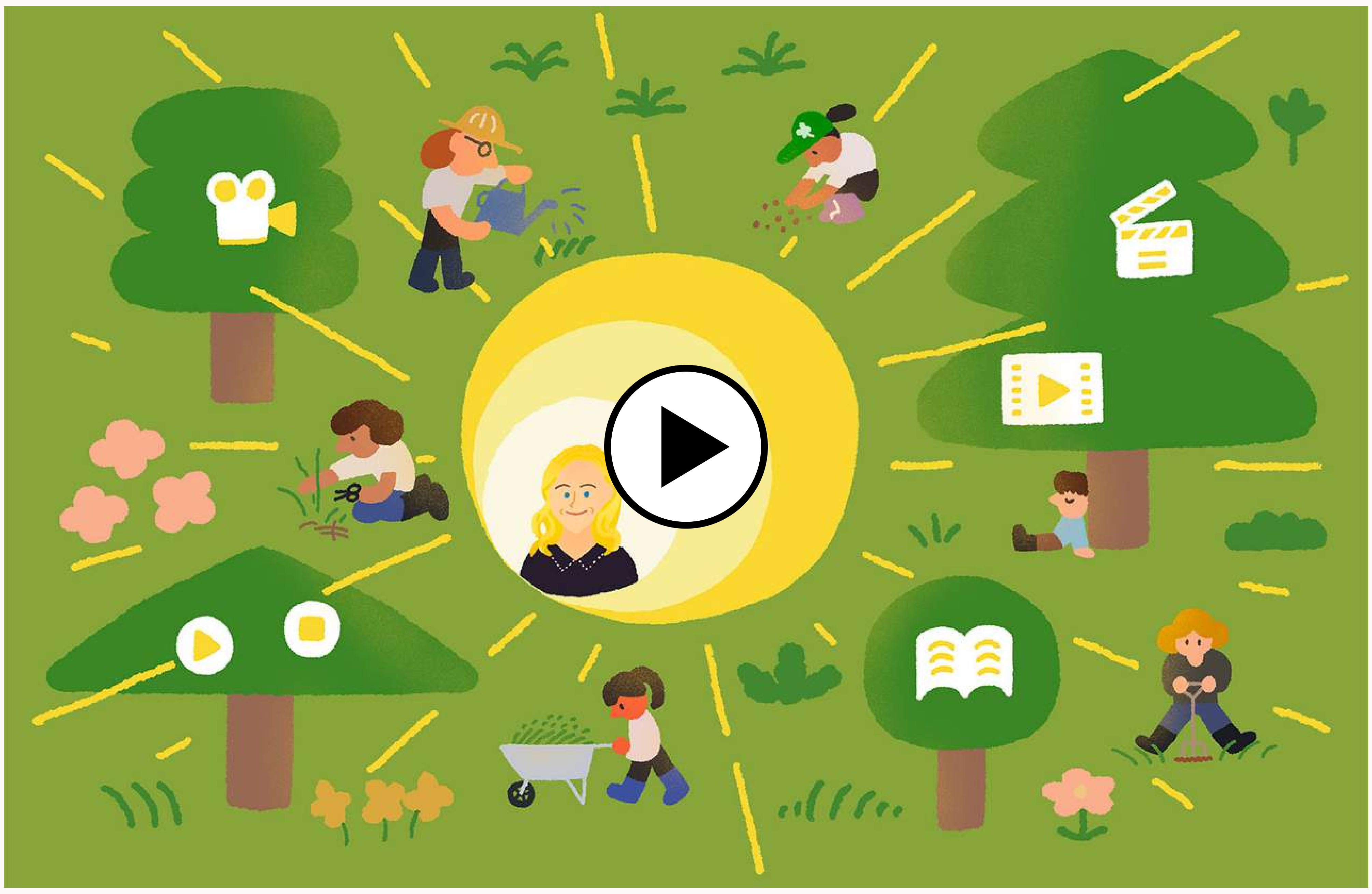
Key Learning Points

1. Understand the alignment of three strategic propositions: value for buyers, profit for the company, and motivation for people to execute with commitment. When aligned, these propositions reinforce each other, creating a strong barrier to imitation.
2. Learn that a corporation's market value depends on both current performance and future growth potential, best assessed by its value innovation potential rather than today's sales growth.
3. Understand the need for a corporation to balance current profits and future growth by managing its business portfolio. The Pioneer-Migrator-Settler Map helps visualize this balance, enabling companies like *NVIDIA* to chart their future business strategies effectively.



HELLO SUNSHINE (A & B)

Creating a New Market in Hollywood

Blue Ocean Concepts

Market Creation
Market Reconstruction
Risk Minimization
Achiving Differentiation & Low Cost

Case Setting

Media & Entertainment
Ecosystem strategy
Partnerships
Exit strategy

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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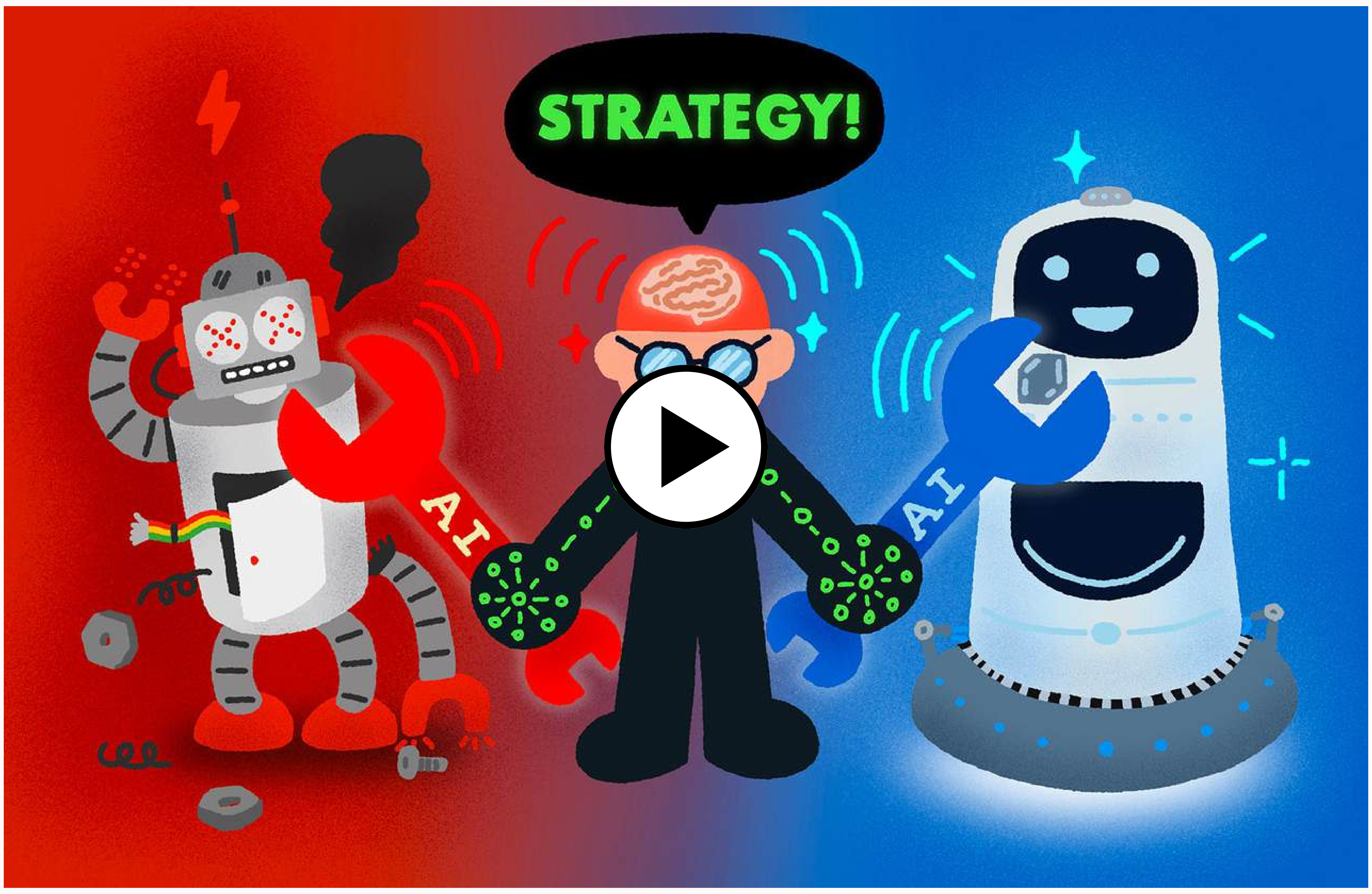
When Hollywood failed to tell the stories she believed in, Reese Witherspoon decided to change the rules.

This two-part case follows her response to industry constraints, from founding Hello Sunshine to building a self-reinforcing ecosystem that connects story discovery, audience insight, and screen adaptation—unlocking new space for complex, multidimensional female-led films not bounded by their characters' age while simultaneously reducing risks. As the company grows, a new question emerges: should Hello Sunshine sell a stake to scale further—and if so, when—amid industry consolidation, labor disruptions, financial pressures, and the emerging technology of AI.

Key Learning Points

1. How Reese Witherspoon adopted a blue ocean strategist's mindset by challenging prevailing industry assumptions in film production.
2. Understand how looking across alternative perspectives can move beyond conventional industry logic, uncover new opportunities for value creation, and redefine market boundaries.
3. Learn how Hello Sunshine built a self-reinforcing ecosystem by integrating story discovery, audience engagement, and screen adaptation to achieve differentiation at lower cost, while reducing uncertainty in a high-risk industry.
4. Examine the trade-off of selling stake and the importance of timing.



AI AND STRATEGY

Lessons from Real-World Cases

Blue Ocean Concepts

Market Creation
Value Innovation
Nondisruptive Creation

Case Setting

AI Adoption
Technology Innovation

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Ji

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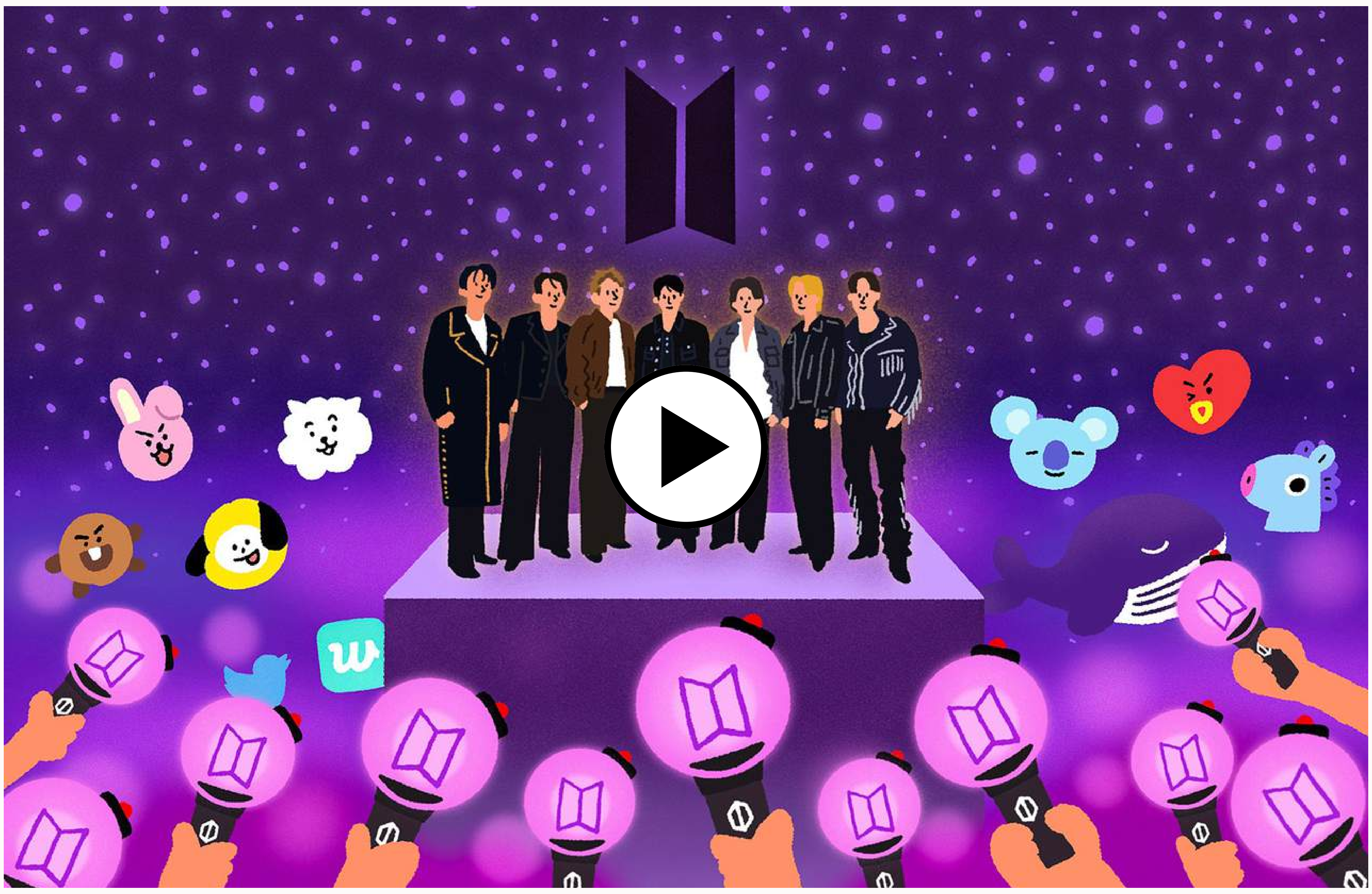
Is AI truly a silver bullet? Can simply adopting AI provide a magic formula to create competitive advantages or even open new markets? Or are there deeper factors beyond the technology itself that determine meaningful outcomes of AI adoption? Explore six real-world examples of AI adoption—*Senseye*, *Duolingo*, delivery robots by *Yunji Technology*, *Quibi*, *Microsoft's Cortana*, and *Baidu's Apollo Go*—highlighting both successes and failures to uncover the factors that influence their results.

Key Learning Points

1. Explore cases of AI adoption in business—from *Senseye* and *Duolingo* to *Yunji*'s hotel delivery robots, *Quibi*, *Cortana*, and *Apollo Go*—to uncover the common factors behind their success or failure.
2. Understand how technology serves as a supporting and enabling factor within a clearly guided strategy and avoid the pitfalls of prioritizing technology over strategy.
3. Discover that even in a field often associated with disruption, like AI, it is possible to create blue oceans without disrupting existing industries or businesses.



BTS

How a K-pop Group Created a Blue Ocean in Global Music and Beyond

Blue Ocean Concepts

Value innovation
Market reconstruction
Noncustomers
Blue Ocean expansion

Case Setting

Music & Entertainment
Ecosystem strategy
Fandom economy
IP Strategy

Teaching Materials

Case
Teaching Note
Role-playing
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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How did an unknown all-Korean boy band break through the niche boundaries of K-pop to become a global phenomenon? In the pop music industry, long fragmented by region, culture, and languages, *BTS* attracted K-pop noncustomers worldwide by redefining what K-pop music could offer emotionally, socially, and commercially. Through authentic, relatable content and direct fan engagement, *BTS* created a new relationship between artists and fans, then scaled into a self-reinforcing ecosystem platform of music, content, and fandom.
The case explores BTS's blue ocean creation and expansion, while raising a strategic question for its parent company *HYBE*: after *BTS's* blue ocean success, should it double down or diversify?

Key Learning Points

1. Geographic expansion alone does not create a blue ocean; new demand requires a distinct strategic logic that attracts noncustomers.
2. Market boundaries can be reconstructed by shifting strategic focus from competition to alternatives.
3. Untapped value often lies beyond the existing market, in complementary products and services surrounding the core offering.
4. Blue oceans invite imitation over time, thus requiring renewal. For long-term growth, companies face a key strategic choice: whether to deepen an existing blue ocean or diversify into new growth areas.

HYBE

Growing Beyond BTS

Blue Ocean Concepts

Noncustomers
Market reconstruction
Strategic renewal

Case Setting

Corporate strategy
Diversification
Portfolio Management
Music & Entertainment
IP strategy

Teaching Materials

Case
Teaching Note
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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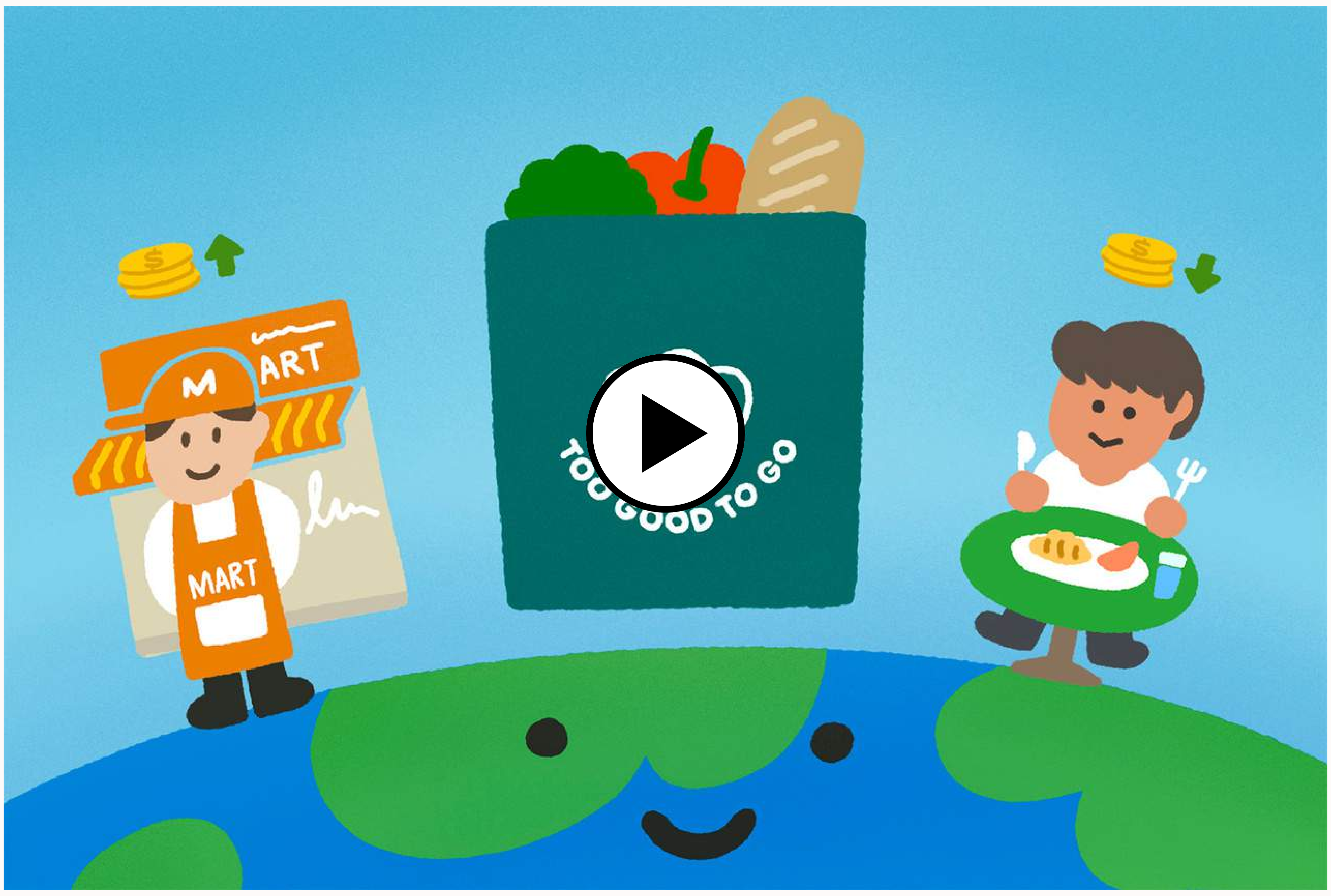
After BTS's astronomical worldwide success, HYBE, its parent company, faced a critical dilemma: how could it deepen the BTS-centered ecosystem while accelerating growth and reducing dependence on a single group? The case explores HYBE's rapid expansion across labels, regions, genres, and IP businesses by examining the strategic logic behind these moves. It invites discussion on corporate portfolio management and how a corporation operating in the fickle, fast-moving pop music industry can balance exploitation and renewal to sustain short- and long-term growth.

Key Learning Points

1. In a fickle, fast-changing industry where human talent lies at the core of the value proposition, a blue ocean remains inherently vulnerable if the company heavily relies on a single success.
2. Corporate strategy must balance exploiting today's blue ocean with building a broader portfolio of businesses as a new source of growth.
3. Blue ocean renewal requires managing execution risks without diluting the value proposition that made the original blue ocean successful.



TOO GOOD TO GO

A Surprise Bag That Creates a Win for Business and the Environment

Blue Ocean Concepts

Nondisruptive Creation
Break Value/Cost Trade-off
Positive-sum Logic

Case Setting

Two-sided Market
Platform
Food Serivce Providers
Sustainability
Environment
Food Waste

Teaching Materials

Case Teaching Note
Video Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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Transitioning to a greener economy often requires significant pain and costs. Can there be a way to achieve sustainability in business without compromising profits and growth? The case shows how *To Good To Go* defied the conventional wisdom that sustainable practices must come at the expense of profit and value. It explores how a new business can be created where sustainability and profitability go hand in hand.

