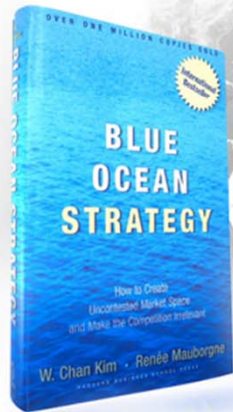


# Blue Ocean Strategy: School Meals



Andy Mudd, Principal  
Consultant

**Key principles: W Chan Kim and  
Renee Mauborgne  
Blue Ocean Strategy Unit: INSEAD**



- Value innovation
- Thinking beyond competition strategy
- Creating new demand
- Finding uncontested market space
- Avoiding commoditisation of product

# Types of businesses



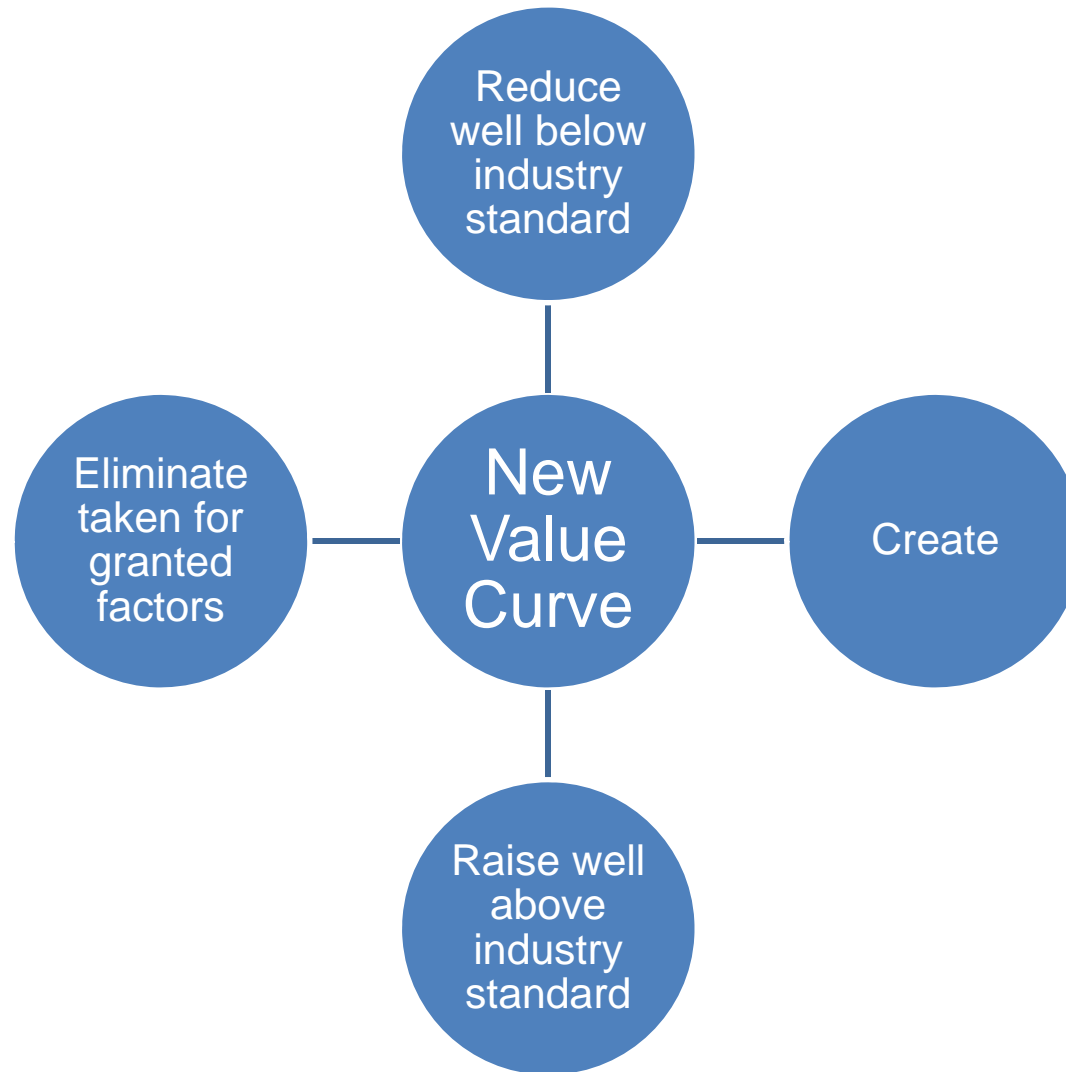
- Pioneers
  - Seeking blue oceans
- Settlers
  - Red ocean competitors
- Migrators
  - More for less

