Managing for the Long Run

S-curve in Technology

Who is shifting the S-Curve? Start-ups (new ones)
Established firms: • no incentive to introduce new technology (lower performance, existing consumer base, lower margin etc.) • Investments in existing technologies • Products based on the new technology cannibalizes established firm’s sales (extra cost and no extra revenue) • Do incremental changed once threat comes • Organizational obstacles when changing the core technology

The Life Trajectory of Technological Revolution

3 Stages of Innovation: Utterback-Abernathy Dynamic Model

Fluid phase (b4 establishment of DD): start-ups have lower entry barriers; can operate on small scale; can operate w/o adopting the same design as established firms

Red Ocean vs. Blue Ocean Strategy

(1) 6 Path Framework to get to Blue Ocean Strategy

(2) Cost-overlapping Buyer Value = Value Innovation

(3) Four Actions Framework: ERRC

Blue Ocean Strategy Canvas

Factors of Competition