

Blue ocean strategy simulation



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The visual exploration at the start of Blue round 1 involved three different paths. Below is a summary of the findings of each of the path: Path 3:

Looking Across the Chain of Buyers and Users

It had the possibility of reaching upto 30% of market share. The main focus in this case would be on parents who don't want to intrude in their children's personal lives by entering their room again and again but at the same time would like to control the time spent on gaming. The parents felt like they had lost control over what their children were doing.

Many parents were also concerned with the easily snapping ability of discs because of which they had to buy their favourite discs twice or more. Most of the parents were also concerned about the cost and the environmental impact of batteries which were not rechargeable.

There was also the issue of the cost of the games and maybe the answer lies in extending the length of the game to make it look like value for money.

Finally, some people wanted the TV to store messages for their family members and wanted interconnectivity amongst the TVs for uninterrupted game play from anywhere inside the house. Two people also termed the game console as ugly.

Possible Areas to work on: Control, Disc Protection, Rechargeable Batteries, Length and Complexity of the Games, Messages, Inter Connected Screens, Console Design.

Path 1: Looking Across Alternatives

The kids interviewed here mostly couldn't afford a video game and if given a choice, preferred another pair of shoes or a ball and wanted to move around the whole day with other kids after a whole day being still at school. The cost of the video games was a major issue with them. Also, many of them were ok with the quality of sound and graphics, which shows lack of interest in sophisticated devices. The exploration also led to an idea of mobile phones strapped to kids while they are playing so that the phones don't break after falling.

For some of the kids who spent hundreds of dollars on sports goods, it was more a question of choice rather than affordability. Being with friends, and being active, not necessarily moving around was in.

Possible Areas to work on: Cost, Sporty Mobile Phones, Fun Toys

Path 5: Looking Across the Functional and Emotional Appeal for Buyers

The inherent thinking of these people about the video game industry was neutral to negative. They thought that video games are all about making people isolated, about technology and complexity. They also thought that games were about getting people together to socialize and have fun. These people were also quite intimidated by technology. This set of people also wanted the graphics, controller to be simpler. People also talked about the ugliness of the goods

Possible Areas to work on: Simpler graphics, controls, easier games, proper training on using technology, creating games as a platform for socializing

After discussing the various options available to us, we decided to launch blue box with the following specifications, the focus being on path 3 as it represented a major chunk- 30% of the target groups:

We added controller sophistication and integrated screen and console design.

We also reduced the audio sophistication as well as multimedia add-ons as there was less requirement of these features by the target group

We also added rechargeable batteries, ability to control gaming habits as these were the major concerns of the people in path 3. Also, we included the additional feature with the ability to leave messages for others in the house.

As a result of our decisions, we were able to attain a market share of 3.3% for the blue box.

Thus, when coming up with a new product offering in an attempt to differentiate from our competitors, and in the process launching a blue ocean product, we decided to look across the chain of buyers and users and identified target groups, who when given special features suited to their requirements, will buy our product and it will be an offering distinct from industry standards.

Application of Lessons Learnt to Quasar Media (Digital Media Agency)

Blue Ocean Strategy Simulation taught us primarily to create a blue ocean for ourselves in order to differentiate from the competitors. The blue ocean involves offering something/ doing something/ making changes in the

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product which has not been done before and which makes your product stand out amongst all the products in the industry. The trick then also lies in sustaining that unique offering and continuously offering something extra.

Quasar Media, a digital media agency, offers different services, a few of them being:

Full service digital media solutions

End-to-end services on Online Media, Search and Mobile marketing

creative digital media

search marketing and optimization

E-CRM

E-commerce

Website development, back-end and optimization

Interactive tools

Mobile marketing

Marketing Campaigns

AoR

Conceptualizing, developing, creating , hosting and managing digital assets.