# Key relevance to public sector

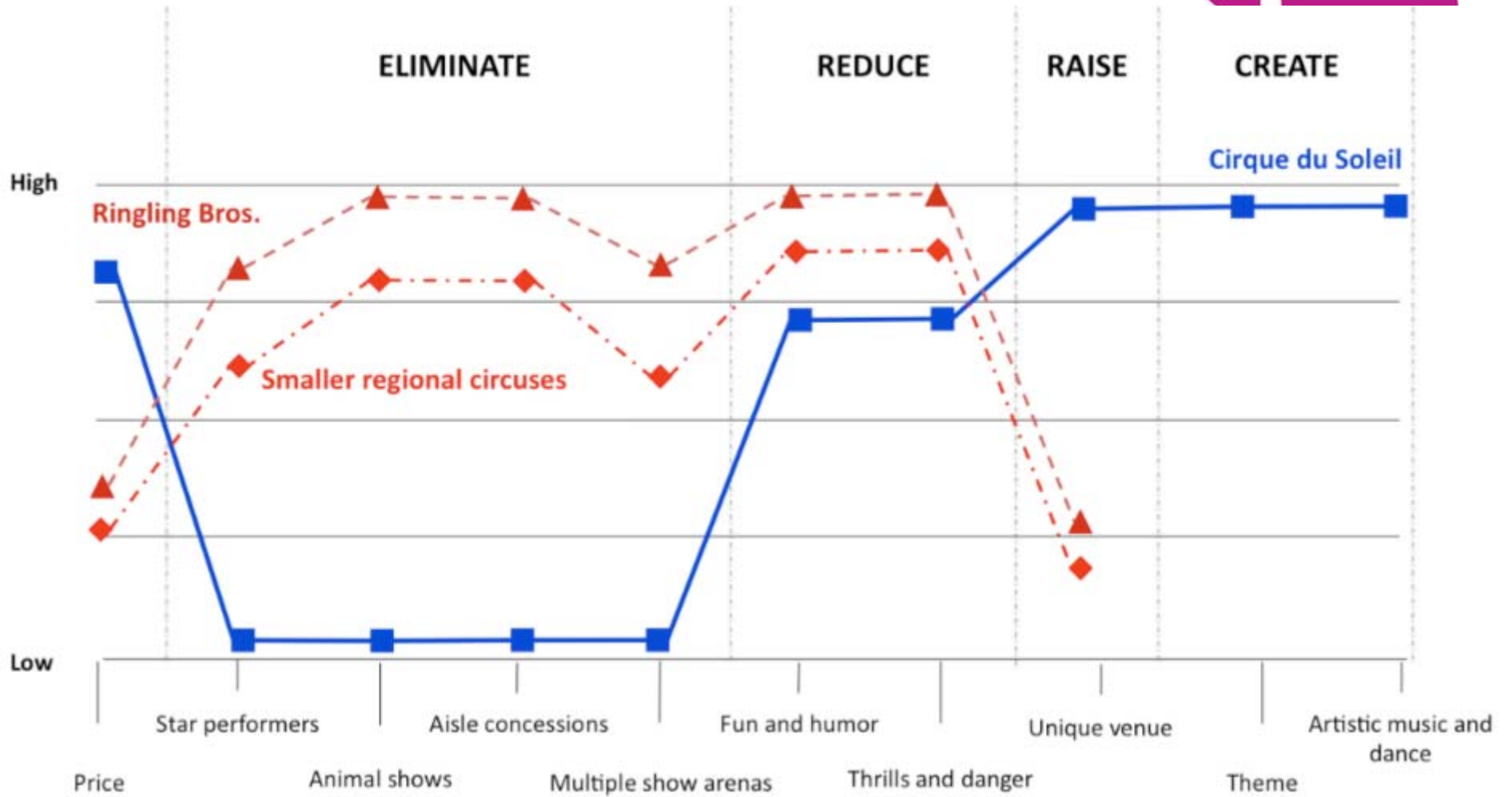


- Blue ocean is consciously concerned with demand side
  - Creating new demand
  - Managing demand through re-focussing
- Transcends marginal savings available on supply side
  - Competition and contestability theory focus on cost control and efficiency – not enough
  - Entrenches current approach to delivery

