

# Assignment example

[Literature](#), [Russian Literature](#)



Cirque Du Soleils Analysis affiliation Cirque Du Soleils Analysis What is a blue ocean strategy? A blue ocean strategy refers to the efforts that a company puts when it's faced with high competition that threatens to eliminate it from the market.

A blue ocean strategy, therefore, refers to those areas of business where no firms have ventured into, and such areas have minimal competition and hence the firm can expand without competition.

Blue ocean strategy involves actions such as creating and capturing new demand, value innovation and making competition irrelevant

2. What is a red ocean strategy?

A red ocean strategy refers to those efforts that a company puts when it is faced with high competition in the market.

A red ocean strategy differs from the blue ocean strategy in that in the red ocean the company looks for ways to fight competition in the market rather than looking for alternative businesses.

Red ocean strategy involves actions such as exploiting existing demand and increasing the value of their products.

3. Why do It is referred to as a blue strategy since the company strove to become different from other circuses by constantly coming up with innovations.

Unlike other circuses, Cirque du Soleil avoided animal and start performances and hence created a new market with little competition

Cirque du Soleil emerged different from the other cirques since all the shows it presented were based on a central theme with a supporting storyline. This was very different from what other circus did.

#### 4. What are Cirque's product and its strategy?

The circus industry was declining, but the Cirque du Soleil employed the blue ocean strategy by redefining its market and it focused on art and entertainment.

Earlier on, their focus was mainly children but with increased competition, they changed their target from children to educated and sophisticated adults and families.

They have also ventured into feature films and television specials

They have ventured into publishing and merchandising which started in 1988 when they opened a resort in Florida

#### 5. How has Cirque structured and supported its casts to deliver superior performances?

Cirque integrates the fine recruiting strategy with a strong culture which creates an atmosphere of a family.

They have been looking for best artists in the market, and they go a step further by helping them to grow into better artists. This ensures that they cast superior performances (Kim and Mauborgne, 2005, p. 89).

They have been very supportive to their employees and have created the best working conditions

#### 6. What are the challenges to Cirque's continued growth and/or diversification?

Cirque has been seeking to expand and decentralized its team into Asia, Europe and North America. However, they experienced problems such as currency problems, rate that created dissatisfaction especially in Asia.

In northern America, they faced the challenge of few numbers of viewers and

most seats in the theatres remained empty (Kim and Mauborgne, 2005, p. 77).

Their attempts to diversify have been hampered by setbacks which come from unfamiliar business environments

7. What are the communication implications of these challenges?

With good communication, they were able to get solutions since all the departments were interlinked

Apart from communicating at the managerial level, they also ensured that before they held any show, they would seek the opinion of all their employees. Through such communication, they got ideas from other artists, and it improved the quality of show cast.

Upward and downward communication has created a business environment whereby the employees have sufficient information to work effectively

Bibliography

Kim, W. C., & Mauborgne, R. 2005. Blue ocean strategy: How to create uncontested market space and make the competition irrelevant. Harvard Business School Press. Boston, MA.