

Our goal for this week



At the end of this week you will be able to:

- ✓ Understand the major considerations for choosing your Primary Market Opportunity
- ✓ Understand which options are suitable for growth, or for backup
- ✓ Design your **Agile Focus Strategy**

Which markets to play in?

So, the innovators challenge is really about focusing and remaining agile at the same time, and this underlying theme is very present in this fourth week, we have designed this fourth week to pursue three main goals number one we want you to understand what your focal opportunities, what is the market opportunity that you're going to focus on? That you're going that is most attractive, that is most creating most value for you. Second, we want to understand, help you understand how to create a smart portfolio of options around this focal opportunity, meaning options that could be growth options, could be backup options ultimately options that will help your venture to become more agile, and ultimately the goal of this week is to design with you the agile focus strategy.

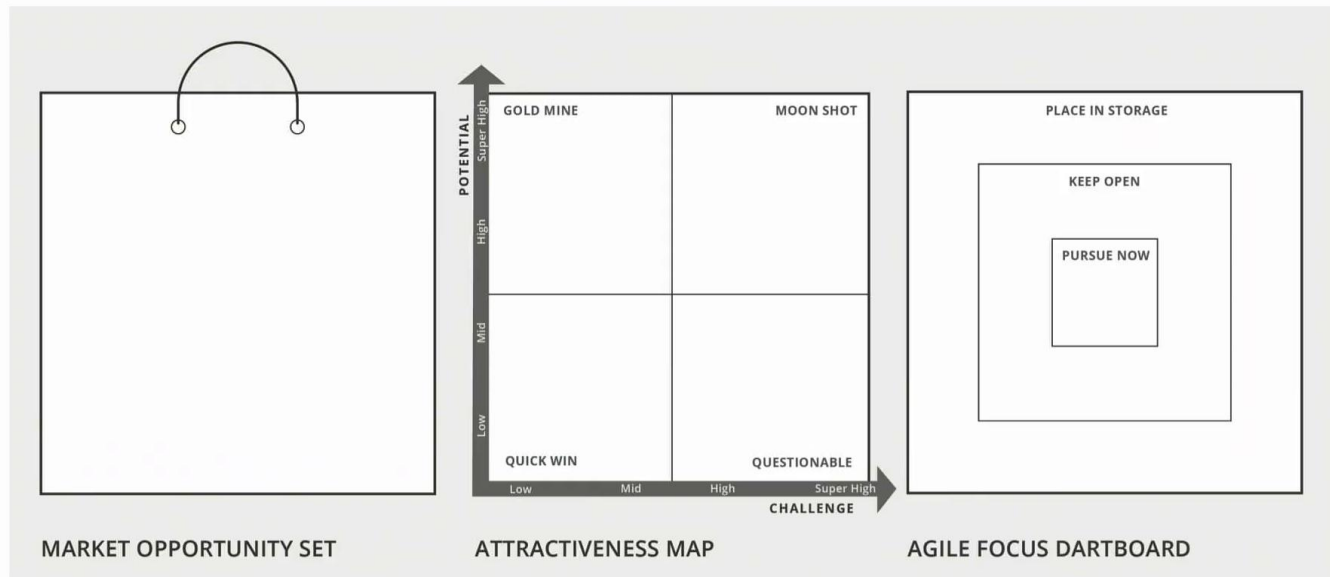
Notes

Summary



0m 04s

The Market Opportunity Navigator - 3rd step



Which markets to play in?

As you remember we are now in the third step of the market opportunity navigator, this third step ends up in a key box which is called the agile focused dark part and as the word dark part already suggests, there is a focus, there's is a target in the middle of the focal opportunity. The opportunity that you want to pursue now, there are other options that you just want to keep open where you invest a little along these lines of the real options thinking that I was pointing out before, and there are other options still that you want to place and store the rest. Options that you don't do anything about right now, but they out there they might be valuable at some point, so you don't want to forget about them, you want to keep them in mind.