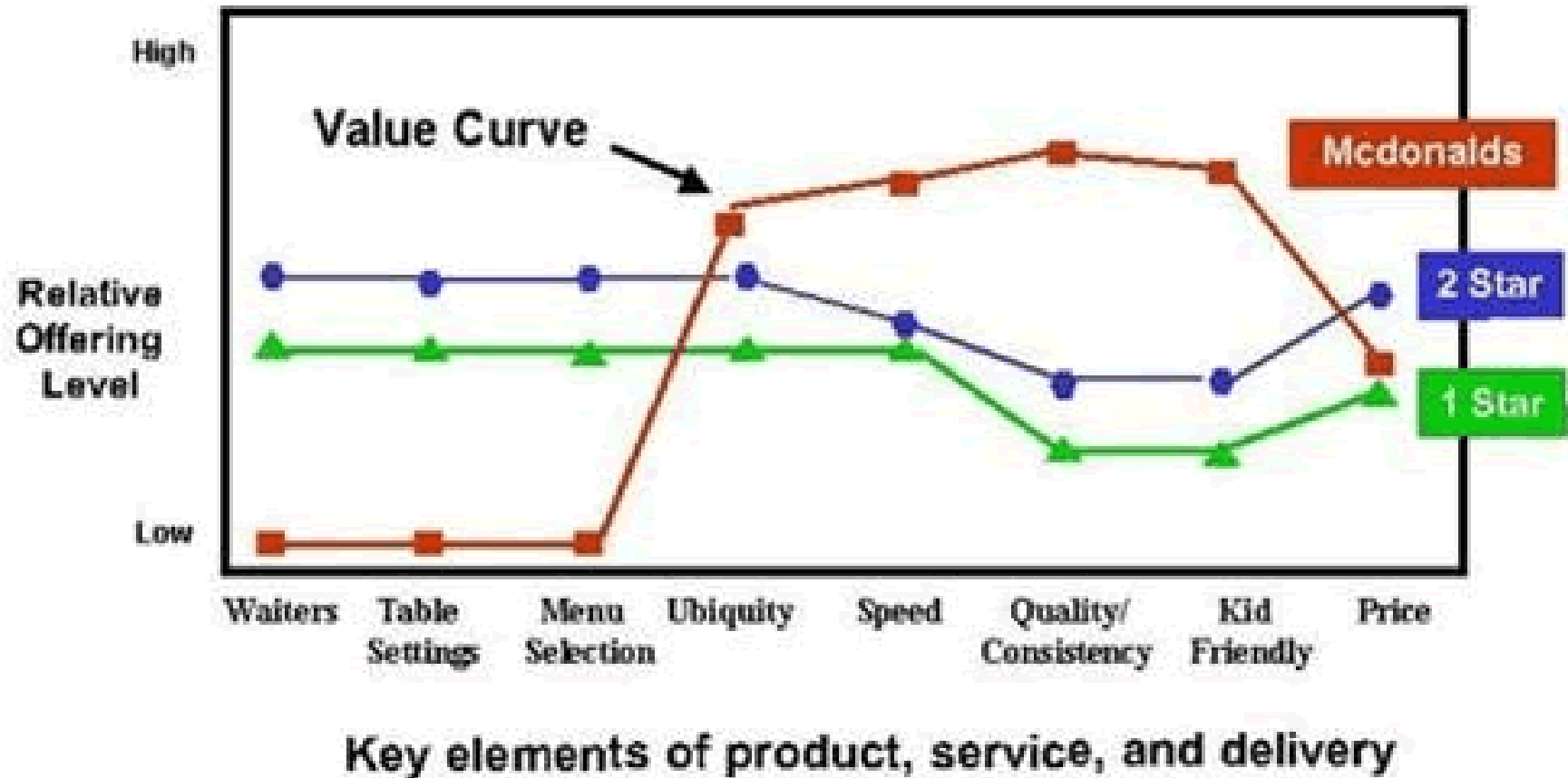
# 4 Action Framework



# Value curve: Cirque du Soleil



# Strategy canvas: McDonalds



# Qualities of blue ocean strategy



- Focus
- Divergence
- Compelling tag-line



# 6 Path Framework



	Head to head competition	Blue Ocean Creation
Industry	Focus on industry rivals	Looks across industry boundaries
Strategic group	Focus on competitive position within strategic group	Looks across strategic groups within industry
Buyer group	Focusses on better serving the buyer group	Redefines the industry buyer group
Scope of product or service offer	Focusses on maximising the value of product within the bounds of its industry	Looks across to complimentary products and service offerings
Functional – emotional orientation	Focusses on improving price performance within existing orientation	Rethinks the functional – emotional orientation of its industry
Time	Focusses on adapting to external trends as they occur	Participates in shaping external trends over time

# To reconstruct market boundaries



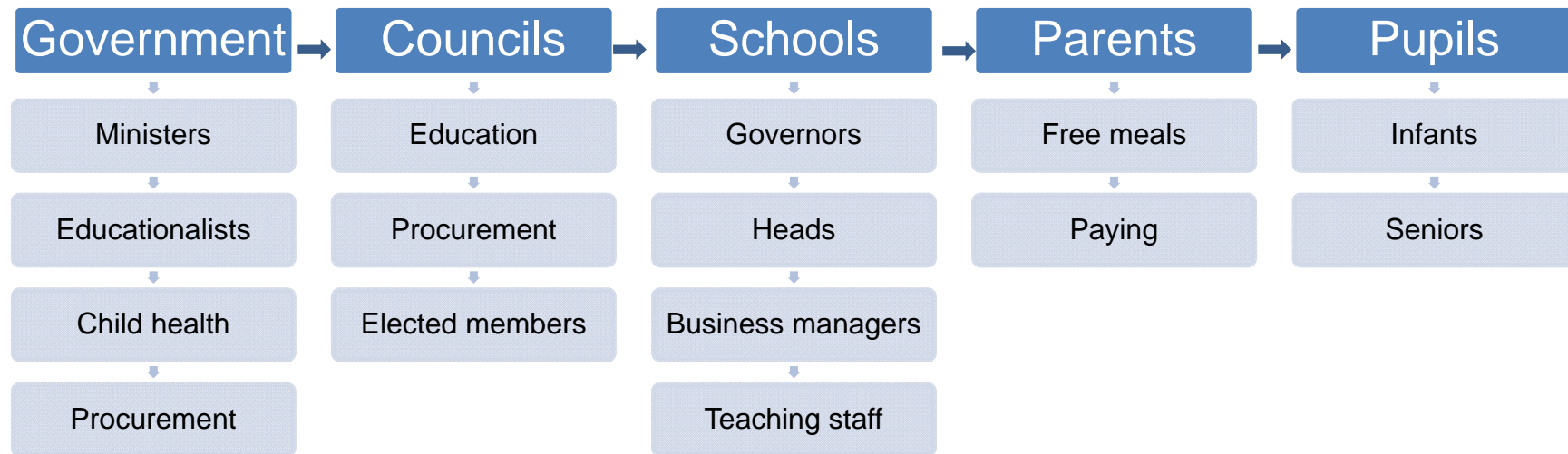
- Look across alternative industries
- Look across strategic groups within industries
- Look across the chain of buyers
- Look across complimentary product and service offerings
- Look across functional or emotional appeal to buyers
- Look across time