Key Learning Points

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NINTENDO SWITCH

Shifting from Market-Competing to Market-Creating Strategy

Blue Ocean Concepts

Value Innovation
Strategic Renewal
Ex-ante Case
Market-creating Strategy

Case Setting

Video Game Industry
Business Portfolio

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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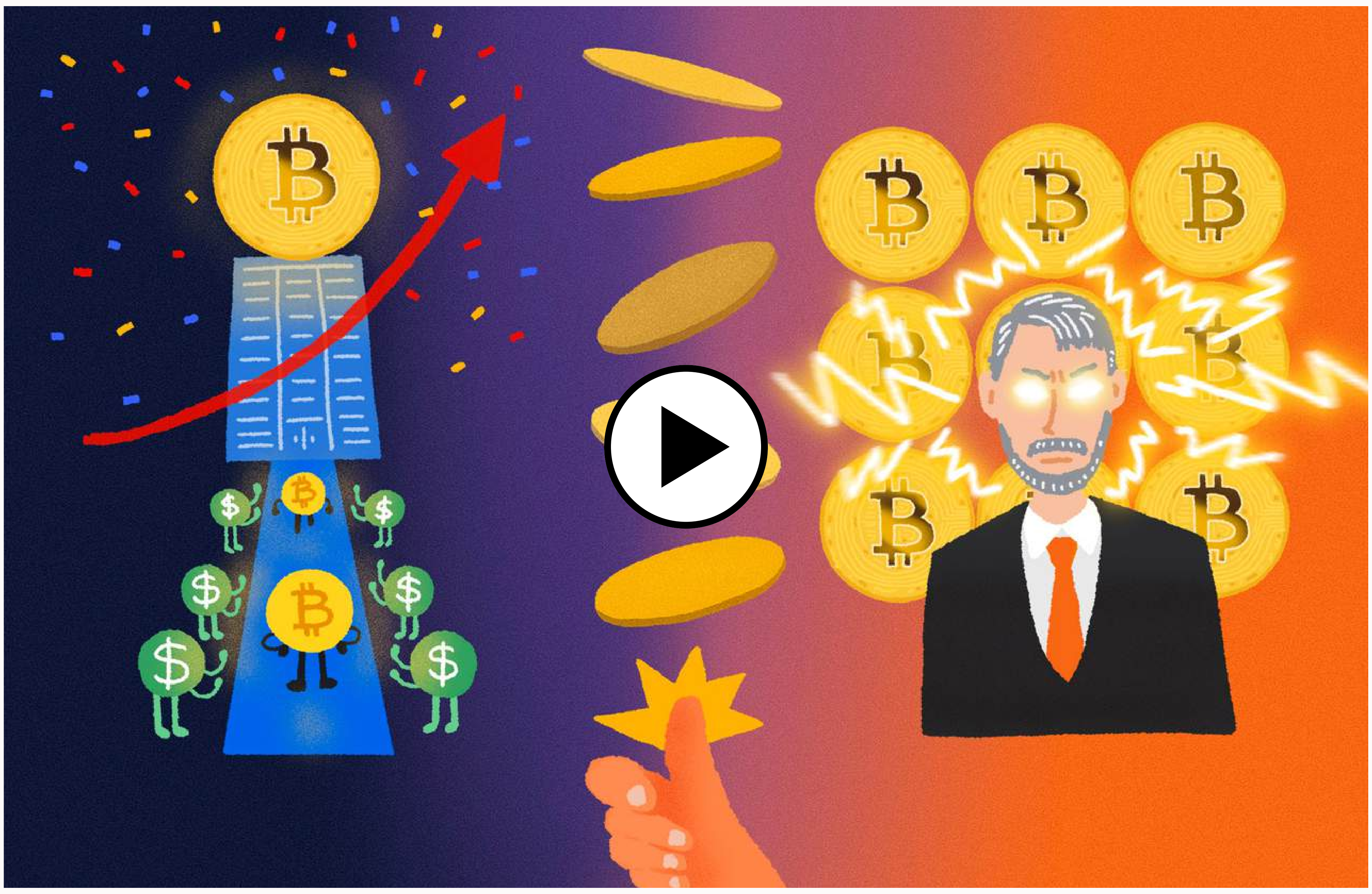
The case explores the pattern behind *Nintendo*'s ups and downs. It discusses how Nintendo turned from market-competing to market-creating strategy to "value innovate" its hugely popular *Nintendo Switch*, after its best-selling video-game console ever, the blue ocean inspired *Nintendo Wii*, was disrupted by smartphones and tablets and the rocky road in between.

Key Learning Points

1. Learn how strategy can be used to shape industry structure and market space and the importance of linking technology to value.
2. Understand that businesses go through ups and downs and that continually pursuing value innovation is as important in an up phase as during a down phase.
3. Learn the importance of long-term growth and planning your product portfolio for the right balance between blue ocean offerings and product improvements.
4. Visualize *Nintendo*'s product portfolio over the last 20 years and understand how performance is impacted by portfolio management practices across time..



STRATEGY INC: MICROSTRATEGY'S BITCOIN TREASURY

A Blue Ocean Shift or a Speculative Bet?

Blue Ocean Concepts

Blue Ocean Shift
Market Creation
Noncustomers
Fair Process

Case Setting

Bitcoin
Corporate Treasury Management
Risk Management
Stress Tests

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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How did an enterprise software firm transform into the world's largest publicly traded Bitcoin treasury company, driving a nearly 2,500% surge in stock price?

The case examines CEO Michael Saylor's bet on Bitcoin as the firm's primary treasury asset, challenging the long-held assumption that fiat currency is the default store of value. The case traces how Saylor secured board and investor buy-in, navigated extreme volatility, and scaled the strategy through market stress tests and bold capital raising. But did he create a blue ocean in corporate treasury management—or make a speculative bet of unprecedented risk?

Key Learning Points

1. Show how the fiat-as-safe assumption blinded firms to debasement risks, and how Strategy Inc. created a new treasury model by shifting to Bitcoin.
2. Assess whether the shift breaks the value–cost tradeoff—delivering Bitcoin upside with low capital costs.
3. Examine how and if treasury evolved from capital preservation to a growth engine via a fiat-to-Bitcoin strategy.
4. Evaluate how Saylor's communication and fair process built board and investor buy-in.
5. Understand execution challenges and how volatility was leveraged as a financing advantage.
6. Examine how a multi-layered capital structure attracts investors with diverse risk–return preferences.

A MAESTRO WITHOUT BORDERS

How André Rieu Created the Classical Music Market for the Masses

Blue Ocean Concepts

Market Reconstruction
Noncustomers
Demand Creation
Value Innovation
Red Ocean Strategy

Case Setting

The Netherlands
Classical Music
Pop Concerts
Live Performance
Orchestra

Teaching Materials

Case
Teaching Note
Video
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, M. Ji

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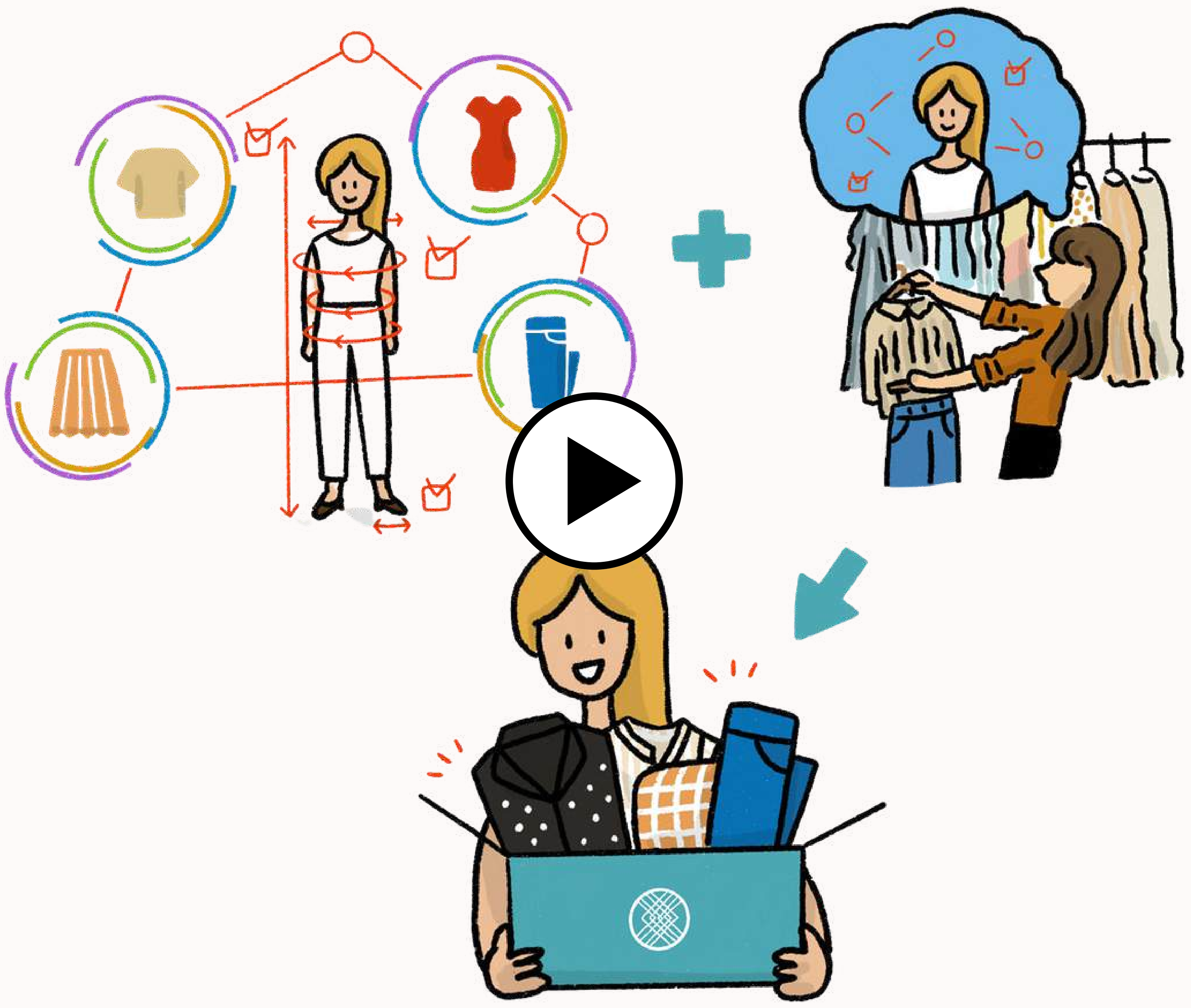
Dutch violinist André Rieu reconstructed industry boundaries to unlock vast new demand for classical music. For nearly two decades Rieu's been on the Billboard Top 25 Tours list, right alongside the likes of Bruce Springsteen and Justin Bieber. How did he create a new market space in a once declining industry? This case reviews the competitive practice of the classical music industry and illustrates how André Rieu gained insight into breaking apart and creating a blue ocean.

Key Learning Points

1. Identify the characteristics and limits of competitive strategic practice in the context of analyzing the conditions of the classical music industry.
2. Demonstrate how André Rieu created a blue ocean of new demand in a declining industry through reconstructing market boundaries.
3. Highlight the important role of noncustomer insights in enabling new demand creation.
4. Learn the key principle of blue ocean strategy – value innovation, which requires the simultaneous pursuit of differentiation and low cost.



ARTIFICIAL INTELLIGENCE: STITCH FIX

A Blue Ocean Retailer in the AI World

Blue Ocean Concepts

Market Reconstruction
Break Value/Cost Trade-off
Noncustomers

Case Setting

US
Online Retailing
Artificial Intelligence
Women CEO/Founder
Fundraising
Subscription Business Model
Start-up

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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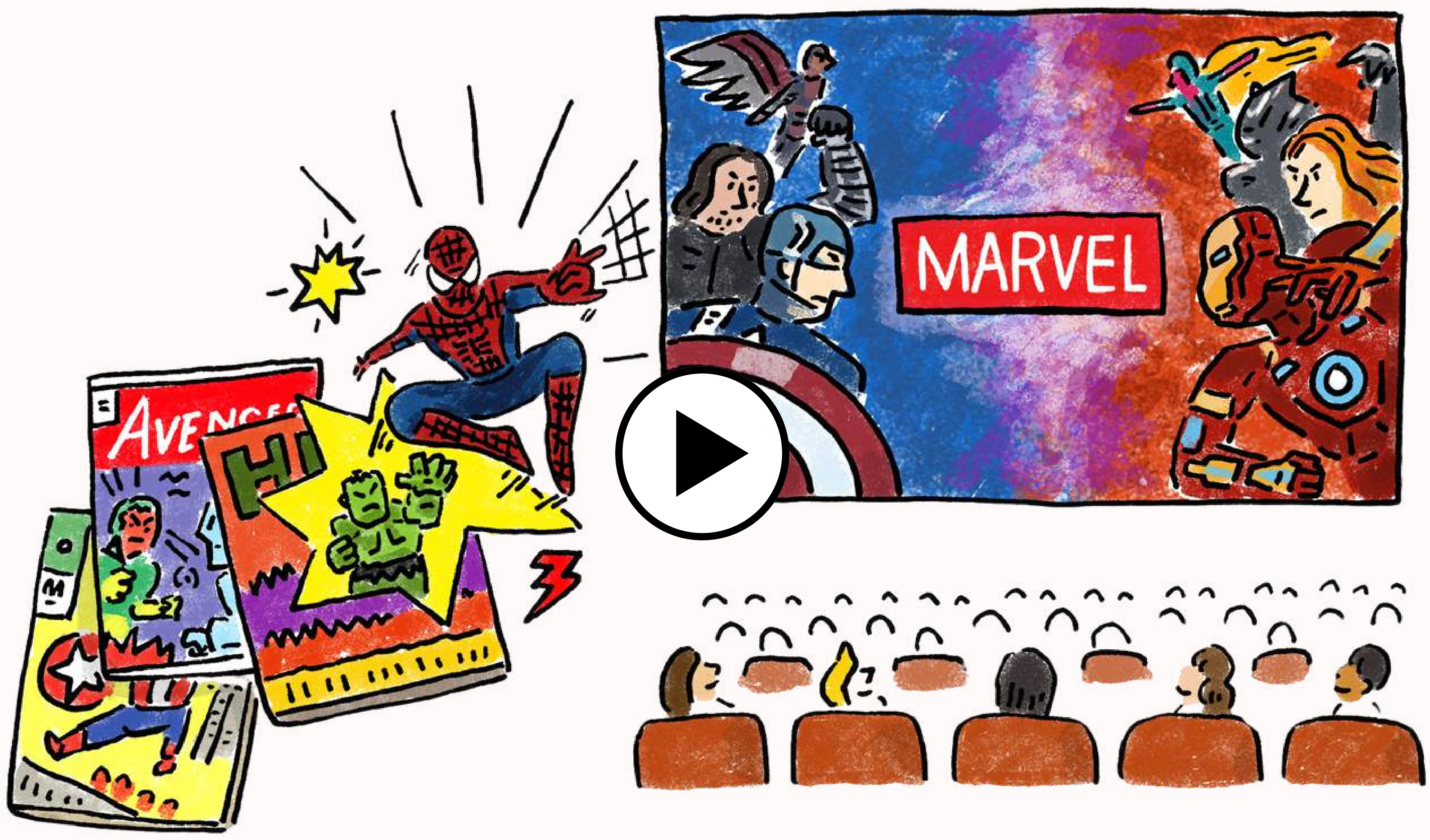
Fashion retailers compete in a crowded market. Brick-and-mortar retailers competed on variety and touch-and-feel, while online stores sought to differentiate through low prices and fast shipping. The case explores how *Stitch Fix* reinvented fashion retail by providing a personal styling service that combines AI with the creativity and knowledge of human stylists and an element of surprise. Learn how Katrina Lake, the founder, turned her venture into a billion-dollar business with a fundamentally different and significantly superior buyer experience that is both differentiated and low-cost.

Key Learning Points

1. Explore the challenge of new venture fundraising and how a female entrepreneur, Lake, overcame investor reluctance, particularly from early-stage investors and venture capitalists.
2. Discover how a new way of online shopping is created by combining online retailing and offline personal shopping with a subscription business model.
3. Explore how Lake unlocked a differentiated and low-cost offering by leveraging both the latest artificial intelligence and the brilliance and creativity of human beings (stylists) to open new market space in retail.
4. Discuss the challenges of *Stitch Fix* to protect its blue ocean against fast-following retail giants like Amazon.



THE MARVEL WAY

Restoring a Blue Ocean

Blue Ocean Concepts

Value Innovation vs Value Extraction
Strategic Alignment
Red Ocean Management

Case Setting

US
Value Extraction
Corporate Turnaround
Entertainment
Debt/Financing

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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How did *Marvel* achieve a dramatic turnaround and produce the most profitable movie franchise in history just over a decade after exiting bankruptcy? The case explores the history of Marvel, from a struggling red ocean business to a blue ocean that was later driven into bankruptcy by value extractors. The case highlights how new management stabilized Marvel and then created a new type of blue ocean that went on to produce the most profitable movie franchise in history.

Key Learning Points

1. Learn the difference between value extraction, the process whereby managers personally profit even when a business performs poorly, and value innovation, the simultaneous pursuit of differentiation and low cost, creating a leap in value for both buyers and the company.
2. Discover how to apply blue ocean strategy to pivot from the red to the blue ocean.
3. Understand the importance of aligning the three key strategy propositions: the value, profit and people propositions of an organization.

TRIUMPH VS. TRAGEDY AT THE SOUTH POLE

Outcomes of Diverging Approaches to Strategy and Leadership

Blue Ocean Concepts

Blue Ocean Mindset
Charting a New Market
Leadership
Resourcefulness
Fair Process

Case Setting

Leadership
Entrepreneurship
Overcoming Hurdles
Building Trust
Risk management

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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In 1911, two leaders—Britain's Robert Falcon Scott and Norway's Roald Amundsen—raced to the South Pole. Scott, backed by resources and experience, followed a known route. Amundsen, with fewer resources, forged a new path. The Norwegian team returned victorious; the British team did not survive the return journey.

This race to the South Pole illustrates how starkly different approaches to strategy and leadership produce drastically different outcomes under similar conditions. Through this side-by-side comparison, the case reveals how a leader's mindset shapes strategy and execution, offering powerful lessons for leaders seeking to navigate uncertainty and create their own blue oceans.

Key Learning Points

1. Creating new market space requires a focused break from conventional practices to deliver a leap in value at low cost.
2. Success depends on how leaders navigate risk, uncertainty, and learning, not just on strategy itself.
3. Firsthand discovery and looking beyond industry boundaries help uncover opportunities, reduce risk, and use resources effectively.
4. Lasting success depends on fair process and the alignment of strategy, leadership, and execution, with innovation driven by resourcefulness rather than abundant resources or technology alone.

DRIVING SUSTAINABLE GROWTH AND EMPOWERING SOCIETY

Nickel's Blue Ocean Beyond Disruption

Blue Ocean Concepts

Nondisruptive Creation
Noncustomers
Demand Creation

Case Setting

Fintech
Banking
France
Nontraditional Retail Outlet
Start-up

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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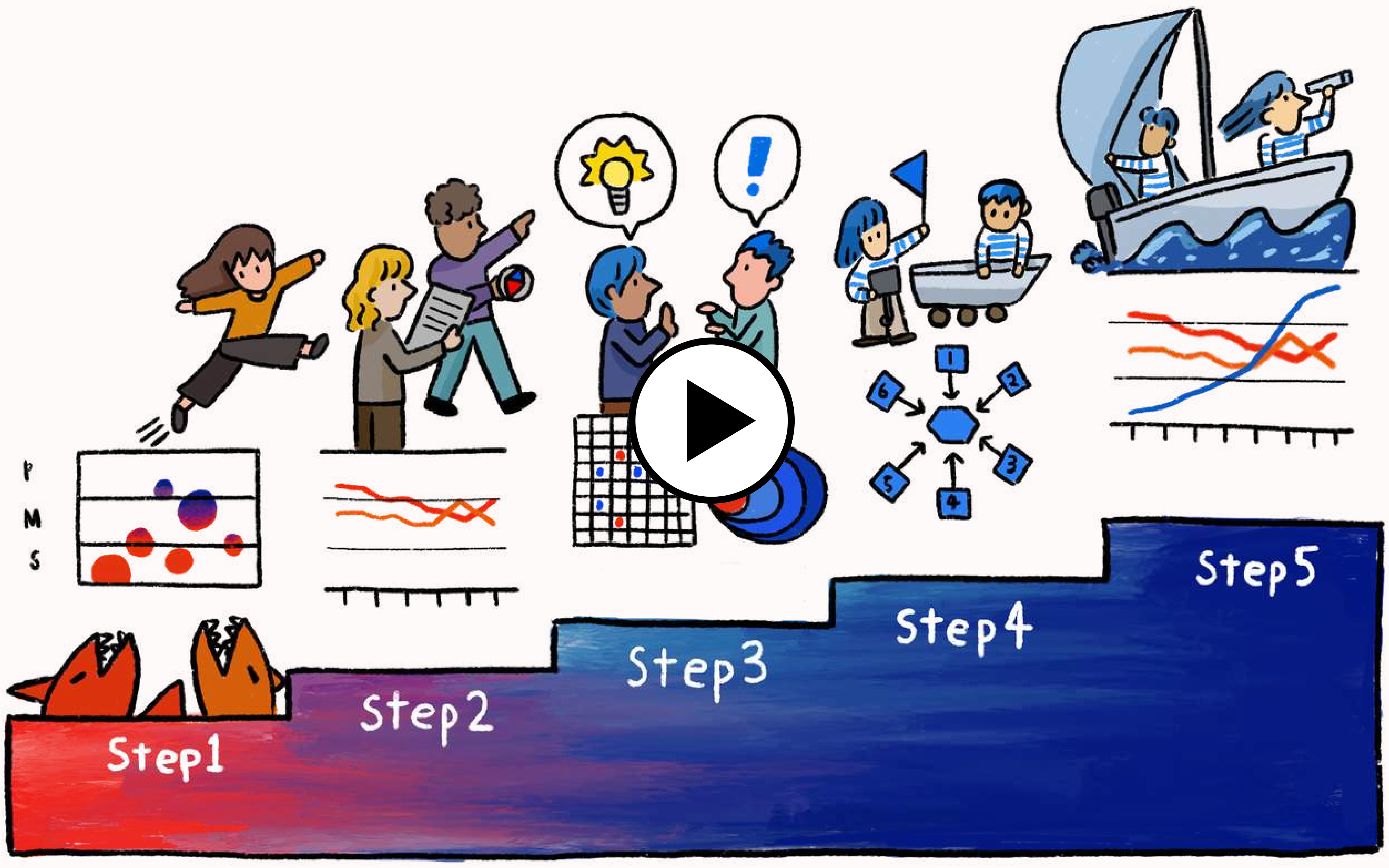
Can a new market be created without disrupting existing markets? The banking industry in France had long overlooked and left behind a huge underserved population. But *Nickel*, a French fintech established in 2014, changed that. The case explores *Nickel*'s innovative 'bank in a box,' sold in tobacco stores, requiring only an ID, a mobile phone, and €20 to open a bank account that made banking services accessible to those beyond the existing boundaries of banking services. The consequences are nondisruptive – the financially excluded won, *Nickel* won, and tobacco stores also won. Importantly, no one was made worse off.