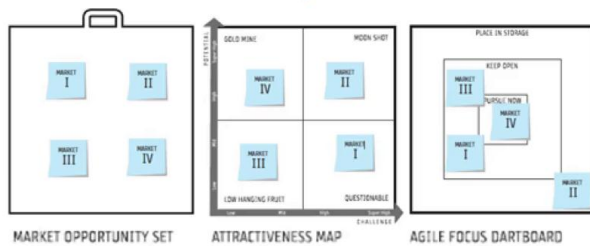
Notes

Summary



0m 57s

The Agile Focus Strategy



Why is it important?

The **Agile Focus Strategy** enables you to hedge your risks and to leverage your competences at the same time, thus allocating your resources more effectively and avoiding a potentially fatal lock-in. It has significant implications for how you build and design your venture.

Which markets to play in?

So, the agile focus strategy is really the outcome that is depicted on this agile focused dark part, the third step of the opportunity navigator so what is it? It's a strategy that balances this tension between focus and flexibility, by consciously keeping open other market options you know? Those that will allow you to mitigate your risk the fallback options, your plan "B" and second increase your value with minimum effort, the growth options that will allow you to explore more of your market opportunities of your technology over time, why is this important? The agile focused strategy enables you to hedge your risk and to leverage your competences at the same time, thus allocating your resources more effectively and avoiding a potentially fatal locking into an options, that might not be viable in the end or that might not produce the value that you have hoped for in the end. It has significant implications for how you build and design your venture; remember what I just mentioned about DNA and designing the DNA of your venture in the previous segment. So, how is it done?

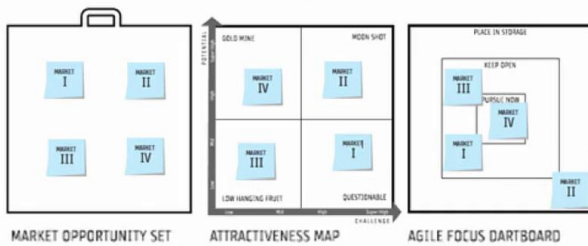
Notes

Summary



1m 46s

The Agile Focus Strategy



How is it done?

Choose your Primary Market Opportunity and analyze which other options are suitable for growth, or for backup, based on their attractiveness and their relatedness to your primary market.

Decide which options should be pursued in parallel, kept open for later, or put aside for now.

Which markets to play in?

It's actually a pretty straightforward process that we are going to walk you through during this week, but in a nutshell it's about trying to understand what your focal opportunity is, trying to understand then the other options, how attractiveness they are, how related they are to the focal opportunity. Based on this assessment you're trying to understand essentially what a good backup and what a good growth option could be for your venture, and then you're going to decide whether you pursue this options now, you pursue them later on you know? You keep them open for later or you put them aside for now.

Notes

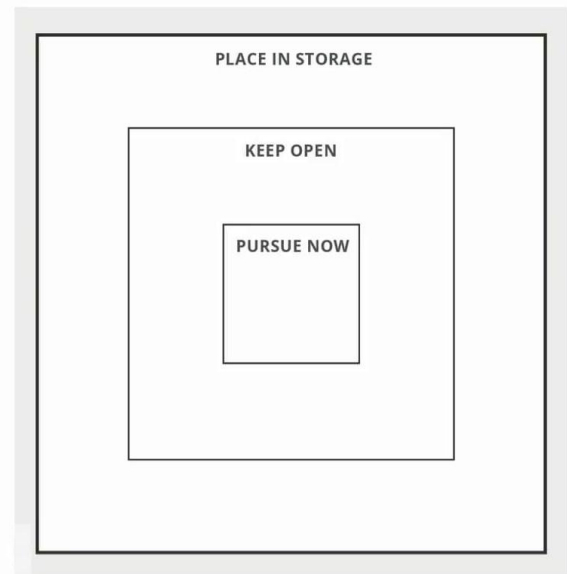
Summary



The Agile Focus Dartboard

Define your Agile Focus Strategy:

- The market opportunities that you pursue now
- The opportunities that you keep open as growth or backup options
- The opportunities that you place in storage



Which markets to play in?

So, when you define your agile focused strategy this actually means you're going to decide upon which options you are pursuing now, which options you are keeping open for later, and which options you're putting in storage.