Social Media Optimization (SMO)

Graphics Design

Apps and Content

Search Engine Marketing (SEM)

Now, Quasar Media offers almost all of the services which are offered by a typical digital media agency in India. The time is right for the company to go that extra mile and differentiate from the competitors and create a blue ocean for themselves. Keeping into consideration the functional and emotional appeal of technology users in India, iPad is the next big thing. There is going to be an avalanche of sorts when the iPad comes into the market. Thus the high value differentiated product proposed is inclusion of iPad into the social media strategy.

Inclusion of iPad into the Social Media Strategy: Including iPad into the social media strategy would primarily involve coming up with fresh Applications specific to iPad. iPad also supports multi tasking, in which many applications run simultaneously. Hence, living in the background is very important as you can be visible to the user, even when your application is in the background.

Thus, this will become a competing factor beyond those on which the industry currently competes.

Assignment No. 2

Let us start by looking at the nature of demand for bottled water in urban India. Unlike in the US, the water in the Indian home is not considered safe to be drunk directly. Almost all urban families use either an RO system, a candle filter or a big can of mineral water. Public places such as railway

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stations do not sound convincing even if they have water taps and in a way force people to purchase mineral water from there. In restaurants, since customers have no visible quality standard to know if their “ normal” will be clean, they get ripped off paying double for mineral water. So, bottled water in India isn't catering to demand but is merely filling in for the lack of safe, clean water in our kitchen taps. That's why bottled water in India is a Rs1, 000 crore industry growing at 40-50% annually.

Parle was the first company in India to come up with bottled water and was in a way responsible for shaping up the bottled water industry in India. People today associate water with Bisleri and have in fact stopped calling it water and instead call it Bisleri only. But these days, there is increasing competition from international players like Coke, Pepsi, Nestle etc and national players like Mount Everest, Manikchand, and Kingfisher.

The retail packaged water industry is growing at . Following are the factors which are fuelling this industry growth:

Higher disposable income

Increased on the go behaviour

Importance of hygiene

Increased Availability

Affordable Price points

In a scenario where there is no “ Genie in the bottle”, the companies need to differentiate from the rest of the pack and need to create an uncontested

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space for themselves. The need of the hour is to create a high value, differentiated Blue Ocean Strategy product offering, which includes competing factors beyond those currently offered by the industry.

Blue Ocean product Offering: Fruit Flavoured Water, Value added flavoured water like natural ayurvedic additive

The rationale behind this Blue Ocean strategy is catering to the functional appeal and requirements of buyers. Essentially the customers are going to remain the same, but the modified product offering will cater to those who are tired of plain water or sweetened carbonated drinks. We all know that today's consumer is very health conscious. Hence, this health conscious consumer will be attracted towards water with fruit in it which gives it a healthier feel. The health conscious consumer will also be attracted towards the water with ayurvedic ingredient which is considered natural and is known to cure diseases.

The factors of the industry that have been eliminated as they no longer have value

Increasing awareness among people about consuming safe water which in turn increases demand

Advertising only to the premium and elite class (Today everyone consumes bottled water)

The factors that have been reduced as they over serve customers

Flashy packaging (As it doesn't serve any purpose)

Different bottle sizes (Based on the fact that if someone wants to buy a mineral water bottle, they go ahead and do it. They are not really particular about the size of the bottle)

The factors that have been raised as they remove compromises that buyers are currently making

Tamper proof packaging in the form of seals (Most of the consumers are scared of open or broken seals as many local water bottles are tampered)

Sturdy and leak proof bottles

Minerals and purification of the water

The factors that have been created as they present new sources of customer value

Fruit flavoured water (For those who are tired of plain water or sweetened carbonated drinks) C: UsersManasDesktopWickyFruitEnergyKleinst. jpg

Value added flavoured water with natural Ayurvedic additive (For those who are health conscious) C: UsersManasDesktopstock-photo-mineral-water-bottle-and-glass-with-mint-and-ice-rocks-10313494. jpg