Key Learning Points

1. Analyze how *Nickel* unlocked a nondisruptive new market by solving a long-existing unaddressed problem.
2. Investigate the factors that prevented the banking industry from addressing this longstanding problem.
3. Understand the key factors behind the success and profitability of *Nickel*'s nondisruptive creation.
4. Discover how *Nickel* creatively leveraged tobacco stores for a low cost and ubiquitous point of sale network.
5. Explore what nondisruptive creation is and what the major advantages of this market-creating method are.



BLUE OCEAN HACKATHON

Market Creation in a Highly Competitive Industry

Blue Ocean Concepts

Strategy Formulation
Market Creation
Blue Ocean Shift Process

Case Setting

Asia
Travel/Tourism
Hackathon
Blue Ocean Exercise

Teaching Materials

Case
Teaching Note
Video
Lecture Slides
Workbook

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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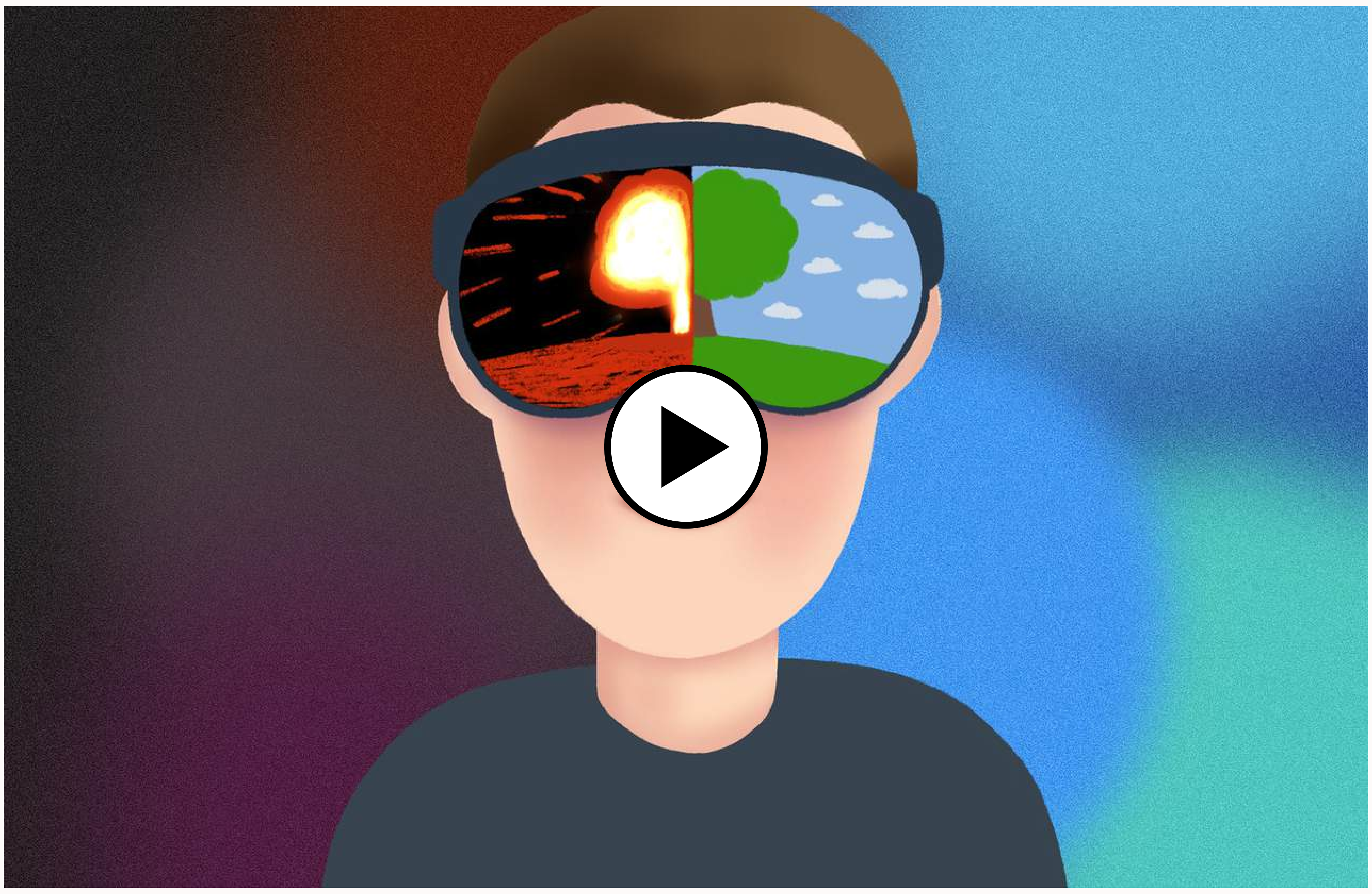
The *Blue Ocean Hackathon* is a highly engaging strategy formulation exercise that allows participants to shift from competing to creating. Participants are challenged to formulate their own market-creating strategy by actively applying the concept, framework, and process of blue ocean shift to one of the most competitive industries – the travel industry. Then, they will be introduced to a real-life case that challenged the travel industry's long-existing assumptions and successfully opened new market space. Don't miss the exclusive interview with the CEO who created a blue ocean in the bloody red ocean of travel industry.

Key Learning Points

1. A market-creating move can be made systematically through a reliable, reproducible, and humanistic process. With market-creating tools and guidance, people learn to make a market-creating move with confidence.
2. The five-step process of the Blue Ocean Shift unlocks creativity and paves the way for market creation and growth. To successfully formulate and execute a blue ocean strategy, the roadmap should be followed by people with a blue ocean perspective and the confidence to find new possibilities and pathways for growth.
3. While the human element has often been sidelined in strategy formulation, Blue Ocean Shift emphasizes the importance of building confidence when creating an innovative and creative solution. Without the confidence to act, few will venture down a new path, no matter how clear the roadmap is.



META

Facebook's Pivot to the Metaverse - A Dystopia or Blue Ocean Utopia?

Blue Ocean Concepts

Value Innovation vs Technology Innovation

Case Setting

Metaverse
Technology
Social & Human Implications

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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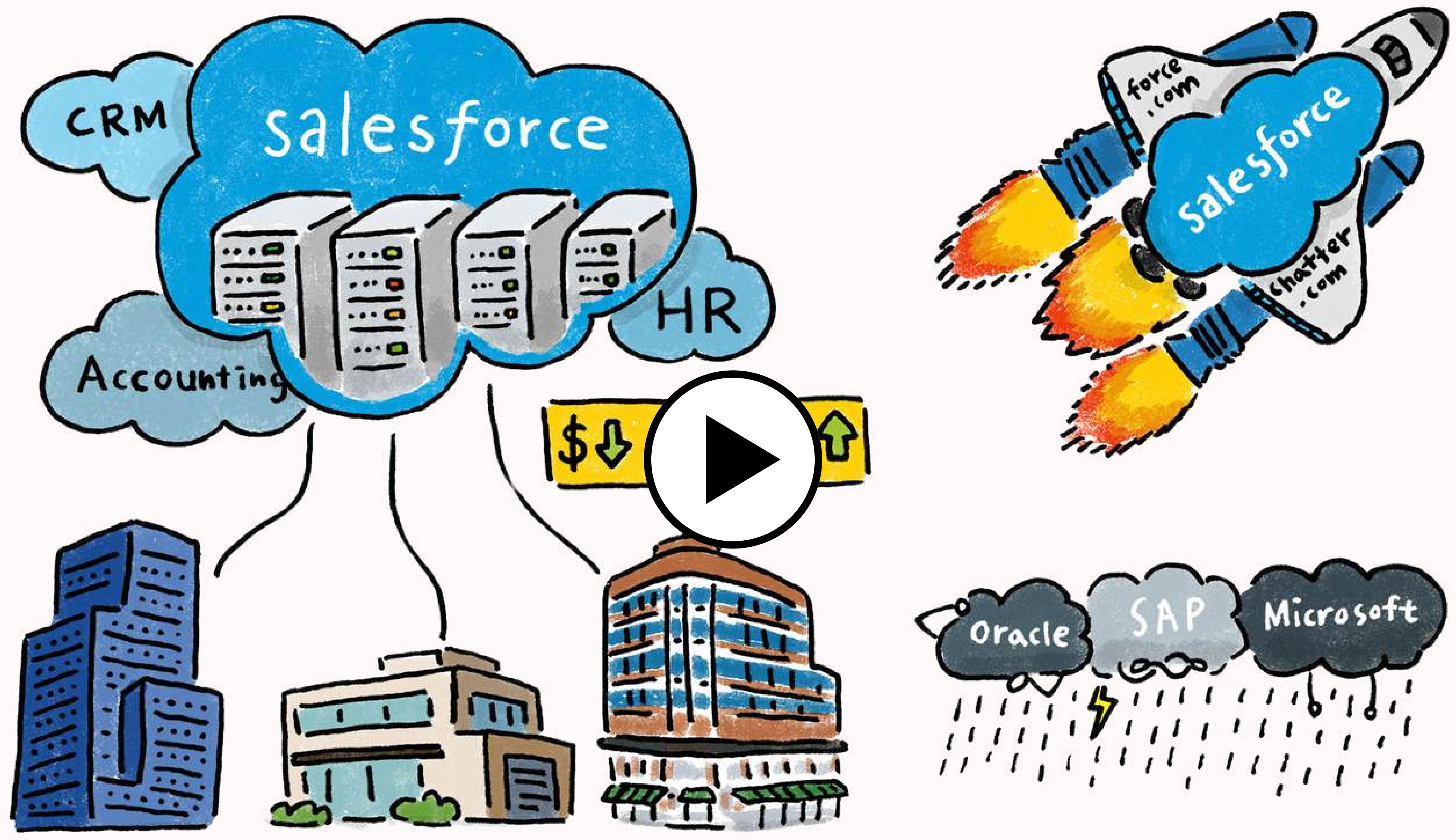
In 2021, *Facebook* changed its name to *Meta* and announced plans to build a metaverse. This case explores whether *Meta*'s metaverse is likely to be a dystopia or blue ocean utopia for people and society. It dives into issues ranging from the difference between value innovation and technology innovation to the social, economic, and environmental implications of *Meta*'s proposed metaverse along with potential business models.

Key Learning Points

1. Explore *Meta*'s metaverse and what they might do with their user base of three billion people and Web3 technology.
2. Learn the difference between value innovation and technology innovation.
3. Dive into the pros and cons of the metaverse, including the social, economic, and environmental implications. Will *Meta*'s proposed metaverse create a dystopia or blue ocean utopia?
4. Discuss social and economic issues regarding monopolization and *Meta*'s centralized control vs. a decentralized model of the metaverse.



SALESFORCE.COM

Creating a Blue Ocean in the B2B Space

Blue Ocean Concepts

Noncustomers
Strategic Renewal
Barriers to Imitation

Case Setting

US
CRM Software
B2B

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne,
M. Ji, J.E. Lee

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The case describes a series of blue ocean strategic moves made by *Salesforce.com* in the Customer Relationship Management (CRM) application market, demonstrating how a company can effectively create and renew its blue ocean in the B2B space by value innovating on the product, service, and delivery platforms.

Key Learning Points

1. Discover how the logic of value innovation can be applied in B2B markets to unlock hidden buyer value across the entire chain of buyers.
2. Understand that value innovation can take place on the product, service and delivery platforms of a business offering.
3. Learn how a company can lengthen, widen and deepen its blue ocean revenue stream over time while keeping imitators at bay.

BLUE OCEAN LEADERSHIP

How to Achieve High Impact at Low Cost

Blue Ocean Concepts

Value Innovation
Blue Ocean Leadership

Case Setting

Leadership Transformation
Employee Turnover
Video Gaming Industry
Scenario Case
People Management

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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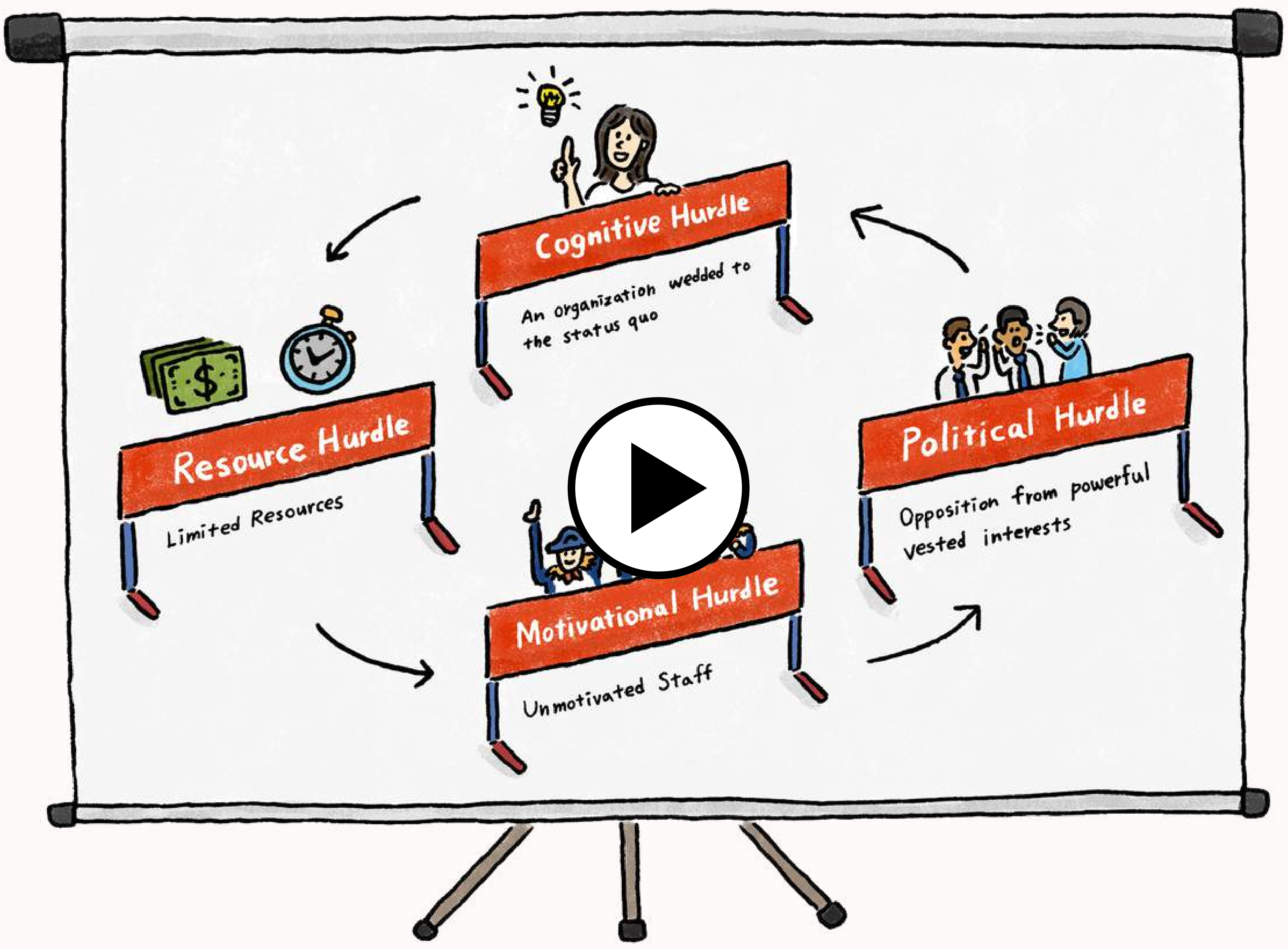
In the same way that blue ocean strategy can create uncontested market space, blue ocean leadership can unleash an ocean of untapped talent. This scenario-based exercise involves the gaming industry and the leaders' drive to create and produce a differentiated and low-cost mobile game. Only employees are frustrated and leaving due to poor leadership that needs to change. This is an engaging way to learn how to apply Blue Ocean Leadership and its tools to achieve high impact fast and at low cost, while saving leaders' most precious resource: Time.

Key Learning Points

1. Experience the blue ocean tools and framework to create a step change in leadership strength and achieve high impact with a lower investment of time.
2. Analyze the current leadership using the As-Is Leadership Canvas that visualizes current leadership reality to understand the way employees experience the current leadership and where it may be falling short.
3. Understand the action framework, the Blue Ocean Grid, that helps leaders discover what leadership activities should be eliminated, reduced, raised, and created.
4. With the help of the To-Be Leadership Canvas, develop a new, effective Blue Ocean Leadership profile that releases the unrealised talent and energy of employees and lifts individual and organisational performance.



BLUE OCEAN STRATEGY IMPLEMENTATION

Real-Life Learning and an Interactive Game

Blue Ocean Concepts

Strategy Execution
Tipping Point Leadership
Fair Process

Case Setting

Failure Case
Culture

Teaching Materials

Case
Teaching Note
Video
Lecture Slides
Game

Case Authors

C. Kim, R. Mauborgne,
M. Ji, O.Y. Koo, M. Olenick

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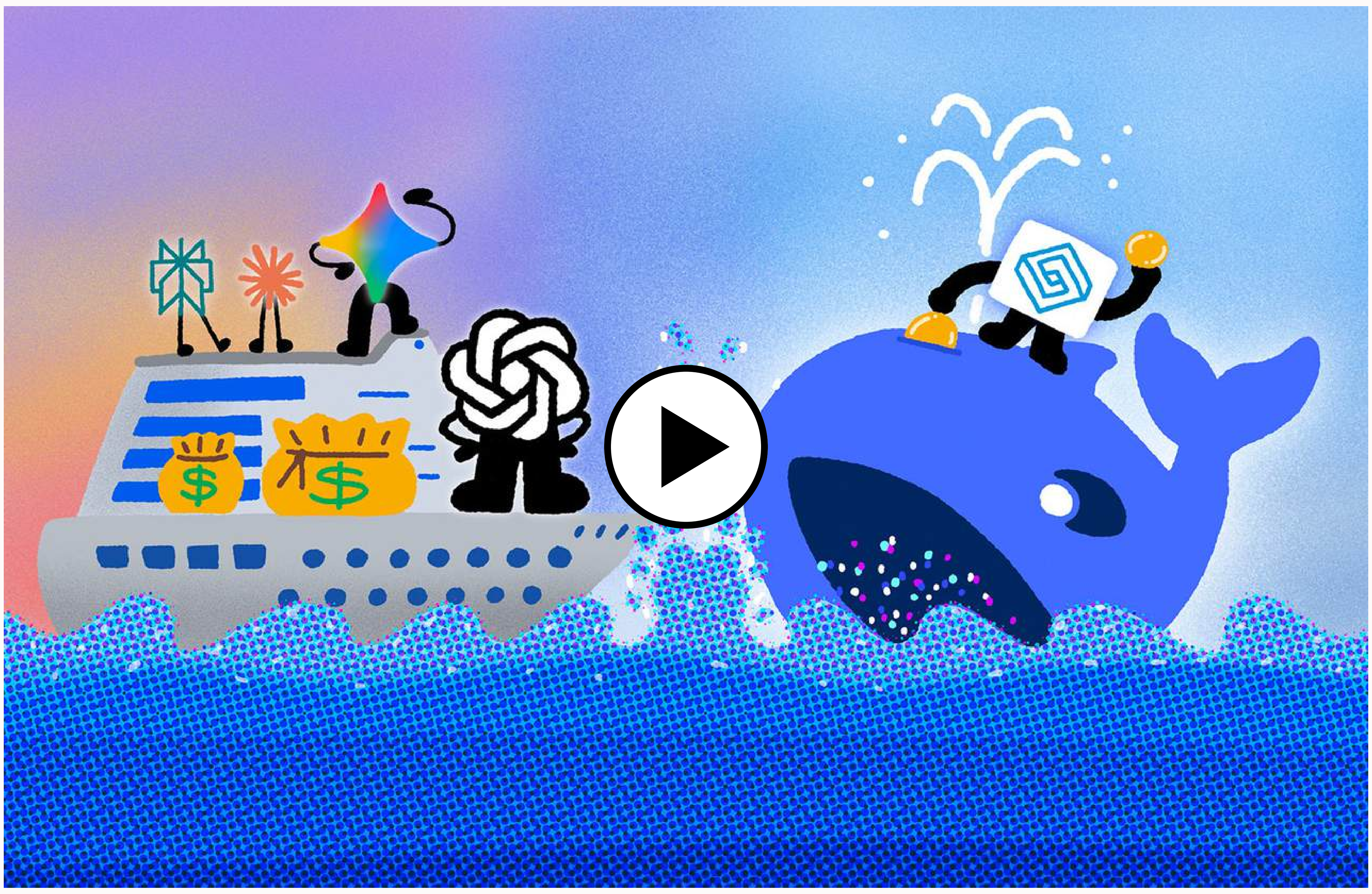
How can an organization execute a new strategy even though it represents a significant departure from the status-quo? Learn key concepts of blue ocean strategy implementation through an interactive class exercise. Through real-life examples of blue ocean strategy implementation, the case illustrates the hurdles and challenges two companies (*Tata Motors* and *Zappos*) encountered in strategy execution and how they tackled them. The case highlights the importance of tipping point leadership and fair process in strategy execution.

Key Learning Points

1. Learn how to overcome the four organizational hurdles – cognitive, resource, motivational, and political – to successfully execute a strategic shift fast and at low cost.
2. Understand that the fundamental base of strategy execution lies in the attitudes and behavior of people deep in an organization. Fair process is an important and integral component that builds people's trust and commitment so that people embrace a novel strategy of their own accord.
3. Examine the real-life example of the *Tata Nano* and appreciate how failing to address a key organizational hurdle can negatively impact strategy execution.
4. Learn from the real-life example of *Zappos* as to how strategy execution is effectively ensured when a company nurtures a culture of trust and commitment to motivate people to implement the strategy of their own accord.



DEEPSEEK

Can It Create and Capture a Blue Ocean in the AI Industry?