Notes

Summary



3m 39s

Worksheet 3 will guide you through this process

WORKSHEET 3
DESIGN YOUR AGILE FOCUS STRATEGY

NAME _____ DATE _____

Build an agile portfolio around your Primary Market Opportunity to mitigate your risk and increase your value with minimum effort

- Choose a Primary Market Opportunity to focus on (based on the Attractiveness Map)
- Pick other attractive market opportunities from your set, to examine possible Backup and Growth Options
- Keep at least one Backup Option and one Growth Option open.
You can decide to pursue some options now. Place the rest in storage

Relatedness to your Primary Market Opportunity:			
PRODUCT RELATEDNESS To what extent do the products share: technological competences, required resources, necessary networks			
MARKET RELATEDNESS To what extent do the customers share: values and benefits, sales channels, word-of-mouth			
BACKUP OPTION Attractive market opportunities that do not share major risks with your Primary Market Opportunity to allow for a change in direction	☐ Backup	☐ Backup	☐ Backup
GROWTH OPTION Attractive market opportunities that allow your business to create additional value	☐ Growth	☐ Growth	☐ Growth

Pursue now

Keep open

Place in storage

Pursue now

Keep open

Place in storage

Pursue now

Keep open

Place in storage

Mark your strategy on the Agile Focus Dashboard.

© Copyright 2016 by Sharon Tal and Marc Gruber. All rights reserved. This material may not be reproduced

Which markets to play in?

In order to understand how you arrived at this outcome, we have designed a very straightforward worksheet that helps you make this decision; this is a worksheet that flows from the upper part to the lower part. First, you're going to choose your primary market opportunity. Second, you are going to put other attractive options on this sheet as well, other attractive options that could be potential backup and growth options that needs to be decided. Then you're going to assess relatedness of those other options to your primary market opportunity, relatedness in terms of product relatedness and market relatedness this is a very important dimension as I will explain later on in more detail, because it allows you to assess how difficult and how resource intensive it will be to actually move into these other domains area. So, relatedness is important, I mentioned and then you are going to assess whether these options would be good backup options or your good growth options, and then finally you're gonna decide on whether you want to pursue these options now, keep them open for later or place them in storage. So, it's a pretty straightforward process that I will walk you through during this weekend as well, but this is a snapshot this is in a nutshell what it will be about.

Notes

Summary



The main take-aways from this step

- Designing a smart portfolio actually helps you to build and maintain your cognitive flexibility
- Don't rush your focus decision: take your time to investigate and to make a careful decision
- Letting go of potentially interesting opportunities is often the most painful part
- There is rarely a 'perfect' market opportunity



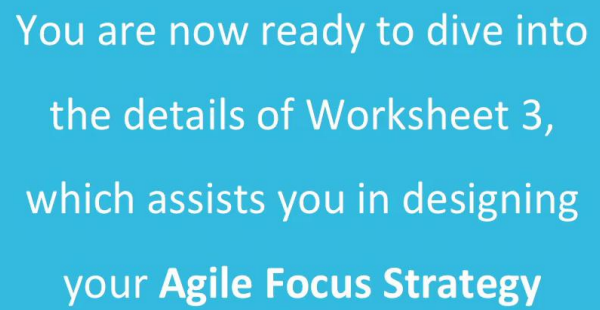
So, the main takeaways from this step from the third step of the market opportunity navigator, will be your smart portfolio of options, which will help you to build and maintain your cognitive flexibility you're not only focusing on this one opportunity, but you have multiple in mind what we want to suggest to you is not to rush this decision. It's a very important decision for your venture so take time to investigate and make a careful decision you know? This is such importance as I pointed out whether it's about the revenue and value creation potential and it's about shaping the DNA of your venture. It also means and this is potentially a very hard part because; some of these opportunities might be dear to your heart, it means letting go of opportunities you know? Saying goodbye to opportunity so you can place them in storage, if you think they are worthwhile you maybe consider that at a much later point in time, but this is a painful part and we are aware of this. And also keep in mind there's really the perfect market opportunity you know? They all come with some pros and cons they all, but trying to understand exactly which pros and cons they come with and what that means for your commercialization effort, is actually of key importance you know?

Notes

Summary



5m 15s



So, now you're ready to dive into the details of worksheet 3 and this worksheet will help you in designing your agile focused strategy.

[illegible]

Summary



