



"**Blue Ocean Strategy** is the fastest selling book in the history of the Harvard Business School Press.

While readers love the concept of rendering their competition irrelevant they are frustrated by not knowing **how** to achieve it in their business. In this two day Masterclass, we will focus on the cornerstone to Blue Ocean Strategy 'Value Innovation', the single most powerful tool today for discovering and making sense of customers' unmet needs."

Dick Lee, USA

“ Join me in January when I will teach you how to deliver exceptional value to the most important customer in your value chain, all the time, every time! ”



# Value Innovation

## 10 Steps to Making Competition Irrelevant and Unlocking New Customers

18<sup>th</sup> - 19<sup>th</sup>  
January 2012

Dorint Hotel,  
Amsterdam Airport,  
Netherlands

Attend and learn how to

- Maximise value from existing as well as new market opportunities
- Ensure your team is focused on solving the right problems
- Identify your Most Important Customer
- Create a blueprint for value that your customers really care about
- Map Value Chains, create Value Curves and run Contextual Interviews

## A Message from the Masterclass Leader Dick Lee



**“Whether your focus is becoming more profitable in existing markets, or to find new ones, this Masterclass will teach you how to reach beyond existing demand and grow new value”**

Global interest in Value Innovation methodology and tools was fuelled by the publication of W Chan Kim and Renée Mauborgne’s book, *Blue Ocean Strategy*, first published in March, 2005. Having quickly become the **fastest selling book in the history of the Harvard School Business Press**, it became evident too that readers ‘love the concept of rendering their competition irrelevant but are frustrated by not knowing how to achieve it!’

In this two day Masterclass, I will teach you how to reduce your companies focus on ‘winning’ the zero sum game of ‘bloodily’ fighting it out in ‘Red’ Oceans of competition (*for a portion of a market in which one company’s gain is only achieved by another’s loss*). You will leave having learnt many of the tools and techniques that companies like Bekaert, Samsung and Virgin Mobile actively used when building strategies for delivering leaps in customer value that re-define and make irrelevant, existing notions of competition.

**Across the two days I will cover how to:**

- Look across established boundaries of competition
- Re-order elements of what you do, in order to win in existing (or new) markets
- Increase the number of winning products in your portfolio
- Decrease spend and wasted efforts in your innovation process



**Fig 1: Ecologic Brands, has developed a breakthrough product for ‘Seventh Generation’ that replaces plastic laundry detergent bottles**

About 40% of the world’s landfill is packaging waste. A group of twelve companies is using the Value Innovation methodology and tools to understand consumer’s thinking about packaging and its impact on the planet. Meanwhile Seventh Generation, a US Company, understand the needs of their Most Important Customers and have developed a product that addresses the core values of their market by replacing the plastic used in their laundry detergent bottles. By using twin pressed cardboard shells, cemented together around a very thin plastic liner, their new bottles are not only more environmentally sustainable but are also shipped in stacks, which increases available packaging density by a factor of 10!

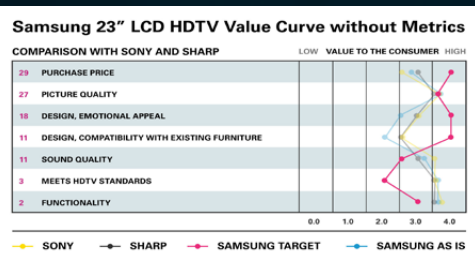
Participants will leave with my 10-Step Value Innovation Process and a set of Blue Ocean Strategy enabling tools that can be implemented in your business as soon as you return to the office. So join me in Amsterdam in January, when I will teach you **how to finally and consistently deliver exceptional value to the Most Important Customers in your value chains.**

# 10 KEY REASONS TO ATTEND

- 1 **Your company is too focused on existing market structures.**
- 2 Making incremental improvements at your margins dominates your current thinking.
- 3 **You feel that extra demand is out there, (but is largely untapped).**
- 4 You’re keen to find strategies for winning in your existing markets (as well as the adjacencies favoured in Kim and Mauborgne’s Blue Ocean Strategy book).
- 5 **You don’t know how to shift attention from supply to demand.**
- 6 You’d like to know the strategic and practical moves that can be combined to sustain high growth and performance (repeatedly) across the organisation.
- 7 **You’d like to know in detail how to use the Value Innovation Process.**
- 8 You’d like to deliver exceptional value but don’t really know what it means and how value *is* a controllable element of your strategy.
- 9 **You need tools for uncovering and identifying your Most Important Customers and their unmet, unarticulated needs.**
- 10 You need evidence of how Value Innovation companies achieve success.

# About this Masterclass

Too often, Companies feel forced to compete against the set of structural norms as defined by the leading company in their industry (as #1 they are 'Rule Maker' to the wider market). If you follow this approach you are, as Gary Hamel describes, a 'Rule Taker' (*who, consciously or not, has let the incumbent 'set the rules of the game'*). Value Innovation takes this theory and turns it on its head by providing a different approach to competition. How? By focusing a company's efforts on becoming a 'Rule Breaker' (*i.e. an organisation that defines its own development goals and measures success by winning in areas of uncontested space*).