Blue Ocean Concepts

Value Innovation
Resourcefulness
Strategic Alignment

Case Setting

AI LLM
Technology Platform

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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DeepSeek stunned the market by delivering top-tier AI performance at a fraction of the cost, challenging assumptions the industry took for granted about the resources needed for advanced AI. While giants like OpenAI and Google focus on scale, *DeepSeek* has opened a new strategic space—what many see as a blue ocean opportunity. This case dives into how *DeepSeek* broke the value-cost trade-off and opened a blue ocean opportunity in the AI race. But will it succeed in turning that opportunity into a market it can own—and if so, how?

Key Learning Points

1. Analyze how *DeepSeek* overcome the common trade-off between differentiation and low cost to develop and deliver high-performance AI at a fraction of the cost of other LLM companies.
2. Discuss how *DeepSeek* challenged industry assumptions to expand the AI market, while rivals like OpenAI, Meta, Anthropic, and Google remained stuck in fierce competition.
3. Examine the factors behind the successful launch of *DeepSeek*, triggering it to take off and make a big impact in the market fast.
4. Discuss whether *DeepSeek* merely inspired everybody's imagination by identifying and opening up a blue ocean market space, or if it can successfully create and capture a blue ocean by aligning its value, profit and people propositions.

LANG LANG

How a Pianist Created and Captured a Blue Ocean in the Classical Music World

Blue Ocean Concepts

At the level of the Individual:
Market Creation
Noncustomers
Four Actions Framework

Case Setting

Career trajectory
Professional success
Music
Entertainment

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Ji

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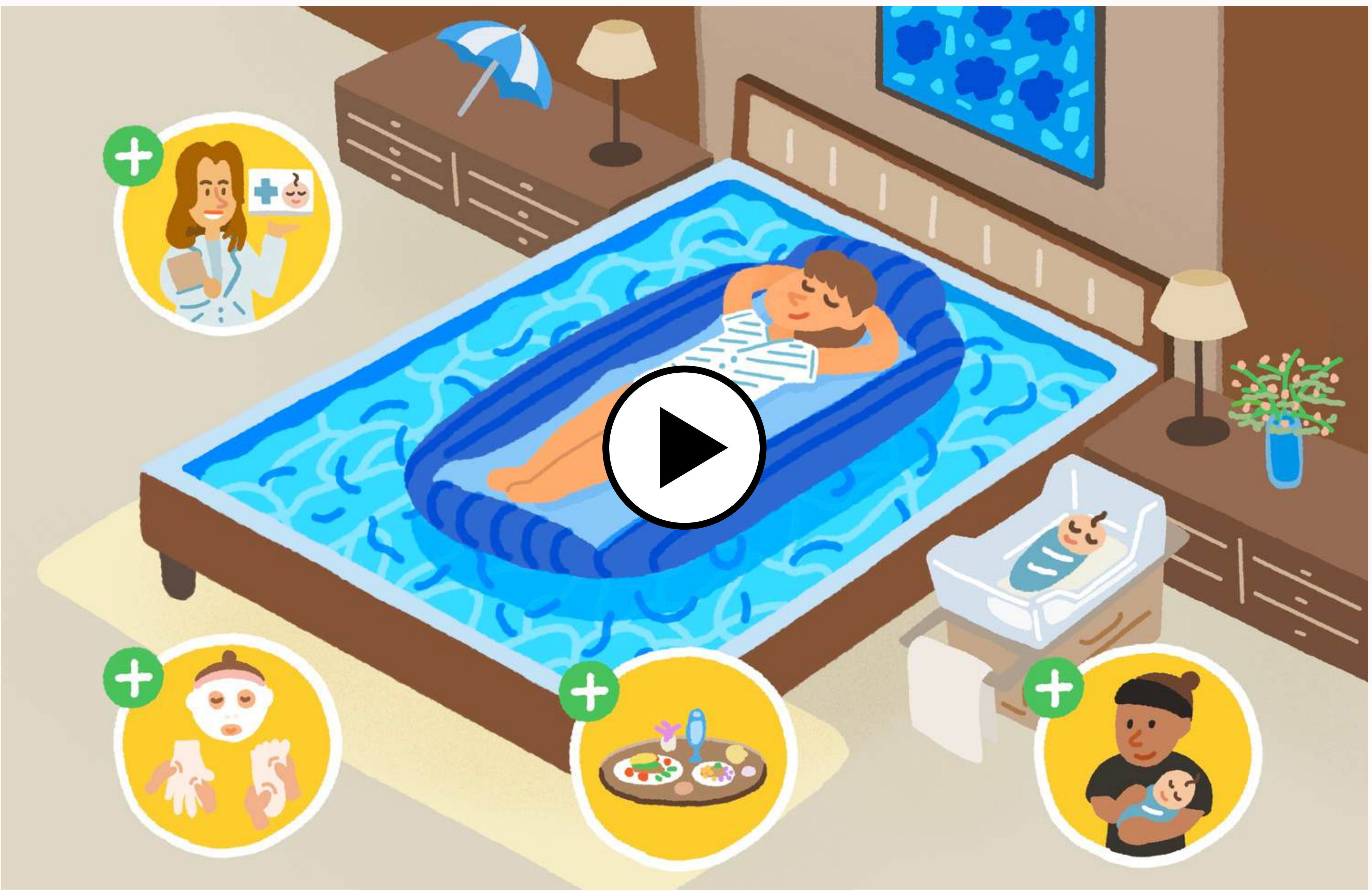
How did *Lang Lang* rise from a child prodigy to a cultural icon in the tradition-bound world of classical music?
This case traces *Lang Lang*'s career journey, revealing the deliberate and distinctive strategic choices that set him apart in an intensely competitive classical music industry to achieve extraordinary success. Few musicians have managed to combine elite artistic credibility with mass appeal on such a scale. How did he do it? And what are the general lessons individuals can extract from the strategic choices he made? The case reveals how blue ocean thinking goes beyond organizations, and can empower individuals to unlock new opportunities, and achieve exceptional professional and personal growth even in intensely competitive industries.

Key Learning Points

1. Explore the key factors and strategic logic behind *Lang Lang*'s career success.
2. Examine how *Lang Lang*'s key strategic decisions shaped his distinctive and high-impact career path.
3. Analyze *Lang Lang*'s four actions (Eliminate-Reduce-Raise-Create) and learn how to apply the frameworks and tools of blue ocean strategy at the individual level.
4. Appreciate how blue ocean strategic thinking can empower individuals to break away from the competition and achieve distinctive professional and personal growth.



A CLUB MED FOR NEW MOMS AND NEWBORNS

The Postpartum Care Center in Korea and Its Potential US Counterpart

Blue Ocean Concepts

Nondisruptive Creation
Value Innovation

Case Setting

Healthcare
Hospitality
Societal Change
South Korea/ Asia/ US
Localization

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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When a long-held tradition of intra-family postpartum care waned, who could fill the role of providing attentive care for new moms? The case examines the emergence and evolution of postpartum care centers in South Korea as a once informal tradition was converted into a commercial new market and how post-partum care centers unearthed and addressed taken-for-granted issues that had gone unnoticed in the existing healthcare industry. The potential of post-partum care centers to cross cultural boundaries and roll-out in the US is probed.

Key Learning Points

1. Customs and traditions that support nonmarket situations can be turned into blue ocean opportunities as societal conditions shift.
2. By looking beyond the healthcare industry and combining elements of hospitality and education, the all-inclusive package of postpartum care was conceived offering unprecedented value.
3. The creation and growth of the postpartum care center market unlocked positive-sum outcomes, both economically and socially.
4. How rolling out the business model into different geographic markets may require reconfigurations – at the margin – of value, profit, and people propositions to reflect cultural, societal, and regulatory differences.

YELLOWTAIL

Crafting Winning Strategies in a Mature Market: The US Wine Industry in 2001

Blue Ocean Concepts

Market Reconstruction
Competitive Convergence
Value Innovation
Key Competing Factors
Noncustomers

Case Setting

Australia
Wine
US Wine Market
SMEs

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne,
J. Hunter, B. Marks, W. Mortensen

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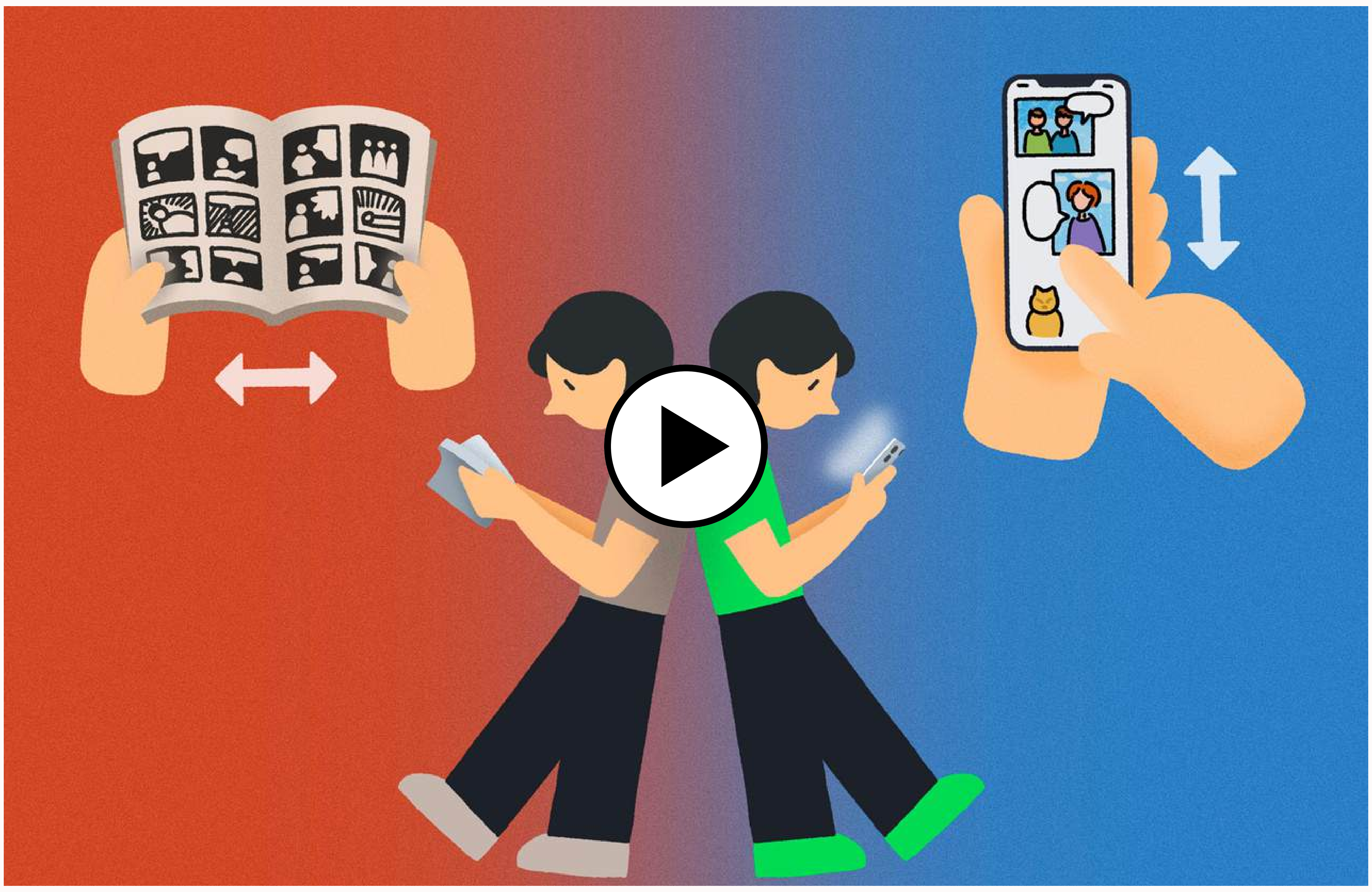
How can a company create a winning strategy in an overcrowded industry? This case examines the intensely competitive US wine industry in 2001. It demonstrates how the industry was increasingly squeezed at the distribution and retail stages of the supply chain. That changed in 2001 when Australia's Casella Winery introduced [*yellow tail*] into the US market. While small and unknown, in their first year the company sold nine times their projections. Soon [*yellow tail*] emerged as the overall best-selling 750ml red wine, outstripping Californian, French and Italian brands. The case examines the strategic move executed by *[yellow tail]* that made it the number one imported wine and the fastest growing brand in the history of the US and Australian wine industries.

Key Learning Points

1. Understand how competitive or red ocean strategy versus blue ocean strategy unveil different strategic opportunities and lead to different profitable growth trajectories.
2. Learn to challenge an industry's key competing factors and open up new market space that delivers both a leap in value and lower costs.
3. Develop a deep understanding of the concept of noncustomers that provides insights to create new demand beyond the existing market.
4. Learn how Casella Winery broke out of the overcrowded, highly competitive wine industry by looking across alternative industries.



INNOVATE STORYTELLING

How WEBTOON Entertainment Transformed Comics

Blue Ocean Concepts

Market Creation
New Demand Creation
Noncustomers
Value Innovation

Case Setting

Entertainment
Digital Transformation
Platform Strategy
Comics
Creative Economy

Teaching Materials

Case
Teaching Note
Video
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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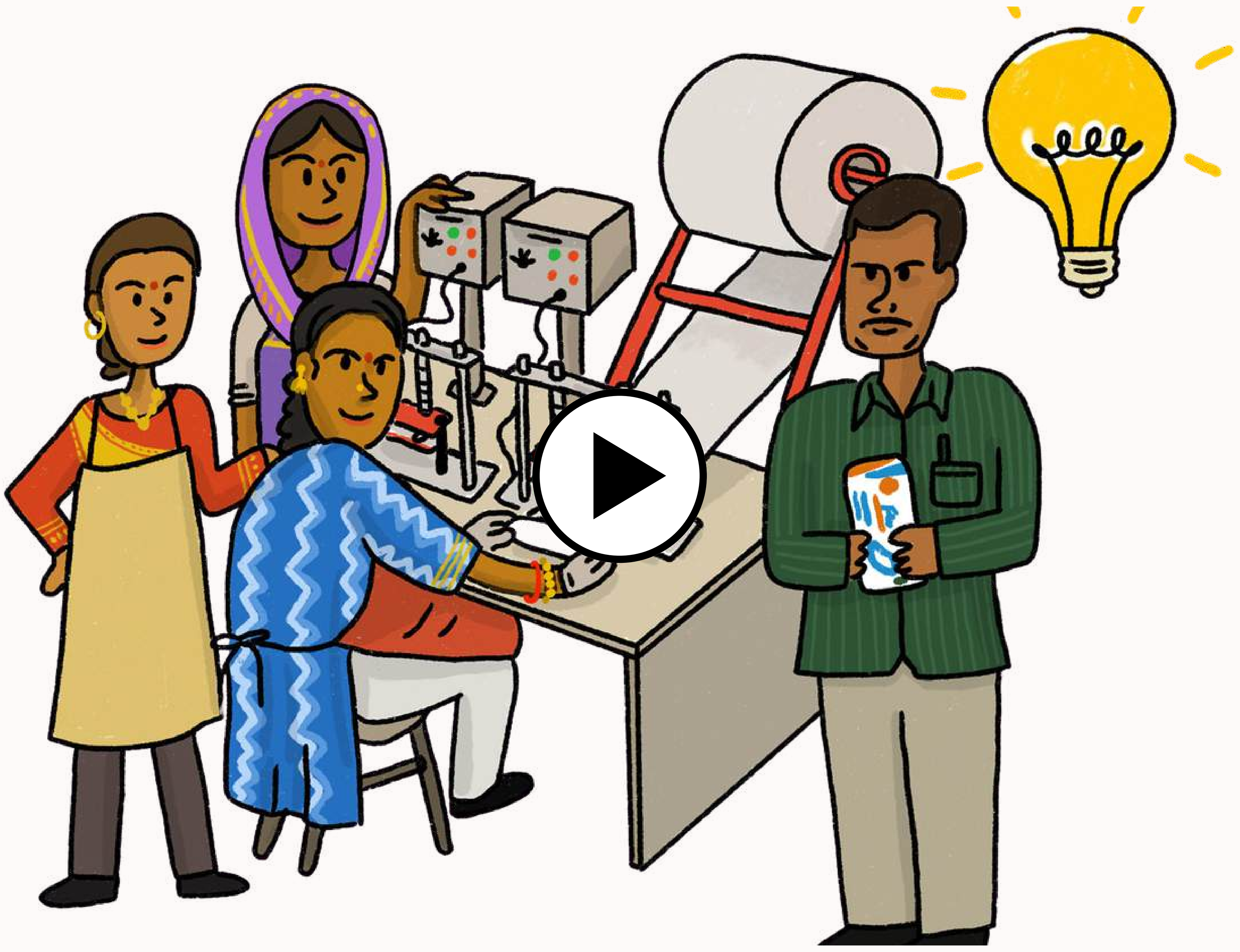
How can a company create and capture new market opportunities in the era of digital transformation, particularly in a traditional industry with declining demand? The case explores how *WEBTOON Entertainment*, the world's largest storytelling platform, reinvented comic books for digital natives by building a platform that transformed comics and attracted all new comic creators and comic readers, unlocking the lucrative and global market of the storytelling business.

Key Learning Points

1. Learn how a new market opportunity was identified and captured in the declining comic book industry.
2. Understand the difference between digitization and digital transformation, and explore the implication of digital transformation for value creation.
3. Analyze the platform strategy that unlocked all new demand from digital comics creators and readers.
4. Assess the global strategy that scaled their seemingly culturally bound content business from Korea to the world.
5. Understand the business model that monetized once-free content to paid content, and developed the value of webtoons as intellectual property.



AN INNOVATION THAT HAS CHANGED THE LIVES OF WOMEN IN INDIA

Blue Ocean Concepts

Noncustomers
Value Innovation
Business Model Innovation
Nondisruptive Creation

Case Setting

India
Consumer Product
Women's Health
Bottom of Pyramid

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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Innovation doesn't always involve disruption. Mr. Arun Muruga, an Indian entrepreneur, identified an unvoiced and long overlooked problem for rural Indian women, lack of awareness about and access to menstrual hygiene products. He created an innovative business model empowering rural women to produce sanitary napkins in low-tech, low-cost micro-factories and sell them directly to other women, overcoming acute distribution difficulties and social taboo. Explore Arun's unique strategy which has allowed his pad-machine business to succeed and so far create about 5300 local for-profit menstrual pad making micro-businesses. Discuss whether and why the new market created is nondisruptive to existing businesses or markets in India.

Key Learning Points

1. Learn that innovation does not always involve disruption. It is possible to create a win-win for society and for the company that does not displace existing markets and players.
2. Understand that value innovation does not necessarily require technology. Arun's innovation was achieved by combining an innovative production process to create low-tech, low-cost micro-factories for manufacturing sanitary pads and a new business model that involves women as the owners and sales network.
3. Learn that value innovation can overcome even the most formidable social and economic barriers; rather than accepting a problem as impossible, reconstruct the boundaries.

WAWA

Retailing Reinvented through Blue Ocean Strategy

Blue Ocean Concepts

Value Innovation
Blue Ocean Shift
Market Reconstruction
Strategic Alignment
Ex-ante Case

Case Setting

US
Food Retailing
Gas Station
Sales per square foot

Teaching Materials

Case   Teaching Note

Video

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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Over the 200 years of its history, *Wawa* has pivoted from an iron foundry to textile mills then dairy farms and, today, one of the most profitable per-store takeout restaurants in the US. Learn how *Wawa* used blue ocean strategy to make a strategic shift that took *Wawa* from the red to the blue ocean and drove their business to $10.5 billion in high-margin revenue.

Key Learning Points

1. Blue Ocean businesses can be created and thrive in markets thought to be hopelessly red ocean, including retail, gas stations and restaurants.
2. Applying Blue Ocean process and tools provides a systematic way to break out of the red ocean and are more effective than an ad hoc approach.
3. When a company creates a Blue Ocean and effectively aligns its value, profit and people propositions, it typically takes years for credible challengers to emerge. Since its Blue Ocean shift, *Wawa* has enjoyed a decade of strong profitable growth, rolling out its new offering across its 800 stores.
4. All Blue Oceans eventually turn red. In the long term, success requires reaching for new Blue Oceans as existing ones are eventually invaded by challengers.

REINVENTING FUNDRAISING CHARITY

The Enduring Success of Red Nose Day

Blue Ocean Concepts

Noncustomers
Demand Creation
Barriers to Imitation
Problem Redefinition

Case Setting

UK
Charity Industry
Non-profit Organization

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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Comic Relief started when charity fundraising in the UK was a deep red ocean with donations down and costs up. How did *Comic Relief* leapfrog the competition and engage everyone to do something funny for charitable giving, raising more than £1 billion while keeping costs low? The case explores the importance of *Comic Relief*'s strategic alignment of value, profit, and people that created a sustainable blue ocean for more than 30 years.

Key Learning Points

1. Learn how an organization can achieve rapid growth in a declining and highly competitive industry when it defies the conventional industry practices.
2. Learn how to uncover hidden pain points that the existing industry imposed and turn it into a business opportunity.
3. Gain insights about noncustomers as a way to create new demand and generate new growth.
4. Explore how the alignment of the value, profit, and people propositions around both differentiation and low cost builds a sustainable advantage and makes a blue ocean strategic move very difficult to imitate.

EL SALVADOR – SURFING FROM THE RED TO THE BLUE OCEAN?

From the "Homicide Capital of the World" to a Country of Hope and Prosperity

Blue Ocean Concepts

Value Innovation
Strategic Alignment
Break Value/Cost Trade-off

Case Setting

El Salvador
Strategic Transformation
Strategy Alignment
Leadership

Teaching Materials

Case
Teaching Note
Video
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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Strategy is as much for nation states as it is for companies, a point clearly demonstrated by El Salvador under President Nayib Bukele. Bukele set out to shift El Salvador from a violent red ocean of gang violence and low growth to a blue ocean of growth, prosperity, and hope as well as the start of reverse migration, achieving overwhelming approval by citizens and a reversal of economic fortune. Discuss the pros and cons of Nayib Bukele's shift in the country's national strategy and the challenges ahead.

