What It Takes to Shift From Competing to Creating

Why non-disruptive creation is as important as disruption in seizing new growth.

In their just released book, *Blue Ocean Shift*, Chan Kim and Renée Mauborgne, creators of *Blue Ocean Strategy*, deliver the definitive guide to shifting yourself, your team and your organisation to new heights of confidence, market creation and growth. They show why non-disruptive creation is as important as disruption in seizing new growth, what leads to one over the other and why you’d be unwise not to understand this.

INSEAD Knowledge (IK): Chan and Renée, congratulations on your new book, *Blue Ocean Shift*, being released today. It’s already been labeled a next ‘blockbuster’ and chosen by Apple iBooks as the best business book of the month. In a nutshell, what’s it all about?

Kim and Mauborgne: *Blue Ocean Shift* addresses a key challenge facing virtually every organisation today. How to move yourself, your team and your organisation from competing to creating. Or, from cutthroat markets to wide open new markets in a way your people own and drive the process.

Think about it. What industry today doesn’t face intense competition? Take retail. It’s getting decimated. The competition is fierce. It’s tough. It’s rough. It’s what we refer to as a bloody red ocean.

But the successful companies, they’re not in those red oceans. They’re moving into and creating new markets. What we think of as blue oceans.

The question is: How can all of us do that too?

This book lays out the path anyone can follow to get there, using proven steps.

**IK: What does it take to make a successful shift?**

Kim and Mauborgne: You need two things to shift. Without them you are going to struggle.

First, you need a roadmap. Because we all want to shift from compete to create, but we don’t know how. So you need a roadmap with tools and guidance that anyone can apply.

Second, you need people. And by that, we mean you need people’s confidence to act. If people don’t have the confidence to act, your roadmap means nothing.

And that’s what the book does. It gives you that roadmap and it shows you how to build people’s confidence at every step so that they own and drive the process for success.

**IK: Has any company actually applied the roadmap and proven steps laid out in the book to shift from competing to creating?**
**Kim and Mauborgne:** Absolutely. *Blue Ocean Shift* shows real-world examples of organisations facing the same constraints we all face – be they politics, bureaucracy, limited resources – and applied the very tools and process outlined in the book to shift from competing to creating. You’ll learn, for example, how a musical conductor applied the blue ocean shift process to create the “bravest orchestra in the world”. He redefined what a youth orchestra means, from music excellence to ambassadors for peace, even inspiring Shiite, Sunni and Kurdish musicians to play together, all the while dealing with resource constraints, historical ethnic divides and poorly trained musicians.

There’s the example of a hotel chain that applied the proven steps outlined in the book to break out of the highly competitive hotel industry – which is ‘redder than red’ – to create the new market of affordable luxury hotels offering five-star comfort at three-star prices. Today it has 90 percent occupancy rates, guest ratings called ‘superb’ and ‘fabulous’ on booking sites, as well as the lowest costs in the most chic locations. It’s fast rolling out to major cities across the world.

The book also explains how a global, small-appliance company with more than 100 years of history turned an industry whose value was declining by 10 percent a year into a high-growth one. It did that by redefining its offering to such an extent it allows all of us today to make mouth-watering French fries with no frying and almost no oil. The upshot of its shift: Not only did demand grow by 40 percent, its stock price lifted by 5 percent. Oprah fell in love with the new offering and started tweeting that the product had “changed her life.”

From prisons to toilet paper, healthcare to convenience stores, national governments to small nonprofits, new companies to established ones, *Blue Ocean Shift* shows you how they applied the process outlined in the book to shift from competing to creating in a way that brought their people along.

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companies remain aligned with the path to success in the past, which is competing. What firms would need to do now is shift and get their people attuned to the new market reality where creating new markets is the ticket to seize new growth. Just think of the message you are sending your employees about their value in the company if every opportunity to grow comes from people outside the company. How will they feel they are a vital part of their company’s future? Blue Ocean Shift lays out the path to turn this around and shift.

W. Chan Kim and Renée Mauborgne are professors of strategy at INSEAD and co-directors of the INSEAD Blue Ocean Strategy Institute. They are the authors of the international bestseller Blue Ocean Strategy and the indispensable follow-up, BLUE OCEAN SHIFT – Beyond Competing: Proven Steps to Inspire Confidence and Seize New Growth, available 26 September 2017. For more on the authors’ new book, visit http://www.blueoceanshift.com/. Learn more about the INSEAD Blue Ocean Strategy Programme here.

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