Creating new revenues through blue ocean thinking
2010© Aspire

As many businesses find themselves with shrinking revenues and in a challenging competitive marketplace, there is no more important time for organizations to think differently about their sales targets and revenue opportunities. One thing you can count on—the same old thinking gets you the same old results.

Step 1: Start asking different questions if you want to start getting different answers.

Most businesses, as captured in the best selling book by Chan Kim & Renee Mauborgne, Blue Ocean Strategies, fish in the red oceans. These are the oceans where their competition is focused and so the primary successful strategy is to steal market share. When you move your thinking to blue oceans/untapped markets, you open your business up for a sea of new revenue opportunities.

In Blue Ocean Strategies, the authors' focus is on large new market creators like eBay for their pioneering of online auctioning and Apple for their creation of personalized music and the invention of iPods. What is most valuable for the reader is recognizing that blue ocean thinking is a way of doing business. This commitment to rethinking everything is a culture and it can create both large and small revenue streams. In today's challenging economy, what starts out as a small source can become large over time with commitment.

There are a few tips you must understand if you are going to be a blue ocean thinker and create new revenue sources for your business:

1. Understand that there are opportunities right in front of you. For example, Southwest Airlines now offers an online web check-in upgrade as well as an early bird check-in program. Both of these are new oceans as they were untapped revenue opportunities. How did they create these revenue streams? They focused on the challenges of travel and how to minimize them for their customers and make money doing it. You can too!

2. When you stop and think about it, you have resources you are under utilizing and you easily can tap into them and create new revenue sources. For example, at US Airways the only way to get into their Club Room was to buy an annual pass for approximately $300. Now on any given day, they place a sign out in the hallway that suggests you come in and buy a day pass into the Club. You also can buy a day pass when checking in online (convenience for the traveler is a

great tool for blue ocean revenue generation). This approach is also very easy to execute and manage, as on high-demand days they simply don't offer the program.

3. Make your restaurant or social areas the place for guests and locals to work, telecommute and meet. And when you make your public spaces more appealing for business people, you will sell coffee, meals and can offer other amenities that will generate revenues. Starbucks has managed to create an entire community of business people who hang out and work and continue to generate revenue. How? They don't try to get you to leave or seat with traditional turn-the-table thinking of most food-and-beverage operators. They offer reasons to stay and spend, like inexpensive refills, free Wi-Fi (which in some locations they charge for) and enjoyable music from known and unknown artists, which allows them to sell thousands of CDs—stealing sales from music stores.

So what does it take for you to create new oceans for your business?

• Value Innovation—it's a perspective that most people don't have as they are stuck in the way they have always done it.

• Ask different questions

• Look at what is and find what else

• Be disciplined with your team and create and capture new demand sources

• Rethink everything!

Renie Cavallari is CEO and Chief Inspirational Officer for Aspire, an international training and marketing consulting company. To have Renie come speak to your team on how to tap into new markets and create blue oceans, **contact Renie at renie@aspiremarketing.com or call 602-392-0700 or visit www.aspiremarketing.com**