Key Learning Points

1. Discuss how strategy is applicable to nation-states, not just to business.
2. Explore how and whether Bukele's strategic shift allowed the country to stand apart and achieve differentiation and low costs.
3. Learn how blue ocean strategy tools can analyze the national strategic landscape and act as an action framework to make a strategic shift.
4. Explore and evaluate El Salvador's value proposition for customers (outside investors and tourists), profit proposition for its government coffers, and people proposition for its citizens.
5. Discuss the pros and cons of El Salvador's shift and how leaders can execute a major strategic shift fast while conserving resources.

ESPORTS

Creating New Sports from Online Gaming

Blue Ocean Concepts

Nondisruptive Creation
Noncustomers
Positive-sum Outcome
Disruption

Case Setting

Online Gaming
Sports Tournaments
Media
Video Game Players
Entertainment

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne,
O.Y. Koo, M. Olenick

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Is disruption inevitable to create a new market? E-sports has emerged a brand-new multi-billion dollar industry and a new sporting experience where spectators watch their favorite top video gamers compete for large prizes. The case presents the evolution of e-sports and its ecosystem where incumbent video-game makers and players created new market space without displacing others. It explores the social and economic impact of e-sport's nondisruptive creation on various industries and communities.

Key Learning Points

1. Understand a broader concept of innovation that goes beyond disruption, showing how it is possible to create a win-win for society and for companies that do not displace existing markets or players.
2. Learn about "nondisruptive creation," a term coined by Chan Kim and Renée Mauborgne to describe how innovation and growth can be pursued by seizing a brand-new opportunity. The e-sports industry morphed from online gaming by tapping into a desire to watch video game playing as a spectator sport.
3. To understand the impact of nondisruptive creation beyond the esports industry, which over a decade has grown to become a multi-billion-dollar business, creating opportunities in various industries, from media to sports, cinema and retail.

CREATING A BLUE OCEAN BEYOND DISRUPTION

The Case of a Chinese B2B Retailer – Huitongda

Blue Ocean Concepts

Nondisruptive Creation
Postive-sum Outcome
Disruption

Case Setting

China
B2B
Supply Chain Optimization
Business & Society
E-Commerce

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Ji

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This case describes how the Chinese company *Huitongda* developed a B2B platform to systematically connect rural mom-and-pop shops with urban-market-based suppliers, driving and growing the modern transformation of rural retail in the country. Learn how *Huitongda* created a blue ocean of rural B2B retail without disrupting existing industries via systematic supply chain solutions while empowering mom-and-pop shops with digital tools and services for uplifting their operations, logistics and sales management.

Key Learning Points

1. Explore why the rural market with significant demand potential was largely left untapped by Chinese companies in the 2000s and how *Huitongda*, a start-up with significantly fewer resources, addressed this problem with an innovative solution.
2. Discuss whether the B2B market Huitongda created is disruptive or nondisruptive to existing players and industries.
3. Discuss the implications of disruptive and nondisruptive innovation approaches for business and society.
4. Expand our current understanding of market-creating innovation by appreciating that there exists an unexplored way to create blue oceans.

EVOLUTION OF THE CIRCUS INDUSTRY (A)

Blue Ocean Concepts

Red Ocean Industry
Competitive Convergence
Conventional Logic
Five Forces vs Value Innovation

Case Setting

Canada
Circus
Entertainment

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne,
B. Bensaou, M. Williamson

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The Cirque du Soleil (part A) case discusses the evolution of the circus industry up until the emergence of *Cirque du Soleil*. This case provides a rich discussion on the structure of the circus industry to provide for a clear analysis of how its industry attractiveness has changed over time and the challenges the industry currently confronts. The case reveals that the industry had become a red ocean with limited profit and growth potential, and the factors that led to this.

Key Learning Points

1. Learn how to assess the attractiveness of an industry, here the circus industry in the early 1980s, and to draw strategic conclusions from this.
2. Understand how to identify and zoom in on the key factors an industry competes on and why.
3. Understand what made an industry's key competing factors more or less relevant over time, and the implications of this.

EVEN A CLOWN CAN DO IT

Cirque du Soleil Recreates Live Entertainment (B)

Blue Ocean Concepts

Five Forces vs Value Innovation
Market Reconstruction
Noncustomers

Case Setting

Canada
Circus
Entertainment

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne,
B. Bensaou, M. Williamson

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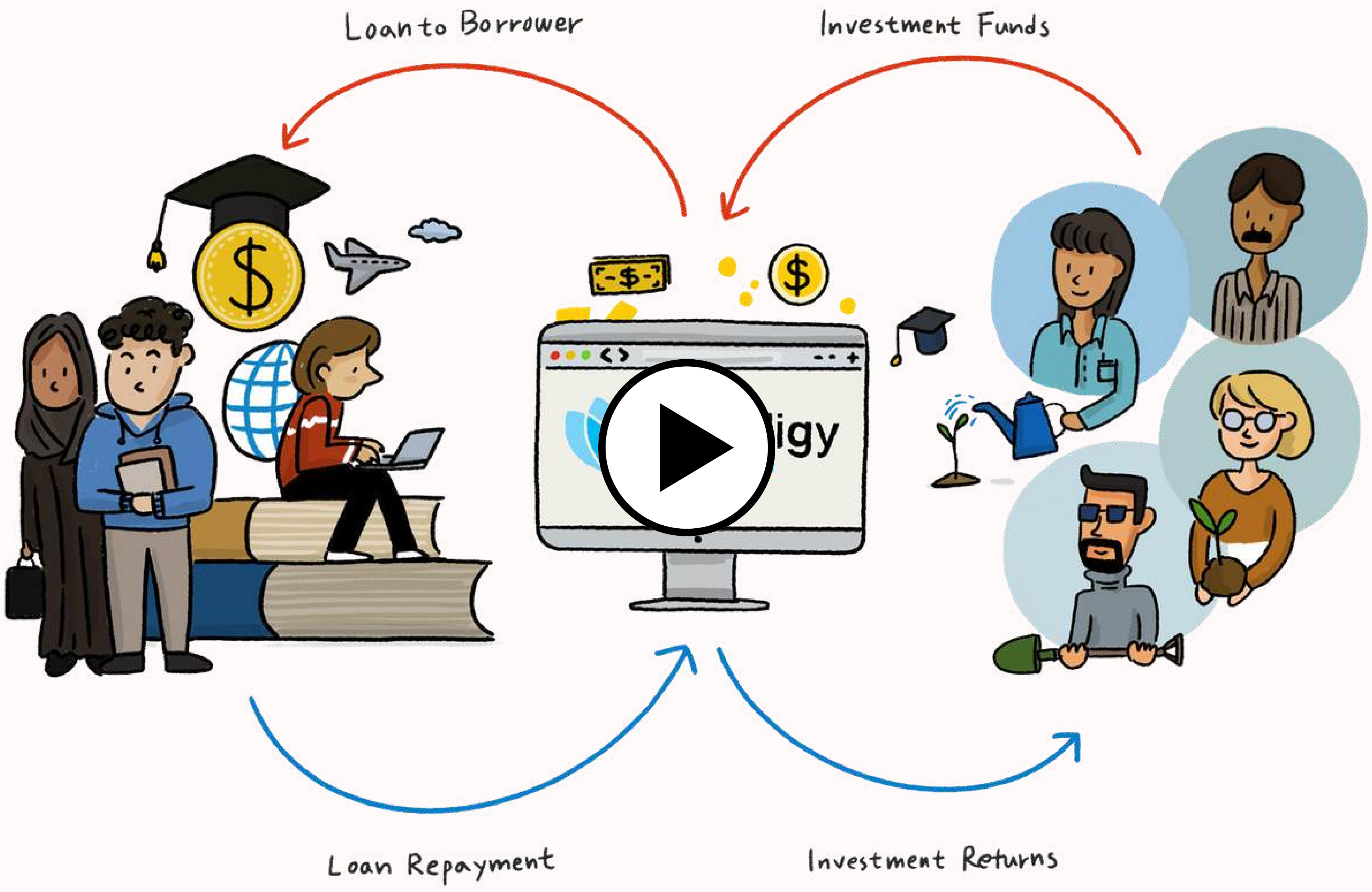
This case shows how the Canadian company *Cirque du Soleil* created an unprecedented form of live entertainment while achieving lower costs by reconstructing the boundaries between traditional circus and theater, thereby reinventing the circus industry and challenging the conventional assumptions about how to compete. The case discusses how Cirque shifted the buyer group from children to adults and drew upon the distinctive strengths of alternative industries, such as theatre, to offer a totally new set of utilities to more mature and higher spending customers.

Key Learning Points

1. Understand that a new market can be created in any industry, such as the declining circus industry, regardless of its attractiveness.
2. Learn the logic of value innovation that is achieved by eliminating and reducing key competing factors that lower the company's cost structure and raising and creating other factors that offer compelling and unprecedented value to buyers.
3. Explore how *Cirque du Soleil* created a new, unique genre of live performance by looking across alternative industries and shifting the buyer group it focused on.



FINTECH: INNOVATION WITHOUT DISRUPTION

How Prodigy Finance Achieved Both High Growth and Social Good

Blue Ocean Concepts

Nondisruptive Creation
Value Innovation
Noncustomers
Strategic Renewal

Case Setting

Fintech
Social Innovation
Start-up
Education

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne, M.Ji

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Fintech doesn't necessarily disrupt an existing industry and its players when it solves a brand-new problem unaddressed by the industry. Consider *Prodigy Finance*, a fintech company that created a new market of international student loans by solving a long unaddressed problem in the finance industry. While traditional banks focus on domestic borrowers and their local past credit records, Prodigy Finance funds international students through assessing their future potential.

Key Learning Points

1. Learn what nondisruptive creation is and what the significant advantages of this market-creating method are.
2. Discuss what had prevented the banking industry from solving a long-unaddressed problem in the financing of higher education.
3. Explore how *Prodigy Finance* built and aligned an innovative business model to profit from the nondisruptive market it had created.
4. Understand how *Prodigy Finance*, starting with loan programs for top-tier business school participants, was able to lengthen, deepen and widen the revenue stream of the nondisruptive market by expanding its business to other high-earning advanced degree programs at top universities around the world.

HOW A GOOD STRATEGY CAN FAIL

Leadership Lessons from Napoleon's Rise and Fall

Blue Ocean Concepts

Strategy Execution
Fair Process

Case Setting

France
Military
Leadership

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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Napoleon was a blue ocean strategist ahead of his time. With his innovative approach to military warfare, he reshaped conventional war strategies. But despite his outstanding and innovative war strategies, success eluded him in the end. Learn from the case what accounted for the contrasting results of Napoleon's successful early battles and his final defeat.

Key Learning Points

1. Learn the concept of fair process that addresses our basic human need to be valued and respected.
2. Understand why the value of fair process is crucial for leaders as they formulate their strategies.
3. Explore the three criteria of fair process - engagement, explanation, and clear expectations – and their role in the decision-making process.
4. Learn why and how a violation of fair process is likely to produce a poor strategy and deteriorated leadership.
5. Understand that even the most well-formulated strategies can fail if leaders disregard the principles of fair process. The absence of a fair process can lead to resistance, diminished trust, and ultimately, the failure of a great strategy.

HOW APPLE'S CORPORATE STRATEGY DROVE HIGH GROWTH

Blue Ocean Concepts

Market Reconstruction
Noncustomers
Strategic Renewal
Market-creating Strategy

Case Setting

US
Consumer Electronics
Business Portfolio

Teaching Materials

Case
Teaching Note
Video
Lecture Slides
Articles

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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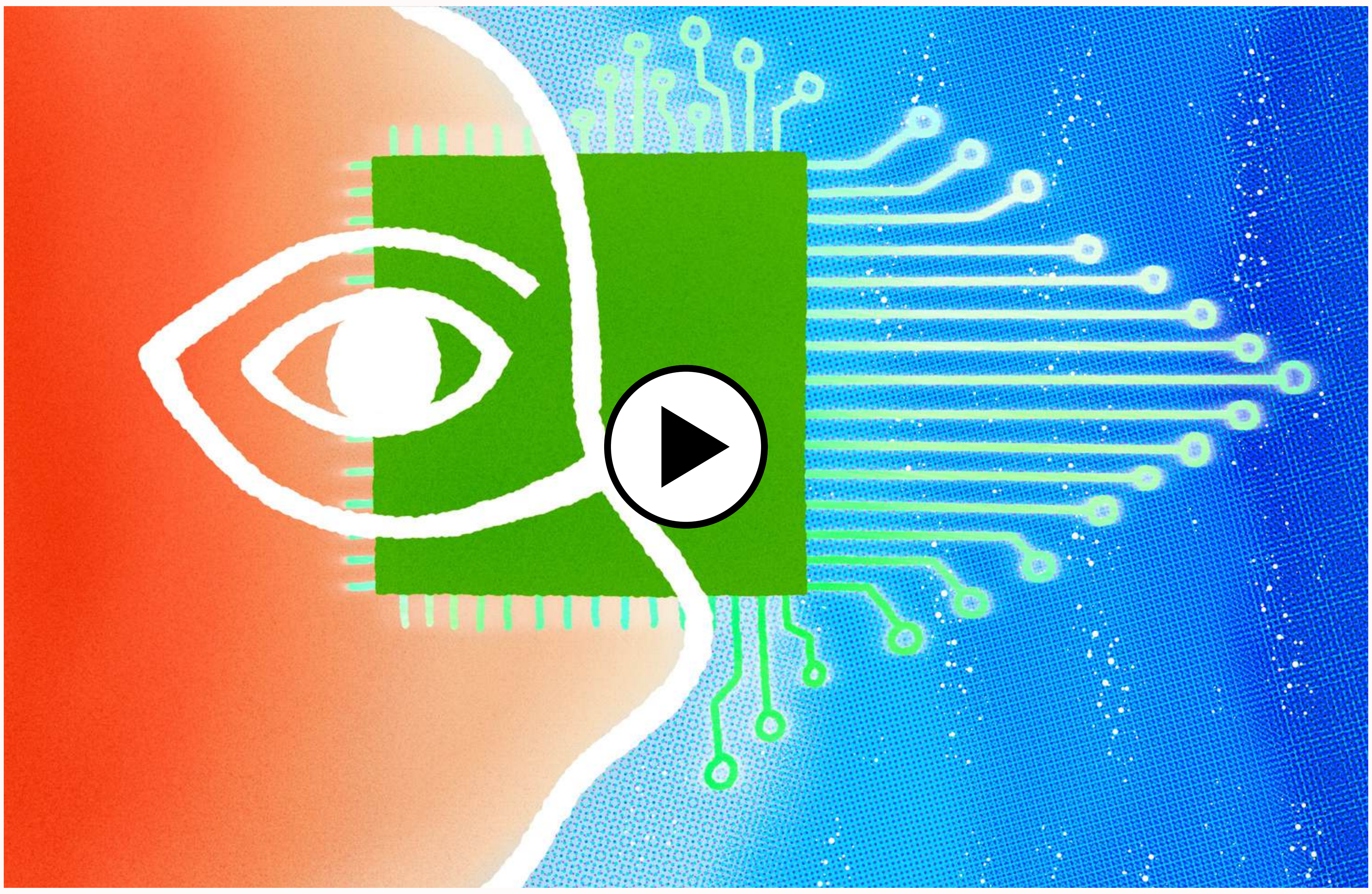
How did *Apple* transform itself from a computer manufacturer to a consumer electronic giant through a series of blue ocean strategic moves? The case explains this process using the blue ocean strategy's Pioneer-Migrator-Settler Map, showing how a corporation can dynamically manage and balance today's performance and its future profitable growth.

Key Learning Points

1. Explore how *Apple* was able to achieve exponential growth through a series of market-creating strategic moves by focusing on noncustomers and reconstructing existing market boundaries.
2. Understand that innovation with unprecedented value leads to a commercially viable new market as it unlocks new demand.
3. Learn how to apply the Pioneer-Migrator-Settler Map as a practical tool for visualizing a corporation's current and planned business portfolios in one picture. Particularly, a Pioneer, need not be a first mover nor a technological innovator; it is a "value innovator," which establishes a new frontier that breaks the existing value-cost trade-off.
4. Understand blue ocean strategy and red ocean strategy are complementary.



NVIDIA'S MARKET-CREATING BLUE OCEAN MOVES

A Story of Sustained High Growth

Blue Ocean Concepts

Market-Creating Strategy
Value Innovation vs Technology Innovation
Demand Creation
Noncustomers
Strategic Renewal

Case Setting

AI
Graphic Chip
Technology Platform

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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This case examines *NVIDIA*'s series of market-creating blue ocean strategic moves that led it to become one of the most valuable companies in the world. From introducing its Graphics Processing Unit (GPU) that redefined graphics and sparked the growth of the PC gaming market to introducing a General-Purpose GPU (GPGPU) programming model that opened up their GPUs' parallel processing capabilities to a broad range of compute-intensive applications to *NVIDIA*'s AI Supercomputer-in-a-Box that brought supercomputer like processing capabilities to buyers at a fraction of the cost, *NVIDIA*'s strategic moves have paved the way for the emergence and growth of modern AI. The case shows how a company can achieve sustained high growth not by focusing on the needs of the existing customers but by understanding noncustomers and transforming them into customers through market-creating strategic moves.

(continued)

(Cont.)

NVIDIA'S MARKET-CREATING BLUE OCEAN MOVES

A Story of Sustained High Growth

Blue Ocean Concepts

Market-Creating Strategy
Value Innovation vs Technology Innovation
Demand Creation
Noncustomers
Strategic Renewal

Case Setting

AI
Graphic Chip
Technology Platform

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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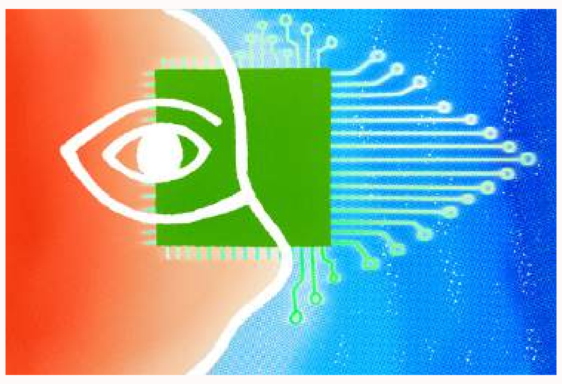
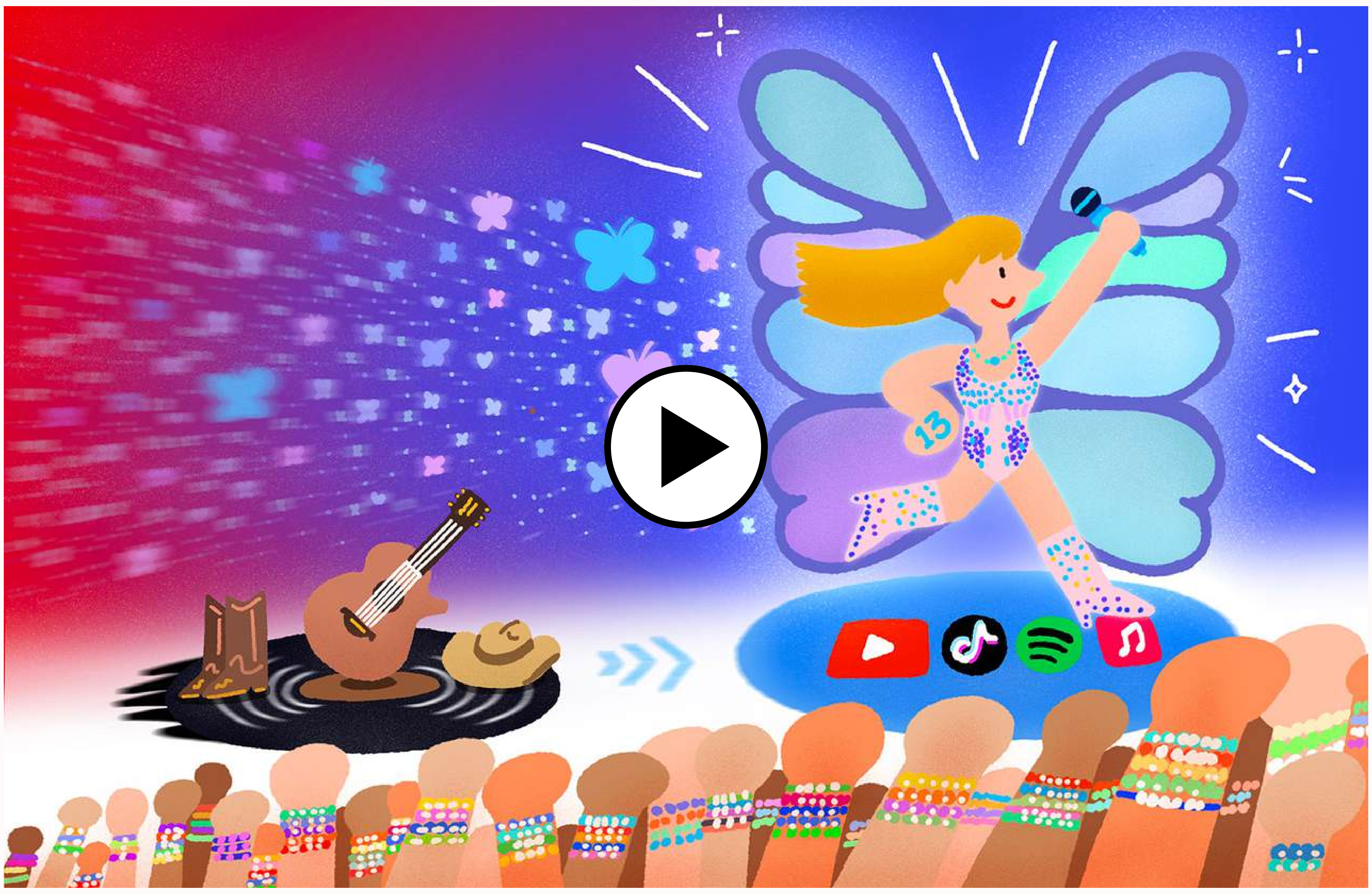
Key Learning Points

1. Understand that there is no such thing as a perpetually excellent company. It is the specific strategic moves that result in superior or poor performance.
2. Understand *NVIDIA*'s series of market-creating blue ocean strategic moves that simultaneously achieved differentiation and low cost and built the company's profitable growth and market-confidence.
3. Distinguish value innovation from technology innovation. By focusing on delivering meaningful value to buyers, and aligning it with profitable cost and price positions, companies can ensure that there is a compelling reason for buyers to patronize a new offering and for company's to profitably grow.
4. Learn to discover insights from noncustomers that challenge conventional assumptions about market boundaries and demand potential. *NVIDIA*'s successful market-creating moves reveal that the ocean of noncustomers often significantly exceeds the industry's existing customer base.