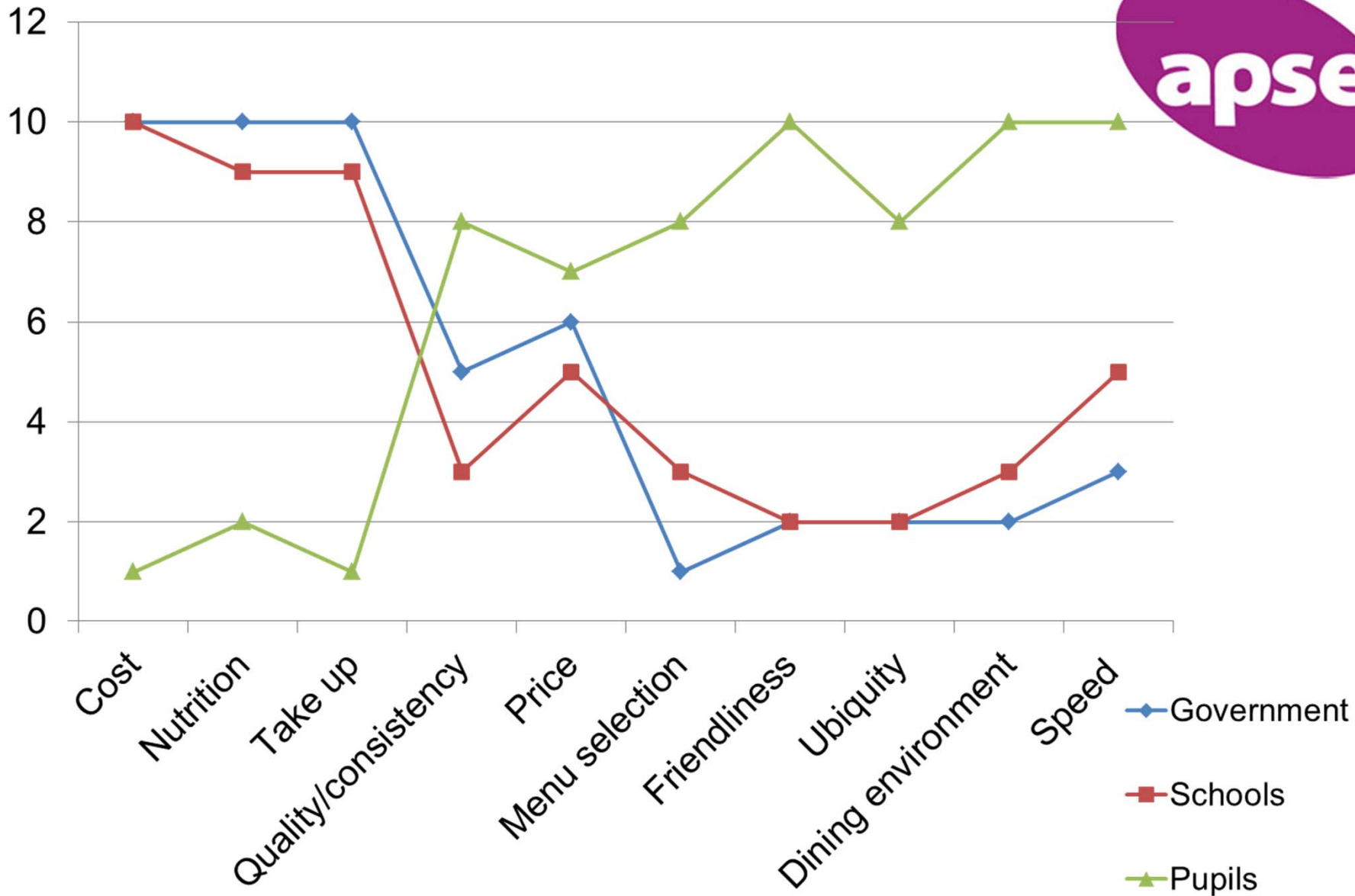
# Application to school meals service



- Key value factors
  - Cost
  - Nutritional quality
  - Take up
  - Quality/consistency
  - Price
  - Menu selection
  - Friendliness of staff
  - Ubiquity
  - Dining environment
  - Speed of service
- Red ocean differentiation factors
  - Process efficiency
  - Salary costs