« Fig 2: Samsung used a "To Be" Value Curve, to create a change in the value delivered. It decreased the price, substantially improved the design and took cost out with the result that market share increased from 12.1% to 25.6% in just 5 months



» Fig 3: In 1993 Samsung was a "Rule Taker" in its industry. By using the Value Innovation methodology and tools, Samsung have re-defined competition and is now the largest technology company in the world and a "Rule Maker". In the Masterclass we will share examples of how this transformation was achieved

## THE DEFINITION OF VALUE INNOVATION

**"Value Innovation is the cornerstone to finding blue oceans of opportunity...it places equal emphasis on value and innovation."**

Value without innovation tends to focus on value creation on an incremental scale, something that improves value but is not sufficient to make you stand out in the Marketplace. Innovation without value tends to be technology-driven, market pioneering, or futuristic, often shooting beyond what buyers are ready to accept and pay for."



W Chan Kim and Renée Mauborgne, Authors, *Blue Ocean Strategy*

## THE FOCUS OF VALUE INNOVATION

- Expanding your existing markets and creating new ones
- Creating, capturing and reaching beyond existing demand
- Delivering superior value to your 'Most Important Customers'
- Reducing waste in areas where you are over delivering and investing only in what your customers actually value
- Providing a Strategy Canvas for Front End / Pre-Gate activities
- Facilitating customer-driven breakthrough thinking
- Creating unique, defensible positions for product / service / business propositions

**This Masterclass will break down the Value Innovation Process into an easy to understand and powerful 10 Step approach that can be used across your organisation, to consistently fuel sustainable, profitable growth and an increase in company value.**

Value innovation is therefore about re-defining the problem an industry focuses on rather than finding solutions to existing problems.

This makes it a powerful approach for organisations who wish to reach beyond existing demand and unlock new customers that did not exist before.

Value Innovators are rarely the first entrants to their markets, instead they focus on the alignment (and control) of innovation with utility, price and cost positions. In so doing, by creating a unique 'recipe for success' they focus on creating uncontested market space, that makes competition irrelevant .



**"Instead of dividing up existing – and often shrinking – markets and benchmarking competitors, this Masterclass is about teaching you the techniques for growing demand and breaking away from competition"**

Dick Lee

Fig 3: One of 20 project rooms in Samsung's Camp Suwon: In such rooms, new strategies and business models, new products, new processes and manufacturing problems are all prototyped before being formalised

8:15 Registration

9:00 Open and Welcome

9:15 Introductions and Overview

**9.30 SESSION I  
INTRODUCTIONS &  
EXPECTATION SETTING**

- 8 primary schools of innovation today
- Blue Ocean Strategy
- Defining Value Innovation
- The 10-Step Value Innovation Process

**10.15 SESSION II  
VALUE INNOVATION  
ORGANISATIONS**

- Who are they are?
- The results they achieve

10:45 Networking Break

**11.00 SESSION III  
VALUE CHAINS / VALUE  
WEBS AND THE MOST  
IMPORTANT CUSTOMER (MIC)**

- Value Chain / Value Web definition
- Identifying the Most Important Customer in your value chain
- The 3 questions and 3 question template
- Value Chain examples

**11.30 SESSION IV  
BACKGROUND ON A  
COMMODITY PRODUCT**

- Defining the Value Chain

**⚙️ BREAKOUT SESSION 1**

How to identify the Most Important Customer in your value chain

**KEY LEARNINGS: I, II, III, IV**  
What a Value Chain (or Value Web) is; How to develop the Value Chain / Value Web; How to identify the Most Important Customer

**📖 Case Studies**

Virgin Group and Ampex

13.00 Networking Lunch

**14.00 SESSION V  
VALUE CURVES (VCS) WITH  
METRICS**

- Elements of Performance
- Developing the Elements
- "As Is" Value Curve for the Ford Crown Victoria police car
- "Best in Class" Value Curve for the Carbon Motors E-7 police car

**📖 Case Study**

RE/MAX International

- Developing a Value Curve for RE/MAX (putting yourself in the MIC's shoes)

**⚙️ BREAKOUT SESSION 2**

Developing the Value Curve for the commodity project

15.15 Networking Break

**📖 Case Study**

Southwest Airlines

- Developing a Value Curve for Southwest Airlines (using the 7x7 matrix)

**⚙️ BREAKOUT SESSION 3**

Developing the Value Curve for the commodity project's MIC

**📖 Case Study**

Samsung

**KEY LEARNINGS: V**  
What a Value Curve with Metrics is; How to develop the Elements of Performance; When and How to Use Rank Ordering Tools; How Value Curves with Metrics are different from the Value Curves described by Kim and Mauborgne

17.45 End of Day One

**18.00 Networking Drinks  
Reception**

**19.00 Presenters Meal**

Delegates attend a special networking dinner hosted by Pure Insight with **Masterclass Leader Dick Lee**

**DAY ONE AT A GLANCE**

- What a Value Chain (or Value Web) is.
- How to develop the Value Chain / Value Web.
- How to identify the Most Important Customer.
- What a Value Curve with Metrics is.
- How to develop the 'Elements of Performance.'
- When and how to use Rank Ordering Tools.
- How Value Curves with Metrics are different from the Value Curves described by Kim and Mauborgne.