TAYLOR SWIFT'S BLUE OCEAN STRATEGIC MOVES

How She Stood out and Succeeded in the Crowded Entertainment Industry

Blue Ocean Concepts

Market Creation
Fair Process
Overcoming execution hurdles

Case Setting

US
Music
Entertainment
Professional success

Teaching Materials

Case
Teaching Note
Audio
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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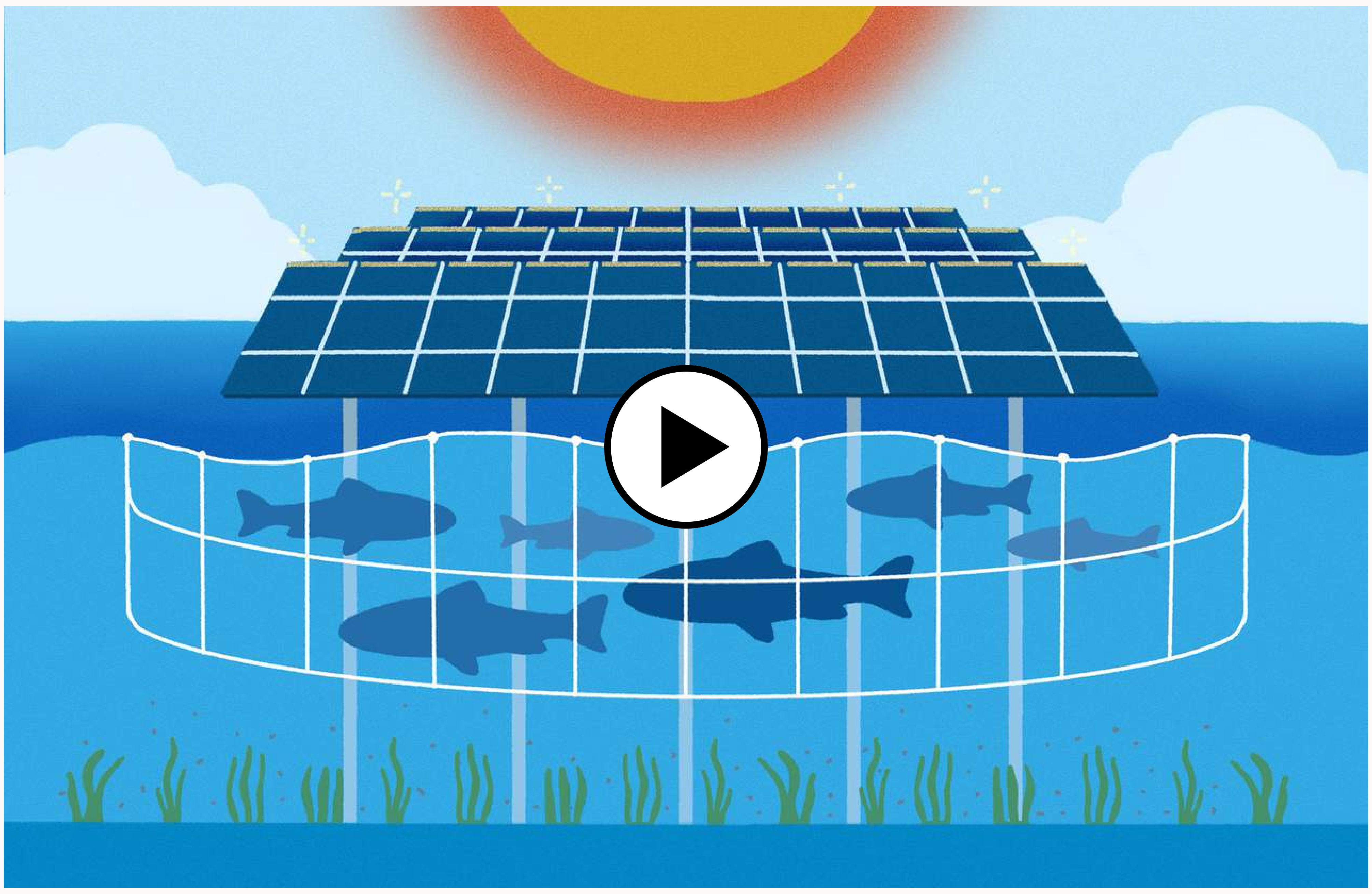
How did *Taylor Swift* elevate herself from a country music singer performing in a Nashville café to a billion-dollar force in the global entertainment industry? While talent, timing, tenacity, and luck have played a role, a closer look reveals that calculated and innovative blue ocean strategic moves have been pivotal to her meteoric rise.

Strategic moves are not limited to businesses alone; they also apply to individuals making significant decisions or taking decisive actions in their professional domains. This case analyses three of *Swift's* decisive moves, uncovering common factors and patterns behind her extraordinary achievements by breaking away from the competition and creating her own blue ocean.

Key Learning Points

1. Blue ocean strategy helps individuals to break away from traditional career paths and create unique opportunities in their professional domain.
2. Challenge conventional norms and identify areas for growth by eliminating outdated practices, reducing unnecessary efforts, raising key factors, and creating new value-added elements.
3. Applying Tipping Point Leadership and Fair Process enables individuals to focus on high-impact actions, overcome key hurdles, build trust, and drive effective execution.



HOW BUSINESS AND SOCIETY CAN THRIVE TOGETHER

Tongwei's Innovation of a Brand-new Green Energy Market in China

Blue Ocean Concepts

Nondisruptive Creation
Business Model Innovation
Positive-sum Outcome

Case Setting

China
Green Energy
Sustainability
Photovoltaics (PV)
Fishery

Teaching Materials

Case Teaching Note
Video Lecture Slides

Case Authors

C. Kim, R. Mauborgne, M. Ji

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Tongwei Group, a global leader in both aquafeeds and photovoltaics (PV) businesses, created a nondisruptive new market of green energy generation and sustainable economic development by integrating high-yield aquacultural ponds with water-based PV plants. See how the company identified a burning yet unaddressed problem in eastern and central China where utilizable land resources were scarce, and demand for electricity was high and increasing.

Key Learning Points

1. Understand what nondisruptive creation is and what the major advantages of this market-creating method are.
2. Explore how *Tongwei* identified a burning and unaddressed problem for eastern and central China – the tension between the ever-increasing demand for electrical power and the limited land resources for green energy development.
3. Discuss why the *Tongwei* strategic move is nondisruptive by exploring how *Tongwei* achieved a positive-sum outcome where the company won, municipalities won and green energy won from its new market of fishery–PV integration and why no existing energy providers were displaced or disrupted.
4. Use the key analytics and concepts learned through the *Tongwei* case to explore the next possible opportunity for nondisruptive creation in solar energy development based on the information provided.

HOW PARK24 CREATED A BRAND-NEW BILLION-DOLLAR PARKING MARKET IN JAPAN

Blue Ocean Concepts

Nondisruptive Creation
Noncustomers
Business Model Innovation

Case Setting

Japan
Parking Industry
City Congestion

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne,
T. Kawakami, M. Ji

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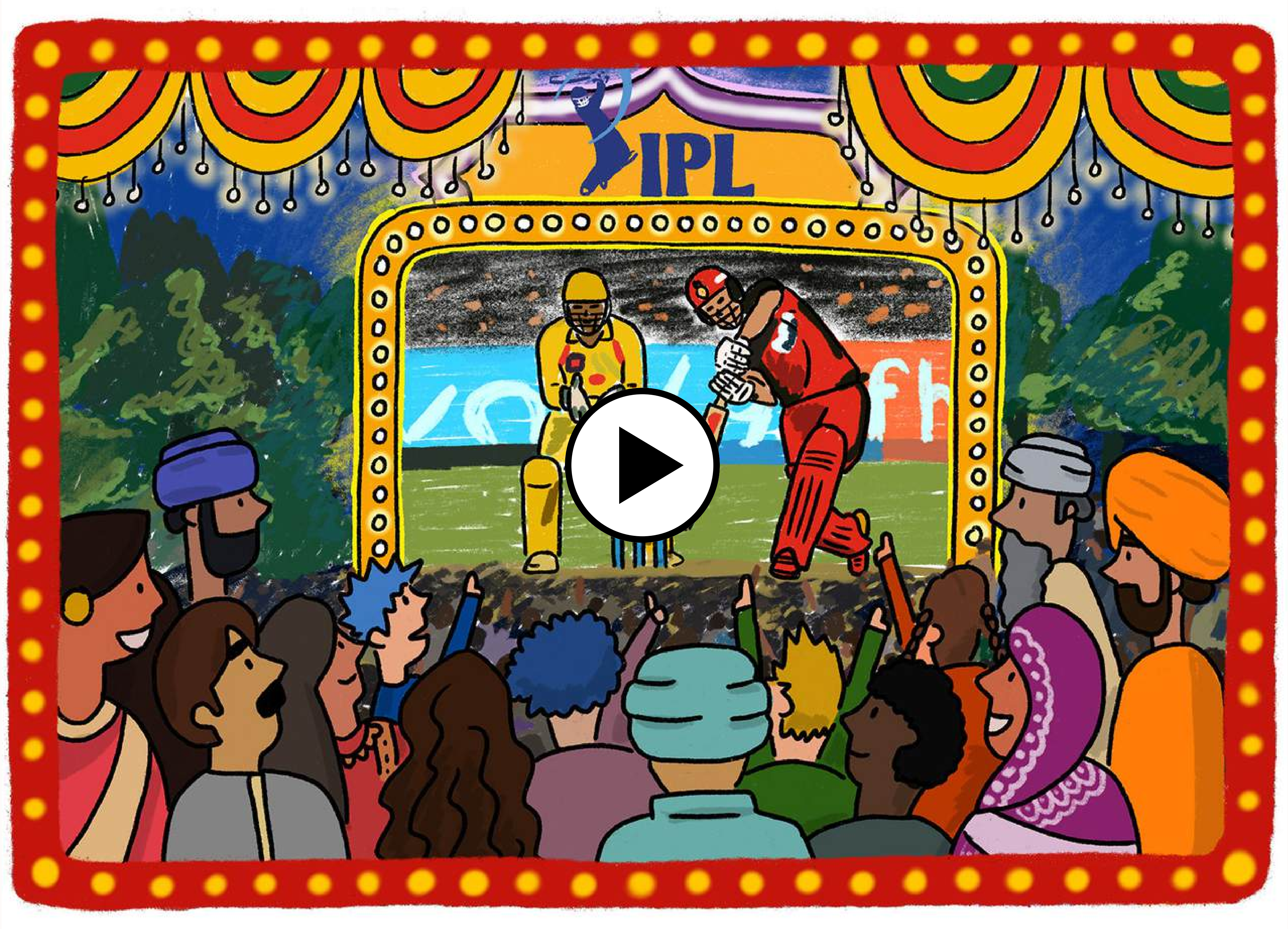
This case explores how *Park24* solved the long-taken-for-granted problem of a dire parking shortage in Japan's central cities. Rather than accept this as inevitable, *Park24* turned the industry on its head, and targeted building owners, not car drivers, as its first tier of customers, selling them an innovative way to create a new revenue stream. It then gained access to tiny slices of real estate across city centers, which *Park24* repurposed to create the most convenient and lowest cost center city parking that became nearly as ubiquitous as convenience stores. Learn how *Park24*'s new market complemented rather than displaced existing car parks, resulting in a billion-dollar new business and strong brand.

Key Learning Points

1. Discover what nondisruptive creation is and the major advantages of this market-creating method.
2. Understand why short-term central city parking in Japan had been regarded as an unsolvable problem and how *Park24* found a way to address this long-taken-as-given problem and created a brand-new solution.
3. Explore how *Park24* developed and leveraged unique resources and capabilities to create a viable business model to address the long-taken-for-granted problem of downtown parking.
4. Learn how *Park24* leveraged the strong brand name and reputation it developed through its nondisruptive move to grow its business further and achieve sustained profitable growth.



INDIAN PREMIER LEAGUE *Online*

Creating a Blue Ocean in Sports

Blue Ocean Concepts

Market Reconstruction
Noncustomers
Nondisruptive Creation

Case Setting

India
Sports Events
Cricket
Bollywood

Teaching Materials

Case
Teaching Note
Background Note
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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How did the *Indian Premier League* (IPL) transform the long-winded gentlemen's cricket game into a thrilling three-hour sports drama with the *IPL* franchise worth north of $6 billion? The case explores the strategic logic behind the *IPL*'s reinvention of the cricket league and the creation of a brand-new market that unlocked new demand from non-cricket spectators and rapidly built a global audience, with its viewership climbing to more than 400 million.

Key Learning Points

1. Explore how the *Board of Control for Cricket in India* (BCCI) created a brand-new league that reinvented the way cricket was played and enjoyed, which unlocked huge demand from non-traditional cricket spectators by turning long-winded traditional cricket matches into extravaganzas featuring Bollywood stars and cheerleaders.
2. Understand that innovation and growth can be driven by "nondisruptive creation," whose growth does not displace or disrupt the existing order. *IPL* created a new market beyond the existing industry. It did not displace existing domestic leagues nor curb core cricket fans' enthusiasm for traditional cricket leagues and games.

KATRINA LAKE VS JEFF BEZOS

Surviving Amazon

Blue Ocean Concepts

Market Reconstruction
Barriers to Imitation
Competition Irrelevant
Red Ocean Competition

Case Setting

US
Artificial Intelligence
Stitch Fix vs Amazon
Online Retailing

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne,
M. Pipino, O.Y. Koo

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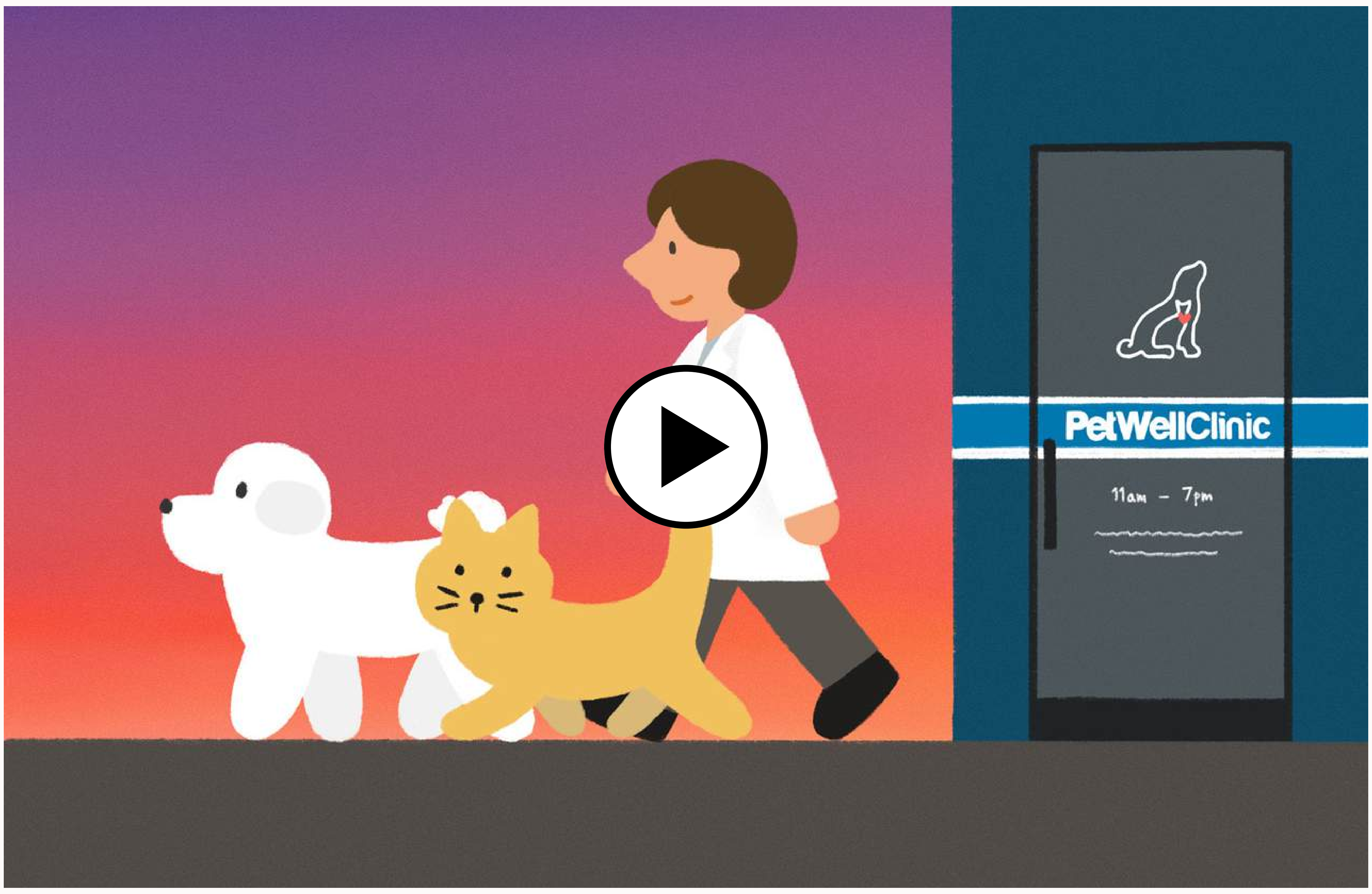
In 2011, Katrina Lake launched *Stitch Fix*, an online fashion retailer with a personal styling service based on a mix of human creativity and artificial intelligence that grew into a $3.6B company. It rapidly caught Jeff Bezos's eye and was challenged by *Amazon*'s Personal Shopper that worked similar to Stitch Fix. Will Bezos do to Lake's *Stitch Fix* what he did to *Barnes & Noble* with books? Or will *Stitch Fix* be able to keep the retail giant *Amazon* at bay? The case explores what it takes to fend off aggressive imitators.

Key Learning Points

1. Explain how looking across alternative industries and strategic groups gives the fresh perspective required to break out of competition and create a blue ocean of new market space.
2. Show that a well-established company, with its entrenched resources and capabilities, does not always win in competition, especially when competing against blue ocean market leaders.
3. Demonstrate defensibility. When a company offers unprecedented utility at low cost by shifting the value-cost frontier, buyers have no compelling reason to jump ship.



PETWELLCLINIC

Shifting from a Red to a Blue Ocean

Blue Ocean Concepts

Value Innovation
Blue Ocean Shift
Fair Process
Ex-ante case
Red Ocean

Case Setting

US
Veterinary Services
Growth Roll-out
Financing
Franchises

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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From nearly bankrupt to a franchised chain of 150+ clinics and growing, the case shows the use of blue ocean strategy to redraw industry boundaries and create a profitable high growth business. Dr. Sam Meisler, DVM, MBA, applied blue ocean strategy concepts and tools to create a new market space in veterinary care. The case explores how to minimize risk while implementing a blue ocean offering, including the mechanics of protecting current profits while building a business of tomorrow.

Key Learning Points

1. It is possible to redefine market boundaries for even the most mature and highly regulated markets.
2. People, especially those within a market, often fail to see the need for change or the positive outcome it can bring, even when the status quo is dismal.
3. The status quo of red ocean exerts a powerful pull. It can block the sun absent a diligent effort to change.
4. A key element for successful execution requires aligning the value proposition for customers, profit proposition for the company and investors, and people proposition for employees at all levels.
5. How to minimize risk while implementing a blue ocean offering; the mechanics of protecting current profits while building a business of tomorrow.

PING AN GOOD DOCTOR

Creating a Nondisruptive Solution for China's Healthcare System

Blue Ocean Concepts

Nondisruptive Creation
Break Value/Cost Trade-off
Noncustomers
Positive-sum Outcome

Case Setting

China
Healthcare
Digital Transformation
Artificial Intelligence
Social Good

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Ji

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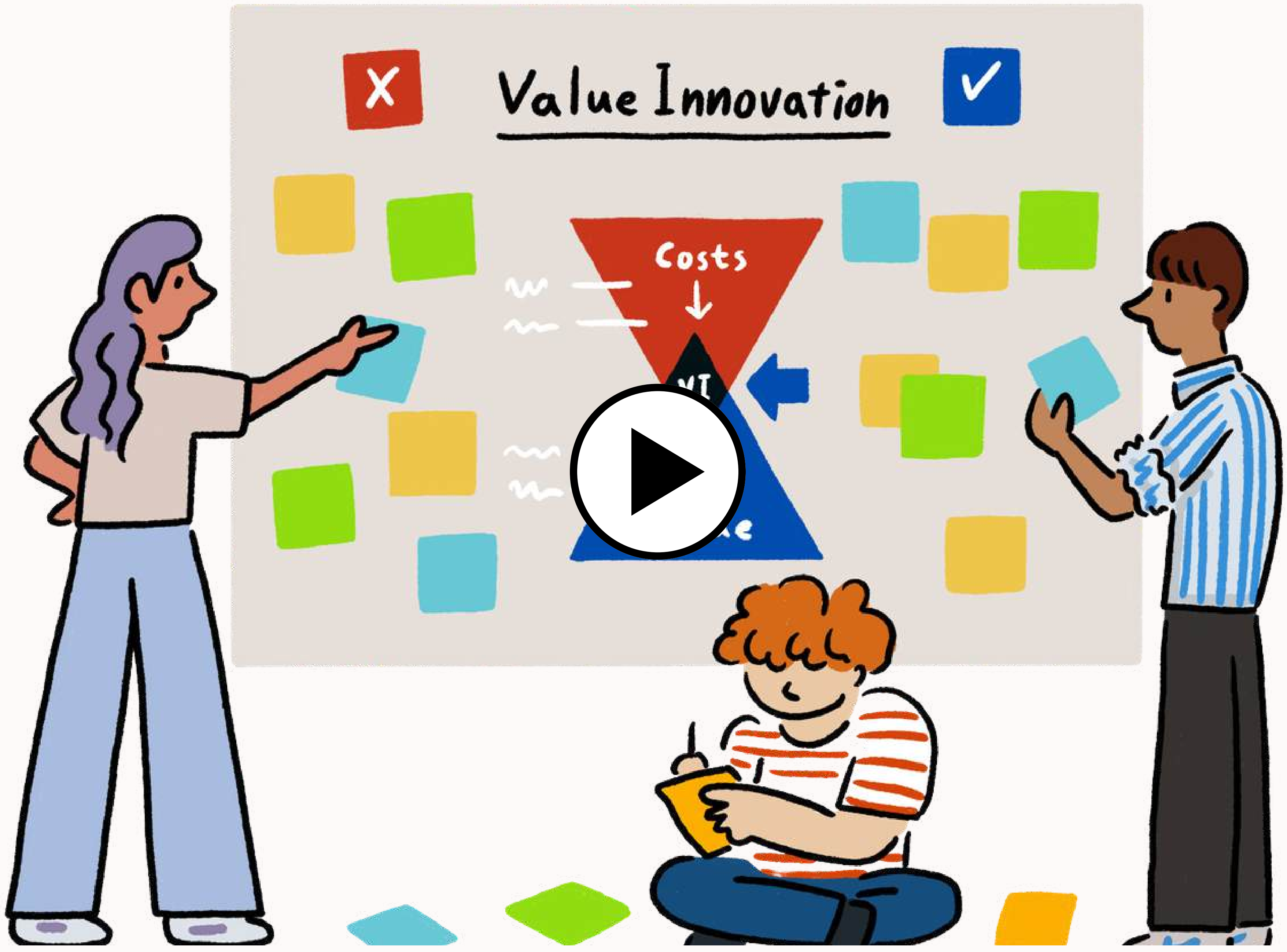
This case describes how the Chinese internet healthcare company *Ping An Good Doctor* created a nondisruptive new market of primary healthcare in China. Instead of increasing the supply of medical resources in the existing hospital-centered system, *Ping An Good Doctor* launched an internet healthcare platform to provide primary care services that addressed the needs of the vast population of Chinese people, creating a win-win for citizens, the company and other players such as hospitals, pharmacies, and independent clinics.