# Demand chain school meals and sub-chains





Key elements of product service and delivery:  
School Meals

# Reconstruct market boundaries



Look across alternative industries

- Coffee houses
- Home cooking
- Shopping
- Social media

Look across strategic groups within industries

- Fast food outlets
- Supermarkets
- Packed lunches

Look across the chain of buyers

- Government
- Schools
- Pupils
- Parents

Look across complimentary product and service offerings

- Cleaning/FM services
- Education/children's services
- Health
- Local environment, cleansing, police

Look across functional or emotional appeal to buyers

- Why do kids like to eat at McDonalds?
- Or should we be thinking about Wagamama?
- Or just eat?
- Links with social media

Look across time

- Child health issues
- Education issues
- Changing fashion

# 4 Action Grid



**Eliminate**

Stigma of free meals  
Children going off-site for lunch

**Raise**

Friendliness of staff  
Dining environment  
Speed  
Similarity to preferred eating venues  
Take up  
Links with community

**Reduce**

Queuing  
Price  
Cost  
Food waste  
Lunch time problems for surrounding area

**Create**

Free wi-fi  
Pre-ordering  
Emotional attachment - branding  
Ubiquity

# Red v blue ocean strategy



## Red ocean

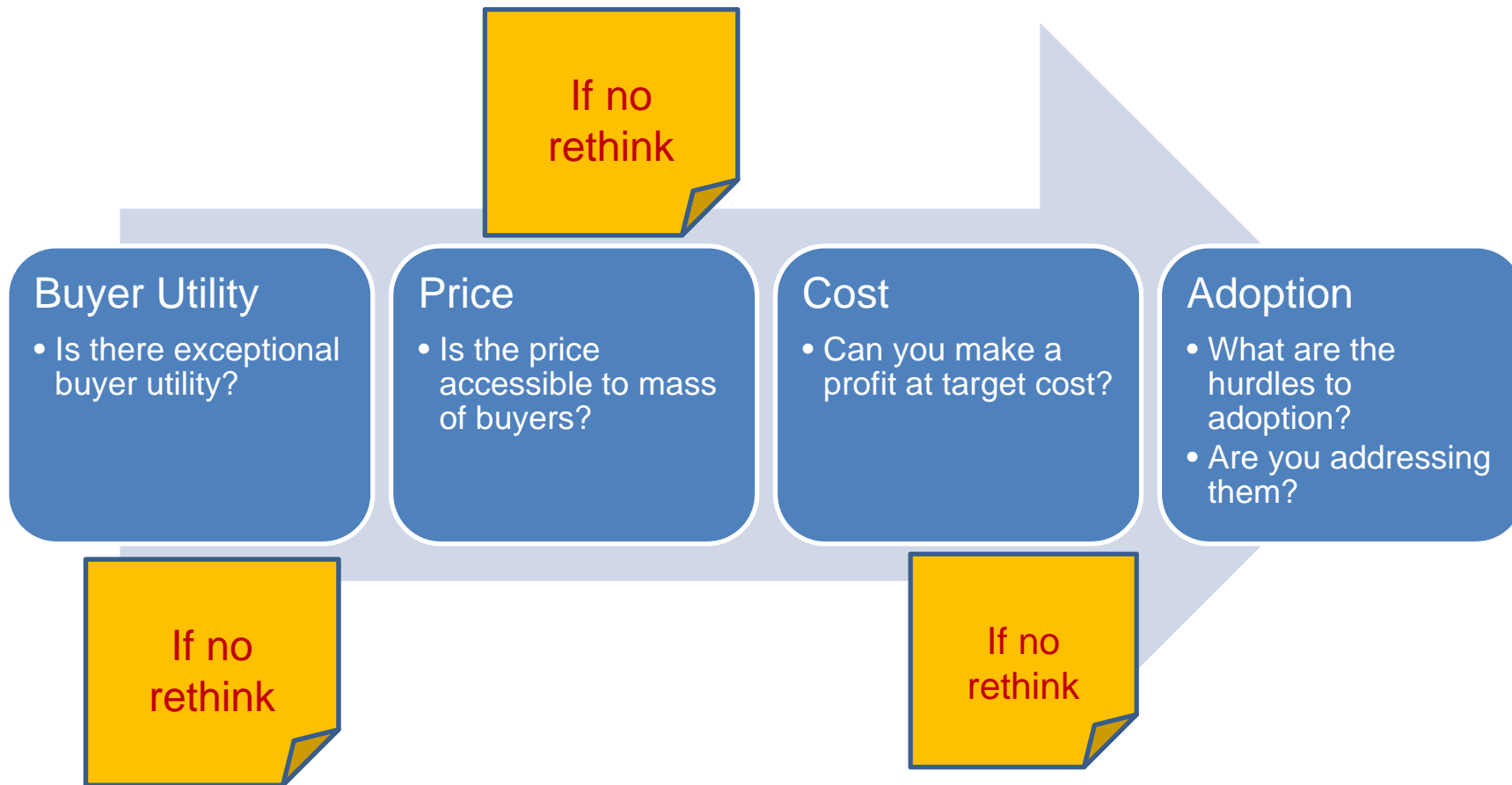
- Chips and pizza
- Cheapest ingredients
- Functional environment
- Producer focussed
- Control oriented
- Reinforce poor eating and food negativity
- Declining market share