8:00 Tea, Coffee and Refreshments

08.30 **SESSION VI**  
**CONTEXTUAL INTERVIEWING**

- Uncovering unmet, unarticulated needs
- Preparing for the first round interview
- Selecting the team and the lead interviewer
- Developing the instrument and the Power lead-ins
- The Do's and Don'ts
- Who to interview

09.45 **SESSION VII**  
**THE 6 QUESTIONS**

- The definition of a Blue Ocean
- Feedback from contextual interviews

10.15 Networking Break

10.30 **SESSION VIII**  
**Slalom® DEMONSTRATION**

- How to use the software
- Rank ordering tools
- Generating a Value Curve with Metrics

- **BREAKOUT SESSION 4**  
Developing the "To Be" Value Curve for the commodity product

**KEY LEARNINGS**

How to uncover the Most Important Customer's Unmet, Unarticulated needs using Contextual

Interviewing; How to develop the "To Be" Value Curve based on the outputs from Contextual Interviews; How to use Slalom®; How to use the Six Questions

12.00 Networking Lunch

13.00 **SESSION IX**  
**CULTURE AND STAKEHOLDER BEHAVIOUR**

- The Value IQ Instrument
- The Value Innovation Process Assessment Tool

13.45 **SESSION X**  
**VALUE INNOVATION PROCESSES IN USE TODAY**

- Company examples

14.30 Networking Break

- **Case Study**  
Procter and Gamble

- **BREAKOUT SESSION 5**  
Developing the breakthrough new product

15.45 **SESSION XI**  
**THE VALUE PROPOSITION**

- Using the "To Be" Value Curve to define the Value Proposition

- **Case Studies Wrap up**  
Value Innovation Organisation Takeaways

**KEY LEARNINGS WRAP UP**

Q&A / Feedback

**KEY LEARNINGS**

A company's culture and the behaviour of its stakeholders impacts its ability to Value Innovate; How to transform a commodity into a breakthrough using the Value Innovation Process and tools

16:45 Masterclass close

**"The best workshop I've ever attended"**

Chairman and CEO, American Vanguard

**DAY TWO AT A GLANCE**

**On day 2 we focus on how to:**

- Uncover the Most Important Customer's unmet, unarticulated needs using Contextual Interviewing
- Develop the "To Be" Value Curve based on the outputs from Contextual Interviews
- Use 'Slalom®' and the 'Six Questions' methodology
- Ensure stakeholders and culture doesn't impact your ability to Value Innovate.
- Transform a commodity into a breakthrough using the Value Innovation Process and tools

**Who Should Attend?**

This Masterclass is designed especially for...

Decision makers who impact how their enterprise value innovates (CEOs, Managing Directors, COOs, CTOs) Presidents and Vice Presidents, Directors, Managers and Project Leaders, Industry, government and education leaders and decision makers in all functional areas



## The Venue Dorint Hotel, Amsterdam Airport

The 4-star Dorint Hotel Amsterdam Airport is renowned not only for its accommodation but also for its excellent conference service. Situated near to the Amsterdam Woods with a free shuttle service from Schiphol International airport.

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Stationsplein 951 ZW, 1117 CE Schiphol-Oost, Netherlands



Pure Insight has reserved a block of rooms at a special rate of just €150 B&B including VAT for delegates staying at the workshop hotel. Please reserve your accommodation early and directly with Lloyd Wilson at the Dorint Hotel Amsterdam Airport to avoid disappointment. Accommodation is **not** included in the workshop fee.

## About Pure Insight

Pure Insight provides business insights which help product innovation leaders and their teams to perform better in their roles, and to respond to the pressures they face brought about by global competition. We cut through information overload and deliver actionable insights fast, and cost effectively, via Masterclasses, E-Learning, and reports.

[www.pure-insight.com](http://www.pure-insight.com)



The Innovation Leader Programme<sup>SM</sup> is a 12 month engagement designed to deliver best practice, insights and practical tools to senior Innovation and R&D Executives and their teams. The opportunity to learn from peers, base critical decisions on proven practices and even customise and import those methodologies helps our clients make faster and better informed decisions.

To find out more about membership contact Keira Durning: [keira.durning@pure-insight.com](mailto:keira.durning@pure-insight.com) or call: +44 (0)1325 345 810

## Companies that have Attended Pure Insight Masterclasses Include:

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## All delegates will receive:

- An interactive seminar-workshop format, including lots of question and-answer and discussion opportunities
- Numerous cases studies and illustrations, and examples from other businesses
- Comprehensive workshop materials including, a copy of all presentation materials, examples, templates, guidelines and checklists, Slalom® software
- Lunch and networking break refreshments on both days