Key Learning Points

1. Demonstrate how *Ping An Good Doctor* identified a longstanding problem in the healthcare industry from a fresh perspective and offered a brand-new solution.
2. Illustrate how new market creation can take the form of nondisruptive creation, where an innovative business creates a win-win and generates social benefits instead of disrupting the existing industry.
3. Showcase how new technologies like artificial intelligence (AI) can be deployed to achieve nondisruptive creation instead of having a disruptive effect on an industry and the larger society.
4. Examine *Ping An Good Doctor*'s revenue model and appreciate how an innovator can pursue its market-creating initiative with great market potential based on a realistic and effective business model.



SEARCHING FOR VALUE: VALUE INNOVATION VS TECHNOLOGY INNOVATION

Mini Cases & Exercises

Blue Ocean Concepts

Value Innovation vs Technology Innovation
Market Creation
Technology as a Catalyst

Case Setting

Technology
Microfinance
Mobility
Social Media
Space Exploration

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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Is the Silicon Valley mantra "build it and they will come" true? The case introduces fifteen (15) mini cases that let participants explore and understand the difference between value innovation, the creation of a leap in value, and technology innovation, the creation of breakthrough technology. It highlights how to identify value innovation offerings, how value innovation differs from technology innovation, and their commercial consequences.

Key Learning Points

1. Understand the difference between value and technology innovations and that value innovation is more likely to lead to the creation of a successful product or service than technology innovation.
2. Explore why the product development adage "build it and they will come" is a myth. Value attracts buyers. Interesting technology, new product introductions, or a promise of innovation not backed up by real value may create market buzz but is unlikely to serve as the foundation of a strong, sustainable product or service offering.
3. Technology is oftentimes catalytic to value creation – the technology enables the creation of value – but the technology itself is not the value.
4. The value/cost trade-off can be broken. More "stuff" in an offering, which comes with more cost, does not always equate to more value and, not infrequently, the opposite is true.

SUCCESSES AND FAILURES OF AMAZON'S GROWTH STRATEGIES

Causes and Consequences

Blue Ocean Concepts

Value Innovation
Noncustomers
Business Model Innovation
Imitation vs Value Innovation
Break vs Make the Value-Cost Trade-off

Case Setting

Online Retailing
IT Services
Business Portfolio
Success vs Failure

Teaching Materials

Case
Teaching Note
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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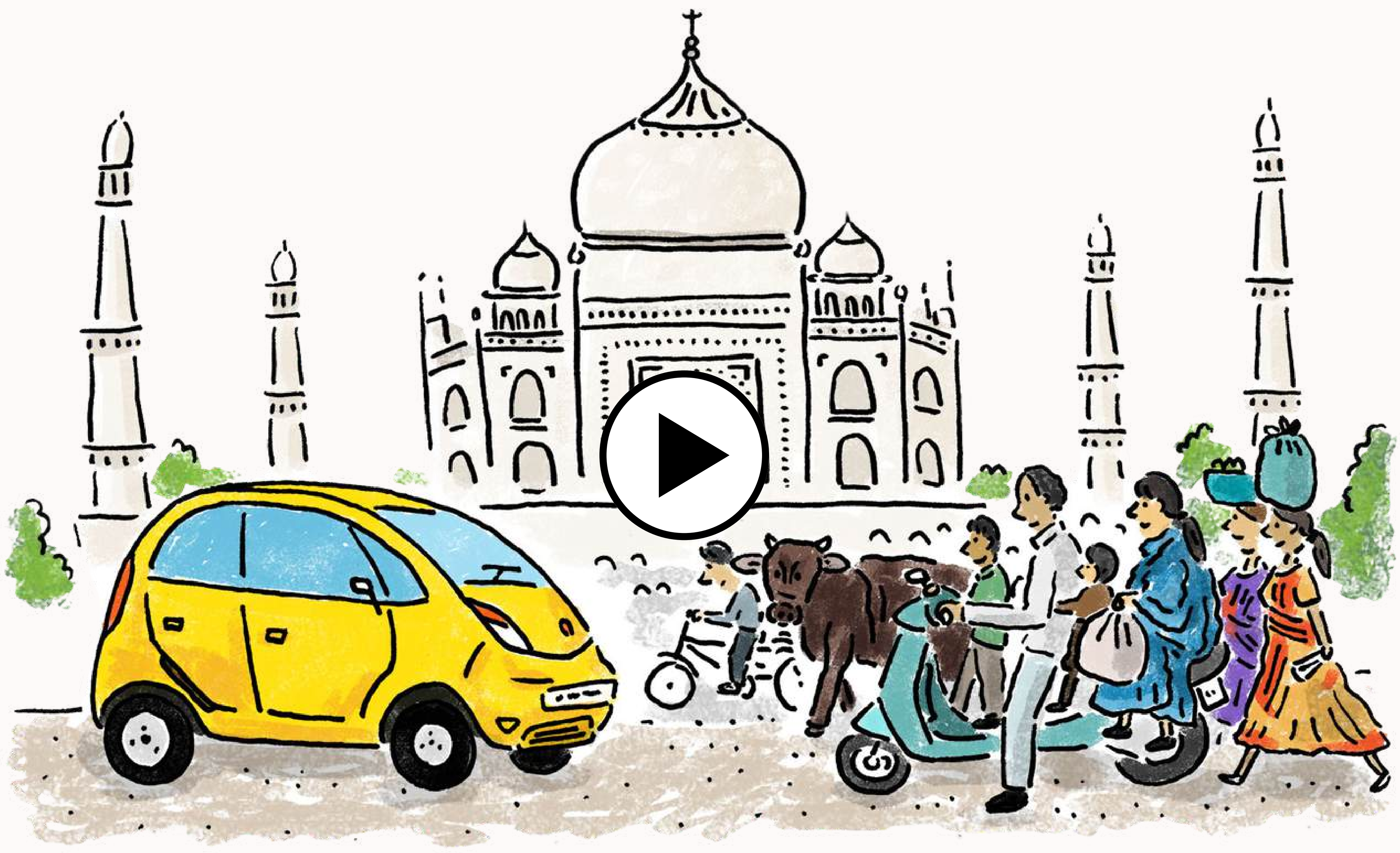
Dive into *Amazon*'s growth strategies - how did the company become an e-commerce and IT giant from an internet bookseller? The case explores both *Amazon*'s successful and failed strategic moves to understand the commonalities and differences across its key strategic moves and the strategic lessons of those that drove the company forward versus those that failed.

Key Learning Points

1. Learn that there is no perpetually excellent company – a company can be brilliant at one moment and wrongheaded at another.
2. Explore *Amazon*'s corporate growth strategy through its series of market-creating moves, from online retailing to cloud services, as well as its competitive moves into existing industries, from search engine to mobile, by leveraging its entrenched resources and capabilities.
3. Analyze the commonalities and differences between and across *Amazon*'s successful and failed strategic moves and learn the fundamental differences in strategic logic.
4. Learn how value innovation is a key driver of *Amazon*'s high growth regardless of industry conditions. In contrast, learn how the lack of buyer value led *Amazon* to fail when it focused on delivering novelty technology or simply exercised cost leadership in order to beat high-performing incumbents.



TATA NANO'S EXECUTION FAILURE

How the People's Car Failed to Reshape the Auto Industry and Create New Growth

Blue Ocean Concepts

Execution Failure
Commercial Viability
Target Costing
Strategic Alignment

Case Setting

India
Auto Industry
External Stakeholder Opposition
Strategy Failure

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne,
R. Bong, M. Ji

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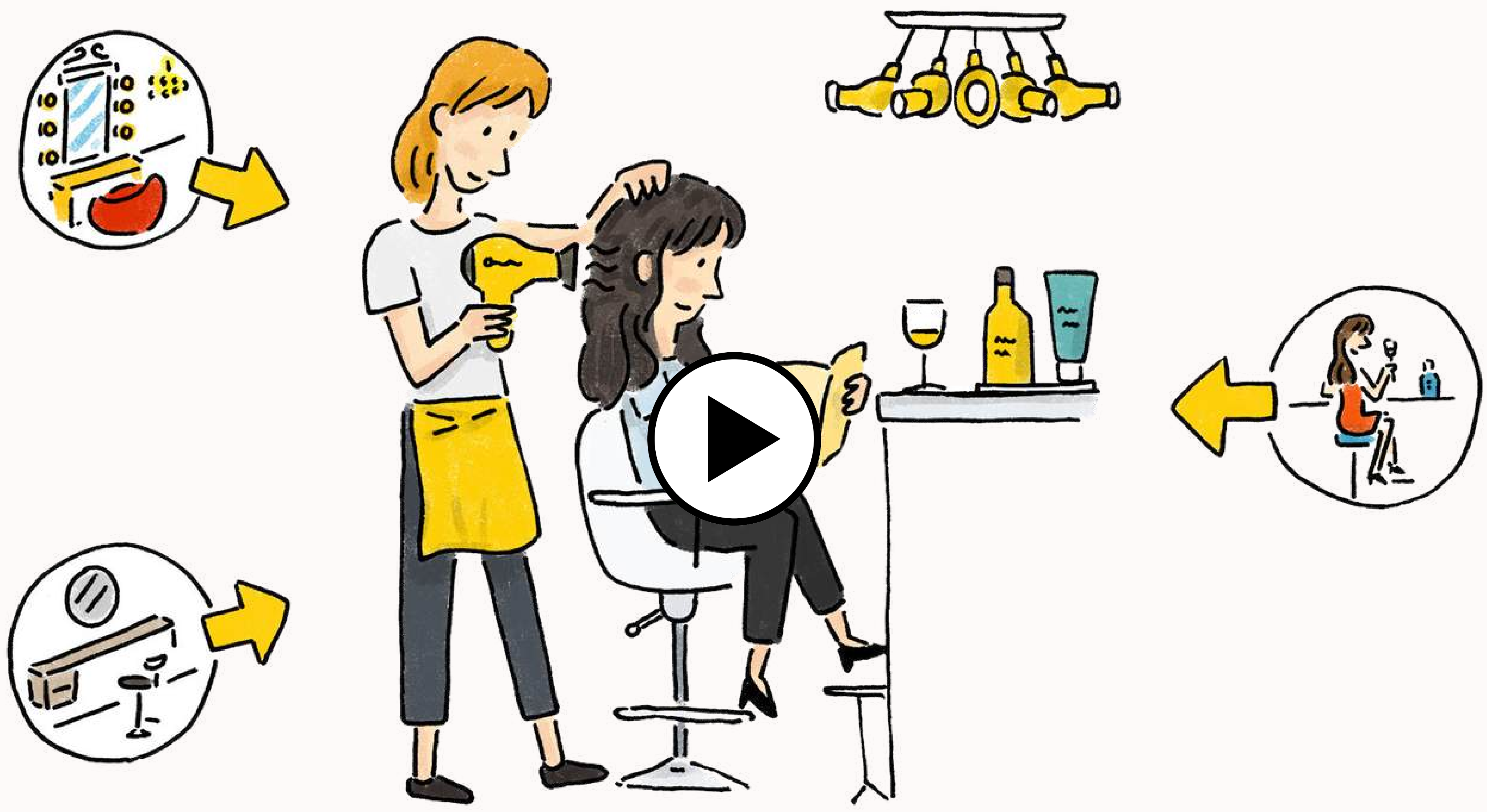
What was behind the conception of the *Tata Nano* hailed as "the People's car"? Why didn't the *Nano* realize its full promise? This case analyzes *Tata Motors*' strategic move to create and launch the *Tata Nano*, exploring the factors behind the project's earlier success and the reasons for its execution failure. It is complemented by compelling first-hand video interviews with *Tata*'s CEO and the key executives involved in conceiving and executing *Tata Nano*.

Key Learning Points

1. Explore how *Tata Nano* reconstructed market boundaries across alternative industries by drawing insights from noncustomers of the conventional passenger car industry—namely, the vast population of two-wheel scooter or motorcycle riders.
2. Learn how to create a commercially viable blue ocean by following the right strategic sequence from buyer utility to price, cost, and adoption hurdles.
3. Understand the importance of matching value and profit propositions with an equally strong people proposition in ensuring the successful execution of a blue ocean strategy.
4. Understand the critical role of people in the success and failure of strategy, and how often this is overlooked at a company's peril. *Tata Nano* fell short of unlocking huge new demand despite its brilliant value and profit propositions due to a flaw in its people proposition.



DRYBAR (A) & (B)

No Cuts. No Color. Just Blowouts!

Blue Ocean Concepts

Market Reconstruction
Noncustomer
Barriers to Imitation
Break Value/Cost Trade-off

Case Setting

US
Beauty Salon industry
Woman Founder
Entrepreneurship

Teaching Materials

Case
Teaching Note
Video
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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How did Drybar change the concept of professional blow-drying service and make it so compelling to all women, regardless of their age and profession? *Drybar (A)* describes the industry landscape of the American beauty salon industry pre-Drybar and the competitive forces that shaped conventional practices. *Drybar (B)* illustrates how Drybar was conceived with a different strategic approach and what made Drybar stand out from conventional hair salons while achieving lower costs. To enhance participants' understanding of Drybar's offering, *Drybar (B)* uses an innovative cartoon storybook format that is both informative and emotionally engaging.

Key Learning Points

1. Learn how strategy can go beyond competing to make competition irrelevant.
2. Explore how a female hairdresser without a business background was able to build a $70 million beauty salon chain by capturing the business opportunity of the blowout service that industry players largely overlooked.
3. Understand how Drybar was able to simultaneously achieve differentiation and low costs to create all new demand and profitable growth, and all the factors it eliminated to achieve this.
4. Understand that a blue ocean can turn red. Hence, the importance of building barriers to imitation especially when entry barriers are low. Drybar has been able to keep a dominant position in the blue ocean by quickly rolling out its service across the US and building strong brand awareness in the consumer market.

WIKIPEDIA

Making a Blue Ocean Strategic Move that Discourages Imitation

Blue Ocean Concepts

Strategic Alignment
People Proposition
Barriers to Imitation

Case Setting

Internet
Encyclopedia Industry
Nonprofit

Teaching Materials

Case | Teaching Note
Video | Lecture Slides

Case Authors

C. Kim, R. Mauborgne, K. Ling

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How can an organization create a blue ocean that is hard to imitate and is sustainable? This case explores how *Wikipedia* redefined the encyclopedia industry's longstanding value, profit and people propositions to create a blue ocean strategic move that discourages imitation. Compelling firsthand video interviews with Jimmy Wales, the founder of *Wikipedia* – along with other key executives, staff and volunteers known as Wikipedians – bring the case to life in the classroom.

Key Learning Points

1. Learn the alignment of three propositions for a strategy to be successful and sustainable: value for buyers (both customers and noncustomers), profit for the company, and people (staff, business partners and the general public) to embrace and execute the new strategy with enthusiasm and commitment.
2. Understand how the alignment of three strategic propositions around both differentiation and low cost not only allowed *Wikipedia* to create a blue ocean but made it very difficult for anyone to imitate it.
3. Understand the reinforcing mechanism among three strategic propositions as key factors of one proposition often support and reinforce the other two propositions, thereby creating a strong and virtuous cycle.

ZAPPOS.COM (A)

Bring the Shoe Store to Your Home

Blue Ocean Concepts

Market-Competing vs Market-Creating
Market Reconstruction

Case Setting

US
Fashion
Online Retailing
Entrepreneurship

Teaching Materials

Case · Teaching Note
Video · Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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How did *Zappos* build a unique value proposition that is neither an offline nor online shoe store in the conventional sense? The case describes *Zappos*' distinctive value proposition that even Amazon was unable to dislodge or beat. The case also introduces how *Zappos* broke the value-cost trade-off of the conventional online shoe store to create a profitable blue ocean out of a red ocean of intense competition.

Key Learning Points

1. Understand how classic strategy limits growth potential by defining market (industry) boundaries that principally exist in the manager's mind and how a blue ocean approach can unlock demand and growth potential by reconstructing market boundaries.
2. Explore how to uncover buyers' hidden pain points using the Buyer Utility Map and find ways to remove them and create unprecedented value.
3. Learn the concept of "value innovation," the logic underpinning blue ocean strategy, which makes a company stand apart from competition while delivering a leap in value for both buyers and the company.

ZAPPOS.COM (B)

Strategy Powered by Culture and People

Blue Ocean Concepts

People Proposition
Fair Process
Strategy Sustainability
Barriers to Imitation

Case Setting

US
Fashion
Online Retailing
Culture

Teaching Materials

Case
Teaching Note
Video
Lecture Slides

Case Authors

C. Kim, R. Mauborgne, O.Y. Koo

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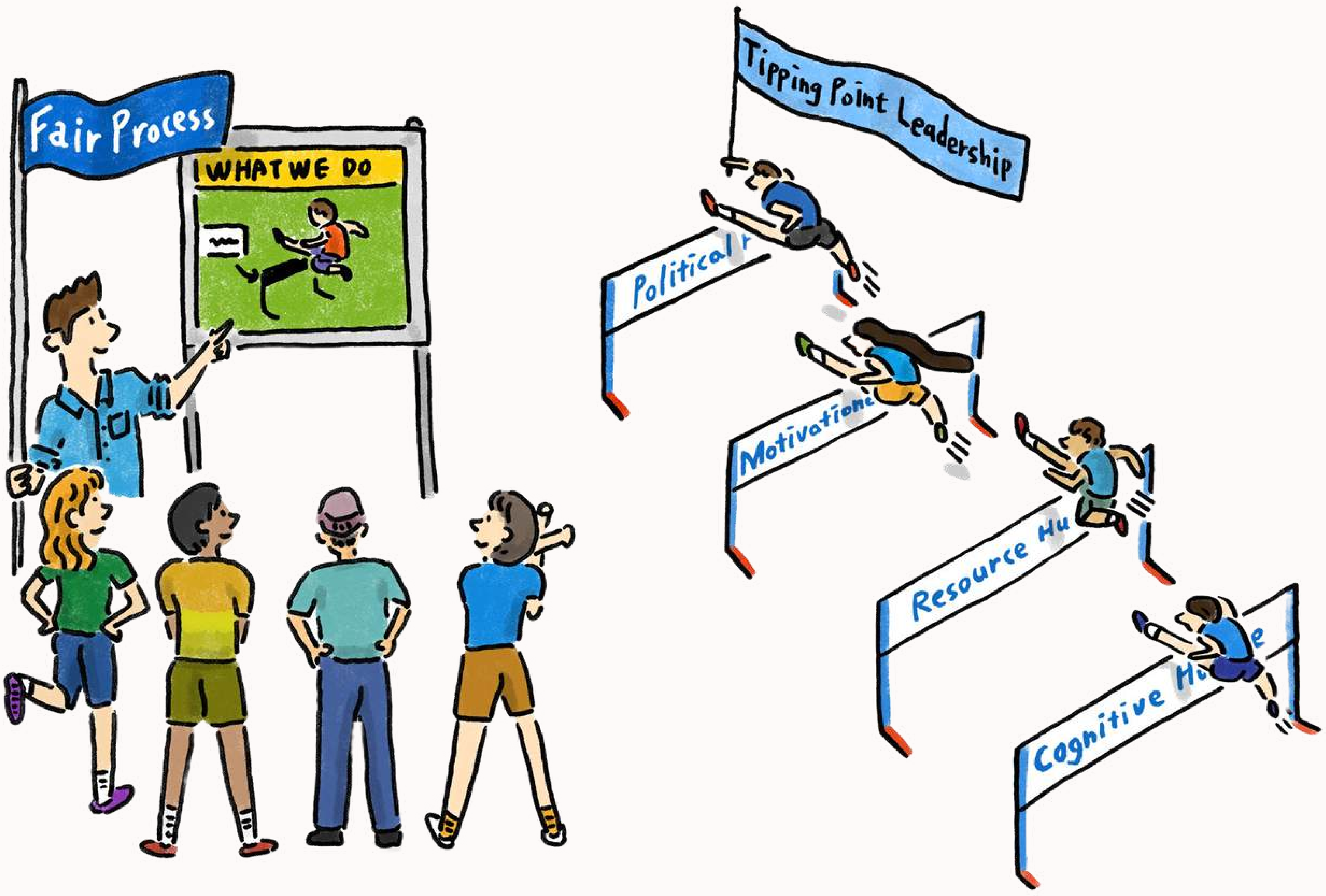
This case explores *Zappos*' people proposition that contributed to the company's high performance and strong barriers to imitation. It highlights the importance of fair process in building employees' deep trust in and commitment to the company, making it difficult for competitors to imitate *Zappos*' winning value proposition.