## Blue ocean

- Healthy food
- Attractive food
- Quality ingredients
- Diner (child) focused
- Dining environment purposely designed
- Positive reinforcement and nutritional education
- Role in change



# Sequence of Blue Ocean Strategy



# Buyer Utility Map



Six stages of buyer experience cycle

	Purchase	Delivery	Use	Supplements	Maintenance	Disposal
Customer productivity						
Simplicity						
Convenience						
Risk						
Fun and image						
Environmental friendliness						

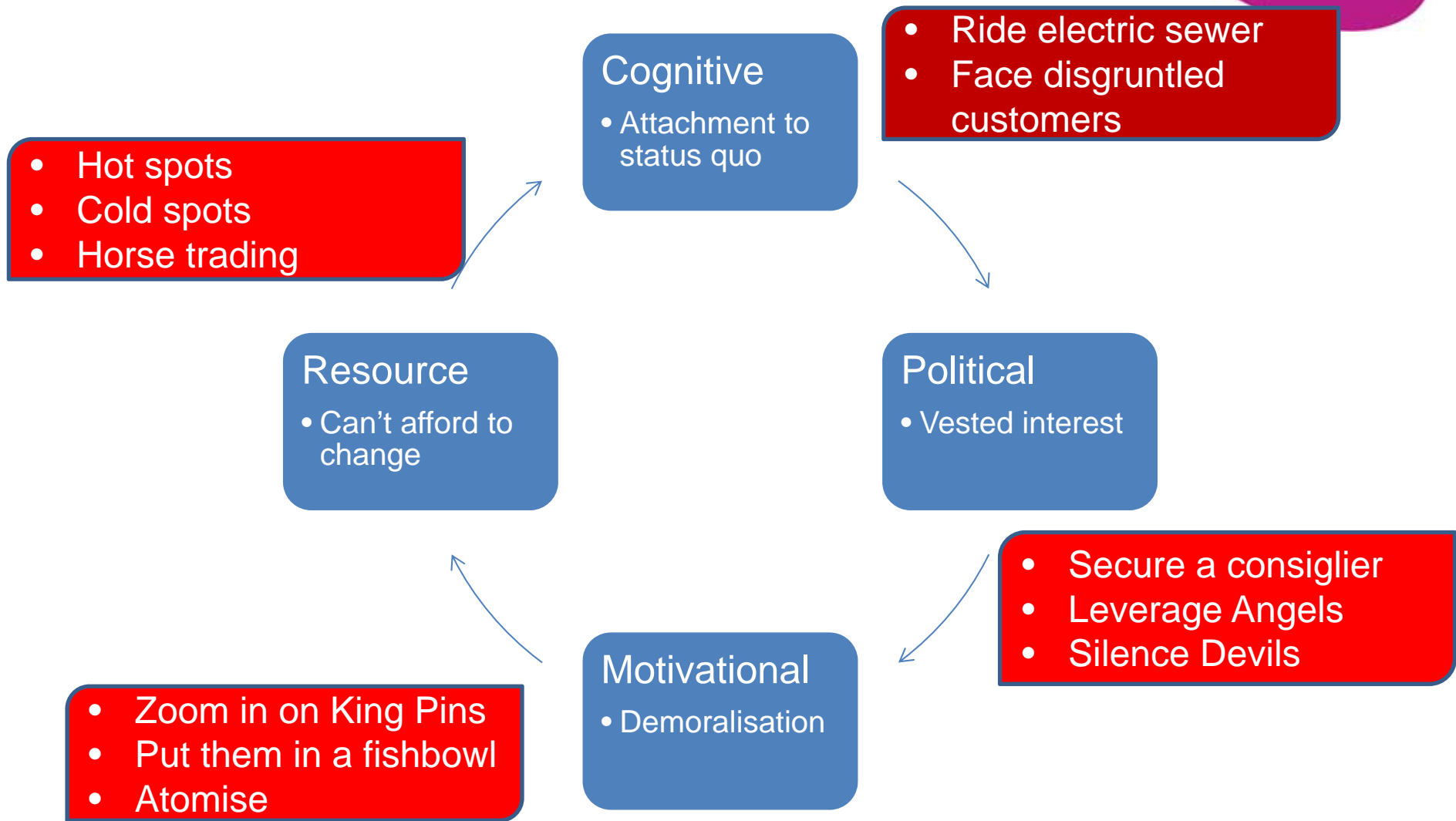
Six utility levers

# Making change happen



- Factors of disproportionate influence
  - People, acts, activities
- Fair process
  - Keeping the workforce on board
  - Stakeholder analysis (power/influence)
- Focus divergence
  - Functional to emotional
  - Demand chain
- Compelling tag line
  - Marketing

