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Portrait™ reports provide a brief focus on a single issue, pushing all other issues into the background. Sometimes used as a brief introduction to a larger topic area

VALUE GENERATION: THE STRATEGY C'S NOW INCLUDE CREATIVITY AND CUSTOMER EXPERIENCE

The Important

- Since the 1960's, strategy, and more specifically the large management consulting companies, have focused on the three C's: cost, customers, and competitors (source: "[Lords of Strategy](#)")
- The three C's remain relevant today
- However, two newer C's have emerged as important areas of advantage: creativity and customer experience
- Half of success is being in the right place at the right time, or in strategy terms, in the right market at the right time: market attractiveness
- The other half, is what you do with that opportunity: the five C's
- The combination of five C execution and the attractiveness of a market determines the net value generated by a company

CALL TO ACTION

- Today's strategy professional needs to drive their company/client into attractive markets in addition to baking into the five C's.

VALUE GENERATION FRAMEWORK

Strategy is no different than anything else, it can be as simple or complicated as you want it to be / as simple or as complicated as needed to create an aligned execution plan. Driving long term strategic synergies requires a simple framework on which to systematically focus. In this Portrait™ report, we introduce a framework that is as simple as it can be.

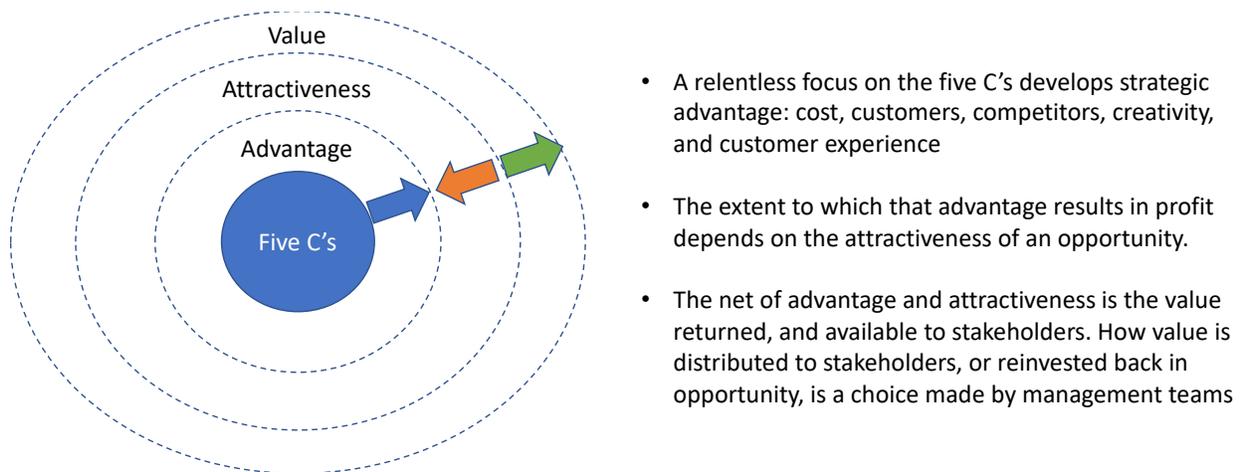


Figure 1. Value Generation Framework. Source: bohcaY LLC.

The Value Generation framework both acknowledges the historical focus of strategy, in addition to including two newer dimensions, which are now becoming widely recognized as necessary to outsized performance, and in some cases, may even be necessary for survival - creativity and customer experience. We would speculate, that as the other three C's have been baked into strategy for a few decades already, these additional two C's are newer areas for companies to find advantage. If not advantage, at least in the case of customer experience, parity, because the example set by cloud service companies has reset the expectations customers have for all companies serving them. Many companies are not going to survive in the long run if they do not act on the new realities of customer experience expectations.

CUSTOMER EXPERIENCE

In a world of growing digital transformation, few industries can afford to ignore the new reality of how customer experience expectations have changed. Expectations have changed, even for B2B companies, because of the experience everyone is having, with cloud services companies. Not only is the initial

experience provided by cloud services companies transformative, the information collected by these companies, and the analytics performed, keeps the transformation moving forward. This is one explicit advantage that cloud services companies have over on-prem software/hardware companies, who may be able to achieve the same thing, in sectors where off site transfer of information is not prohibited but have historically not done so. Customer experience is something cloud service companies have shown there was huge opportunity to transform, and by showing that, it has become one of the drivers for digital transformation in other industries.

CREATIVITY

The best way to compete in the future, is to create the future. Creating the future is the function of creatives. Those people who can penetrate beyond today's noise, see unmet needs, and incisively address those needs, with a compelling vision, within whatever resource envelope exists / they can create. At the outer edges of the creativity spectrum are people who deliver products and services that the customers did not even consciously realize they needed. Is creativity an accident, a rare gift from the gods, a systematic process, or the manifestation of a specific type of culture? These are the types of questions that strategists and management teams must ponder, if they want to achieve breakaway success.

CONCLUSION

This has been a brief introduction to value generation as the net of advantage and attractiveness, where advantage is achieved through a focus on the five C's: cost, customers, competitors, customer experience, and creativity. Future work will flesh out this framework in more detail, and also provide applications of the framework.