

*Blue Ocean Strategy* by W. Chan Kim and Renée Mauborgne, Harvard Business School Press, Boston, 2005.

Can creativity be developed systematically? Kim and Mauborgne think so. They say that the majority of business enterprises operate with a “red ocean” (bloody) strategy, striving to prevail over competitors that produce the same goods and services. Blue ocean strategy seeks to discover a new market space in which a novel concept is offered.

They describe six paths by which one might come up with an innovative product or service. All of these paths involve looking beyond the assumptions of one’s industry. One may look at alternative products and take the best from each. NetJets created a blue ocean strategy with fractional jet ownership, avoiding the disadvantages of commercial airline travel and the expense of fully owning a jet. Or one may look at alternative assumptions within an industry. Curves, the women’s fitness company, realized that many women would prefer to work out in a space without men and with the economy afforded by more basic facilities. One can sometimes find a blue ocean by looking across the chain of buyers. Novo Nordisk, a Danish insulin producer, moved from marketing its product to doctors for its purity to providing it to patients by means of a convenient Novopen dispenser. One may look across complementary products and services by thinking about what happens before, during, and after a product is used. NABI, a Hungarian bus company, changed the material of its buses from steel to fiberglass. This decreased maintenance costs, made repairs less expensive, and cut fuel consumption and emissions. One may look across functional or emotional appeal to buyers. The watchmaker Swatch transformed a functional object into a style statement. One may look across time to detect trends that will grow, as Apple did in creating iTunes, an online music store.

How does one come up with a blue ocean idea? Kim and Mauborgne suggest making a graph that compares the characteristics of your enterprise with those of its competitors, then watching and talking with your employees to learn more about your operation’s advantages and disadvantages. From this data, you can decide which aspects of your product or service to emphasize, which to minimize or discard, and what new features to create. Although much of this work can be done methodically, developing the new features requires a creative leap, which your Inner Guide can facilitate.

Although Kim and Mauborgne focus on blue ocean ideas in the business world, their system can be applied universally. This remarkable achievement will benefit everyone and I highly recommend their book. You can Speedread it for your Inner Guide’s benefit and you may also enjoy reading it at a normal pace for your own enjoyment.