# Hurdles to overcome



# Making change happen

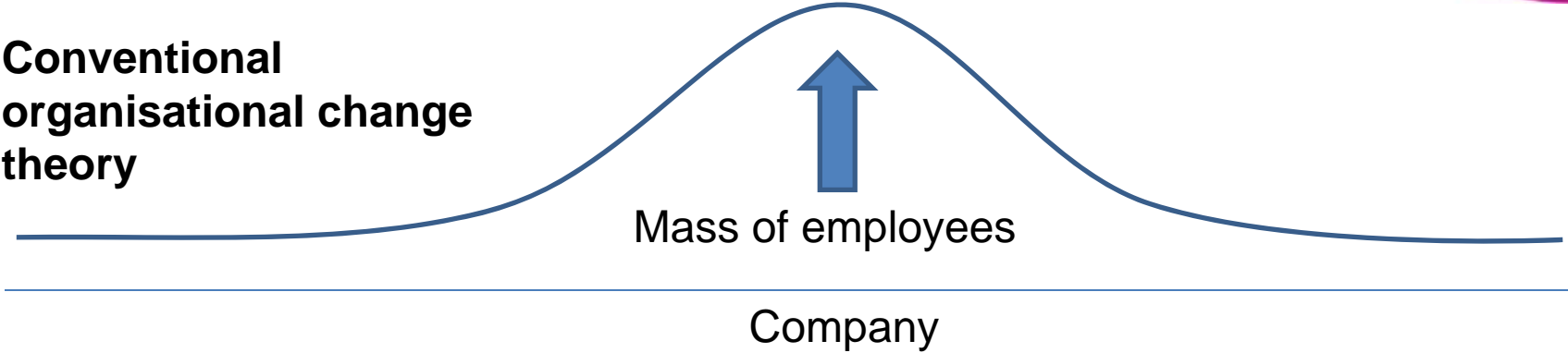


- Kingpins
  - Key organisational influencers
- Fish bowl management
  - Transparency
  - Inclusion
  - Fair process

# Focus on what matters

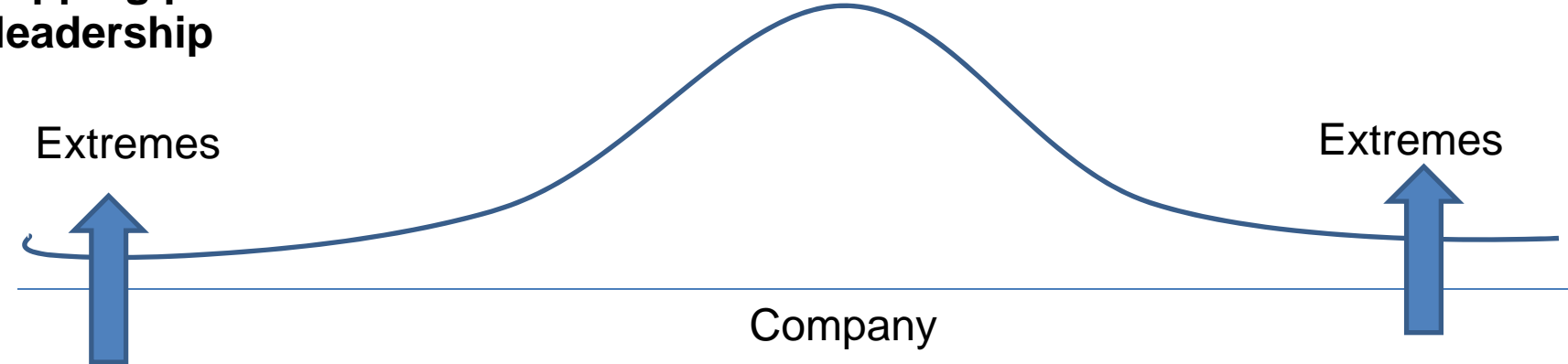


**Conventional organisational change theory**



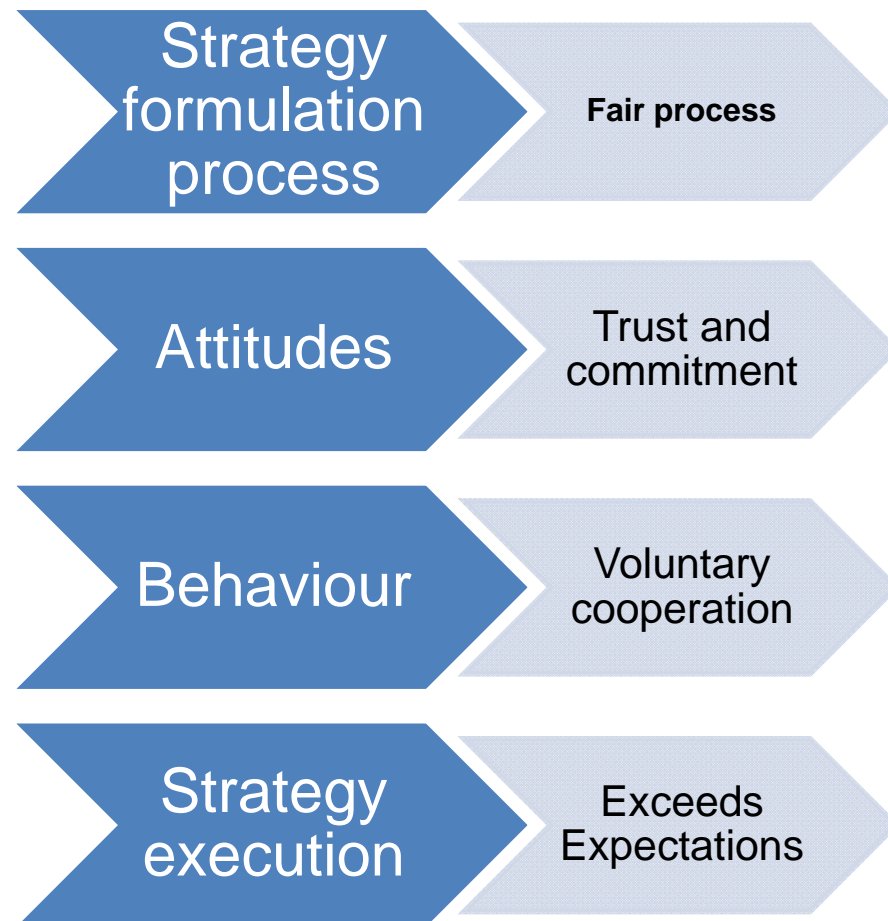
Focus on changing the mass – time and resources hungry