Key Learning Points

1. Understand corporate culture as a foundation for creating trust and commitment that can motivate people to implement strategy of their own accord.
2. Learn the principle of fair process, compared to fairness in outcome or fair distribution of authority, resources or rewards. Fair process signifies the intellectual and emotional recognition a company accords to its people in the course of bringing out the best ideas and making decisions through engagement, explanation and expectation clarity (the three E principles of fair process).
3. Learn the importance of a compelling people proposition when a blue ocean is followed by copycats, as it is hard to imitate the quality of execution based on people's trust and commitment.



SCENARIO CASE

Tipping Point Leadership and Fair Process in Action

Blue Ocean Concepts

Strategy Execution
Tipping Point Leadership
Fair Process

Case Setting

Scenario Cases

Teaching Materials

Case
Teaching Note
Worksheet

Case Authors

C. Kim, R. Mauborgne, K. Ling

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This interactive case offers four corporate scenarios in health insurance, manufacturing, government, and banking, respectively to deepen participants' understanding of blue ocean strategy implementation principles. Using the four scenarios participants work in teams as they learn to apply key concepts of tipping point leadership and fair process at different organizational levels to overcome the four key implementation hurdles - cognitive, resource, motivational and political – encountered in the scenarios. A high-energy, highly reflective classroom experience especially appreciated by seasoned managers.

Key Learning Points

1. Learn how to apply the key concepts of tipping point leadership and fair process in making a strategic shift.
2. Understand the four key organizational hurdles - cognitive, resource, motivational and political - that companies confront and gain an understanding of how to overcome them across diverse industry settings and organizational levels.
3. Gain an appreciation for the impact of fair process on building people's trust and commitment needed to make a strategic shift and execute strategy.

SELF-DIAGNOSTIC DEVELOPMENT TOOL

Tipping Point Leadership and Fair Process in Action

Blue Ocean Concepts

Strategy Execution
Tipping Point Leadership
Fair Process

Case Setting

Self-diagnostic Development Tool for Managers
Organizational Hurdles
Trust
Commitment
Employee Motivation

Teaching Materials

Case   Teaching Note
Worksheet

Case Authors

C. Kim, R. Mauborgne

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The "Self-Diagnostic Development Tool" is comprised of a series of probing questions that offer executives a practical tool for assessing the level of organizational hurdles that exist in their organization and the effectiveness of past and future strategies to overcome them. The diagnostic is divided into sections addressing the four key organizational hurdles (cognitive, resource, motivational, political) and one section on fair process, key to establishing trust and commitment essential for strategy execution at all organizational levels.

Key Learning Points

1. Learn to identify the level of organizational hurdles that exist in an organization and the effectiveness of past strategies to overcome them.
2. Explore areas of self- and organizational-improvement or challenges in tackling the four hurdles and exercising fair process for effective strategy execution.
3. Gain a simple method for self-reflection and development by linking the participant's learning within the classroom with real world application.

EDUCATION: A BLUE OCEAN SHIFT FROM INSOLVENCY TO EXCELLENCE

Turning Around the Private University of Bolivia (UPB)

Blue Ocean Concepts

Value Innovation
Blue Ocean Shift
Noncustomers
Ex-ante Case

Case Setting

Latin America
Strategic Transformation
Higher Education
Bolivia

Teaching Materials

Case
Teaching Note
Video

Case Authors

C. Kim, R. Mauborgne, M. Olenick

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Rector Manuel Olave shares his blue ocean journey to turn around a struggling Bolivian undergraduate university - *Universidad Privada Boliviana (UPB),* transforming it from insolvency into a thriving top Latin American university, via the blue ocean shift process. Learn how noncustomer analysis and the pursuit of differentiation and low-cost can create new demand and allow an organization that was previously functionally insolvent to open a new value-cost frontier and achieve strong growth.

Key Learning Points

1. Explore a real-world example of how a struggling education institution can turn around based on the blue ocean shift process.
2. Learn how a noncustomer analysis can help an organization uncover hidden pain points and create new demand.
3. Understand how a blue ocean leader can galvanize support and build confidence through the blue ocean shift process.

NINTENDO WII

Lessons from Noncustomers

Blue Ocean Concepts

Market Reconstruction
Noncustomers

Case Setting

Japan
Video Game

Teaching Materials

Case

Video Lecture Slides

Case Authors

C. Kim, R. Mauborgne, J. Hunter

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What strategic path did *Nintendo* pursue in creating *Nintendo Wii*? This case demonstrates how the company looked to the gaming industry's noncustomers and created its blue ocean offering. It illustrates that if companies wish to tap into latent demand and create organic growth, they must look beyond existing customers. The case demonstrates that if *Nintendo* attempted to compete head-to-head against its Sony and Microsoft rivals they would likely have been further marginalized in the game console industry.

Key Learning Points

1. Understand the power of reorienting one's strategic focus from current competition to alternatives and from customers to noncustomers.
2. Gain insights into how to redefine the problem the industry focuses on and reconstruct buyer value elements that reside across industry boundaries.
3. Understand that companies must concentrate not only on customers but also on noncustomers, equally vital for future growth. This allows companies to reach beyond existing demand to unlock a new mass of customers that did not exist before.
4. Explore how *Nintendo* created new demand by identifying noncustomers and focusing on their key commonalities – not differences – using blue ocean strategy's Three-Tiers of Noncustomers.

LIQUID DEATH (A&B)

Breaking out of The Red Ocean of Bottled Water

Blue Ocean Concepts

Market reconstruction
Shifting from a functional to emotional orientation
Noncustomers
Overcoming hurdles to exectuion

Case Setting

Beverage industry
Media entertainment
Sustainability
Scalability

Teaching Materials

Case   Teaching Note

Case Authors

C. Kim, R. Mauborgne, M. Pipino

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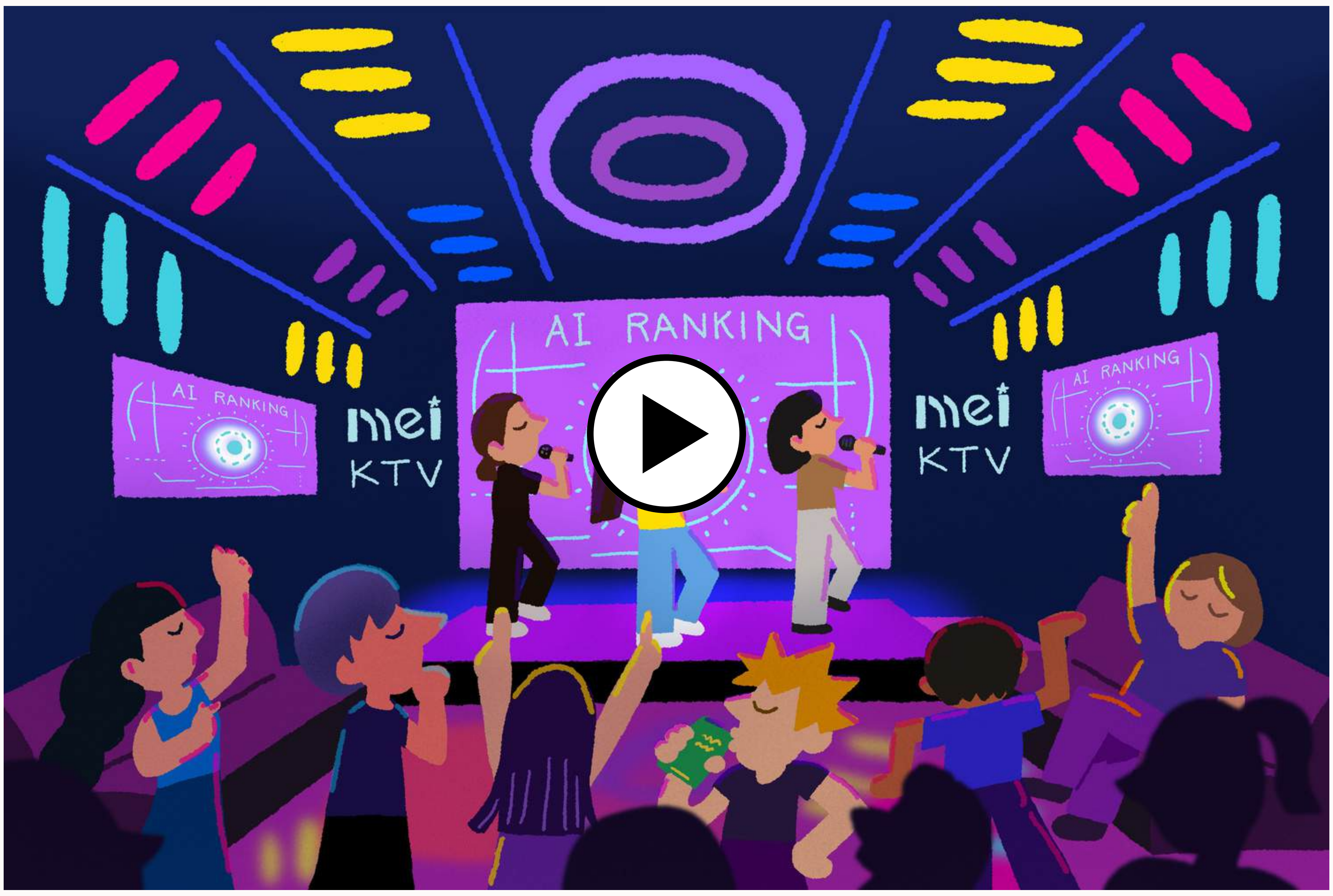
The bottled water market appeared to be one of the least attractive industries for a startup: crowded, commoditized, and dominated by global brands. Yet the founder of *Liquid Death*, Mike Cessario, identified an overlooked opportunity. Instead of competing on water itself, he redefined what drinking water represented, transforming it from mundane hydration into a rebellious lifestyle experience through bold branding and unconventional marketing. The *Liquid Death* case illustrates how companies can redefine customer value to create new demand even in the most mature markets.

Yet success brought a new challenge: how could *Liquid Death* continue to grow without becoming just another bottled water brand?

Key Learning Points

1. Market boundaries can be reconstructed by looking across alternative industries and challenging assumptions that define competition.
2. New buyer value is created by eliminating and reducing factors the industry takes for granted while raising and creating factors that matter most to customers.
3. New demand lies beyond existing customers. Firms can expand markets by identifying commonalities across the Three Tiers of Noncustomers.
4. Successful execution of a strategic shift depends on overcoming cognitive, resource, motivational, and political hurdles that impede change.



REIMAGINING THE KARAOKE INDUSTRY

Mei KTV's Blue Ocean Strategy in the Age of AI

Blue Ocean Concepts

Value innovation
Market creation
Asset-light business model

Case Setting

China
Entertainment
Franchise business model
AI

Teaching Materials

Case
Teaching Note
Video

Case Authors

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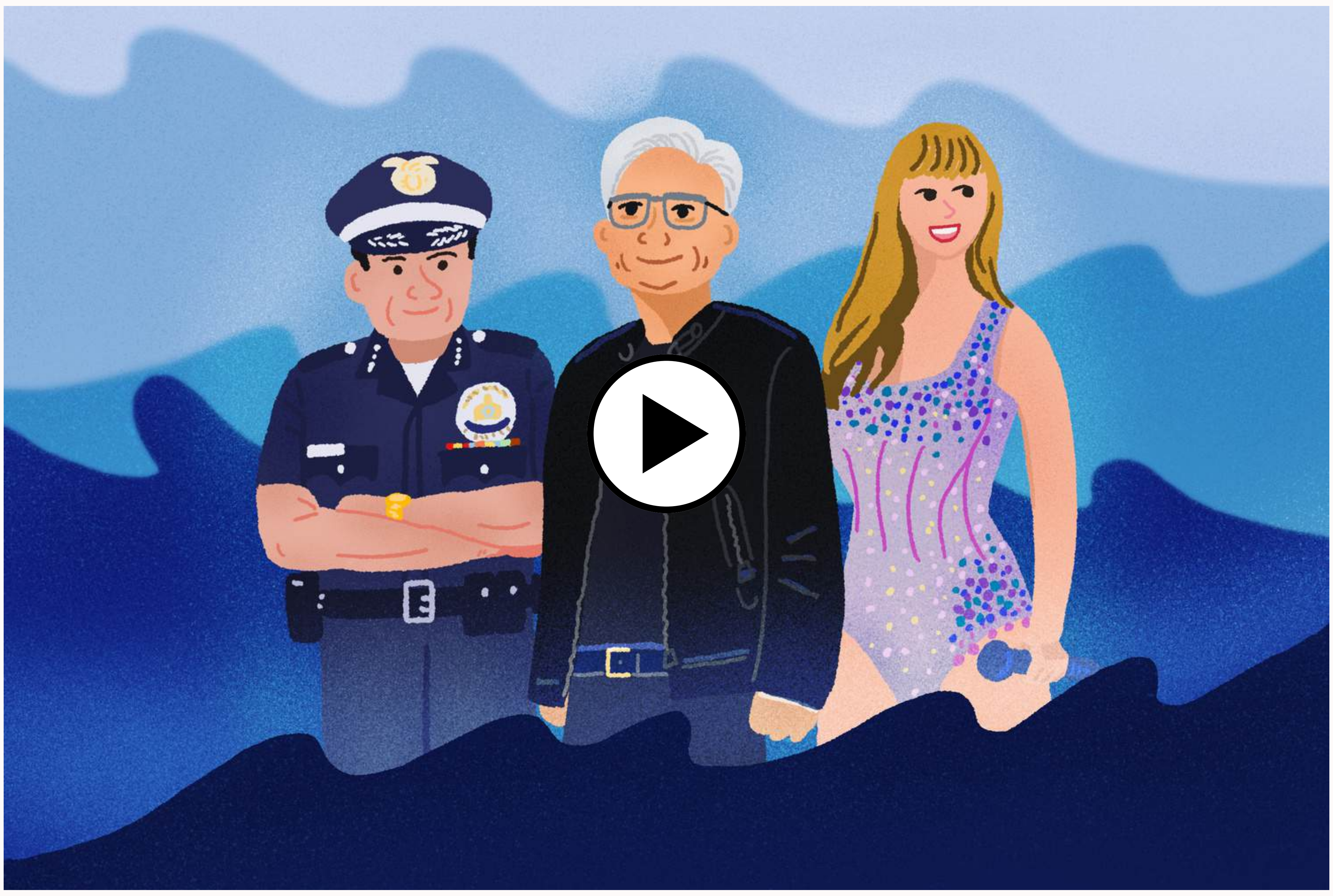
Once regarded as a sunset industry in China, KTV (Karaoke TV) appeared to be in irreversible decline as consumers shifted towards new forms of entertainment. Yet, Wu Hai, the founder of *Mei KTV,* saw an opportunity where others saw only a shrinking market. By breaking away from the industry's traditional asset-heavy model, *Mei KTV* created a compelling new value proposition supported by an asset-light business model, an innovative expansion strategy, and the strategic use of AI to enhance and execute its overall strategy. The result was the creation of new demand, rapid expansion, and profitable growth.

Key Learning Points

1. Declining industries do not necessarily imply declining opportunities. Market-creating strategies can unlock new demand even in sunset markets.
2. New market space is created by reimagining the customer value proposition rather than competing on offering higher value or lower costs to existing customers.
3. An innovative business model can enable rapid, scalable, and profitable growth by aligning value creation with cost efficiency.
4. AI creates the greatest strategic value when it is integrated into and reinforces a company's overall market-creating strategy, rather than being treated as a standalone technology.



UNLOCKING HIGH PERFORMANCE

Strategy and Leadership Lessons from Successful Blue Ocean Shifts

Blue Ocean Concepts

Blue ocean mindset
Leadership & strategy integration
Overcoming execution hurdles
Alignment

Case Setting

Startegy at the level of the individual
AI/IT
Government
Entertainment

Teaching Materials

Case Teaching Note

Case Authors

C. Kim, R. Mauborgne, Z. Munir

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What do *Jensen Huang*'s transformation of *Nvidia* into a trillion-dollar company, *Bill Bratton*'s turnaround of the *NYPD*, and *Taylor Swift*'s rise as a global entertainment powerhouse have in common? Despite operating in vastly different fields, all three leaders made a blue ocean shift by applying remarkably similar strategy and leadership principles. Through these cases, participants will discover how breakthrough success can be created across industries by challenging conventions, unlocking new value, and leading transformative change.

Key Learning Points

1. Blue ocean strategy is not confined to business; its principles can be applied to create transformative change across public, social, and personal domains
2. Successful blue ocean shifts emerge from the alignment of mindset, strategy, and leadership. Breakthrough performance is achieved not by strategy or leadership alone, but through their integration.
3. A blue ocean mindset enables leaders to challenge industry assumptions, look beyond existing boundaries, and pursue strategies that simultaneously increase value while reducing costs.
4. A strategic shift encounters cognitive, resource, motivational, and political hurdles. Overcoming these hurdles is essential for transforming uncertainty into opportunity and turning strategy into an impactful outcome.

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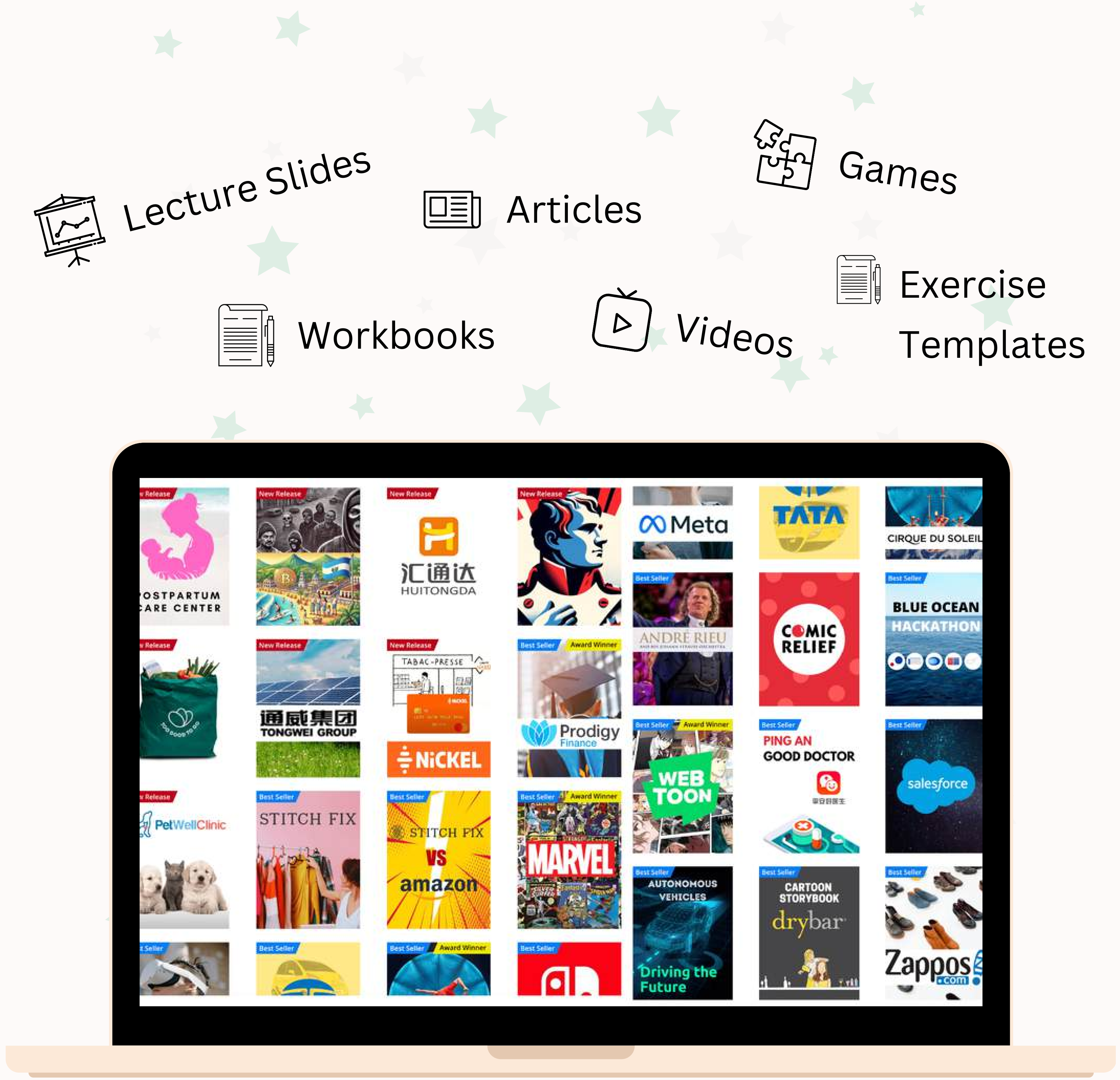

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FINAL NOTE AND ACKNOWLEDGEMENTS

This casebook represents the INSEAD Blue Ocean Strategy Institute's decades-long commitment to developing impactful case studies on market-creating strategy, innovation, leadership and growth that span a diverse range of contexts—from established companies to start-ups, for-profits to non-profits, and developed to developing markets. With a team of dedicated Institute Executive Fellows and Researchers, IBOSI cases have garnered internationally recognized acclaim and awards with over twenty global bestsellers.

Compiled by Institute Senior Executive Fellow Oh Young Koo under the guidance of Co-Directors Chan Kim and Renée Mauborgne, this casebook presents synopses of more than fifty IBOSI cases, highlighting their theoretical rigor and pedagogical innovation.

Special thanks to Lily Fang, Dean of Research & Innovation at INSEAD, for her encouragement and support of this eBook.

Oh Young Koo

Institute Senior Executive Fellow
(pictured with IBOSI Mascot, Lily Choux)