**Tipping point leadership**



Focus on extremes – peoples, acts, activities of disproportionate influence

# Influencing attitudes and behaviour through Fair Process



# Understanding Demand

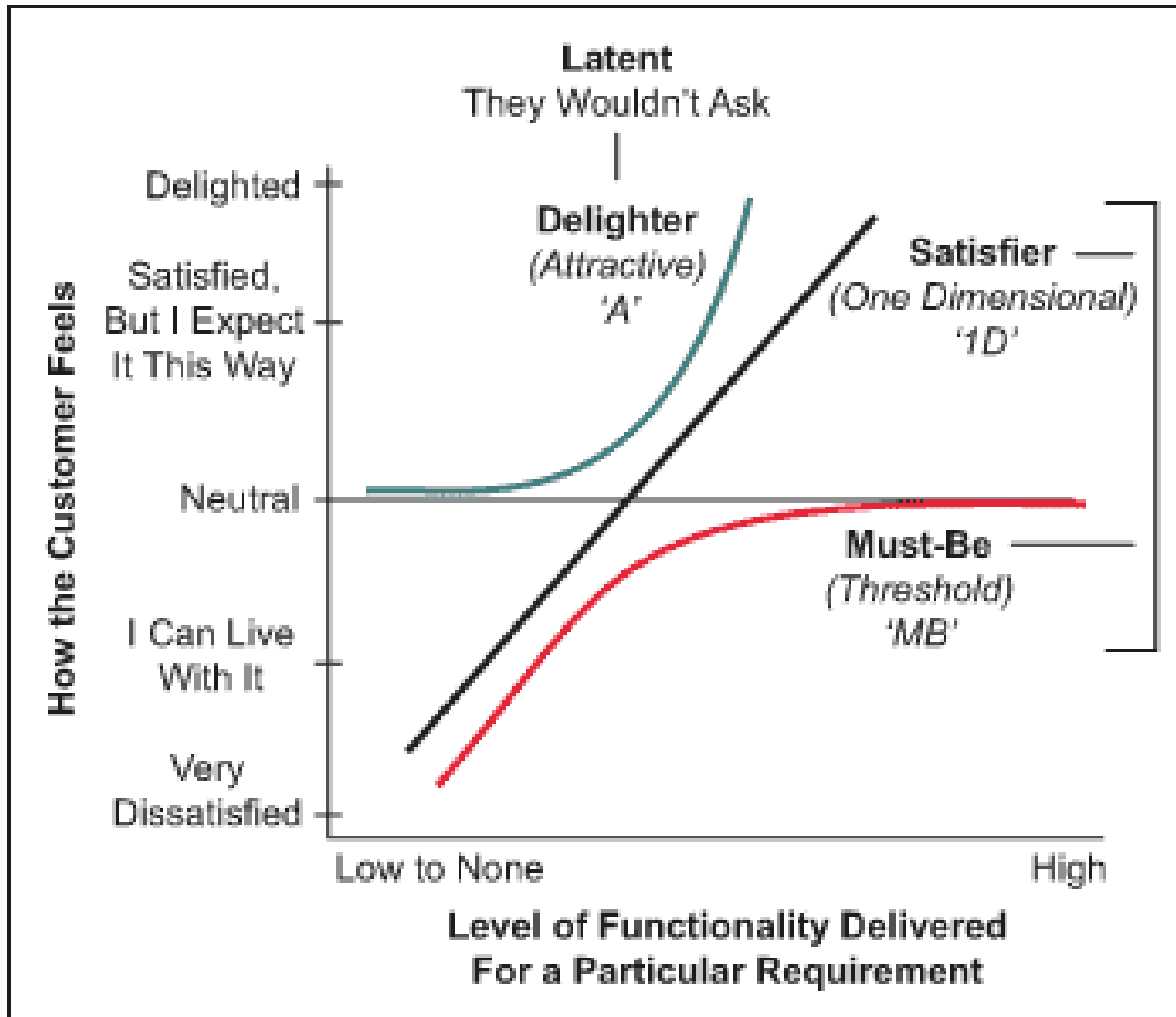


‘Giving the people what they want is fundamentally and disastrously wrong. The people don’t know what they want...(Give) them something better’

Samuel ‘Roxy’ Rothapfel



# Kano analysis





# Contact details

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