

Value Discipline/Proposition Examples

	Operational Excellence	Customer Intimacy	Product Leadership
Value Proposition	<ul style="list-style-type: none"> • They provide the best price and hassle-free experience 	<ul style="list-style-type: none"> • They provide the solution best tailored to my needs 	<ul style="list-style-type: none"> • They offer the most innovative products and services
Product	<ul style="list-style-type: none"> • Their products are simple (to use / understand) and standardized • Their products consistently provide high performance and meets my expectations 	<ul style="list-style-type: none"> • Their products can be easily customized and/or combined with other (including third party) products • They customize their offerings to ensure that I get what I need 	<ul style="list-style-type: none"> • They have superior products and they are continually striving to improve • I expect new products and great innovations from them all the time • Others' offerings feel like a "knock off"
Price	<ul style="list-style-type: none"> • They have the lowest total cost • They provide good value 	<ul style="list-style-type: none"> • While their price is not the lowest, the price doesn't matter because I get precisely what I need 	<ul style="list-style-type: none"> • While their price is not the lowest, they are the only ones offering the products I desire
Convenience	<ul style="list-style-type: none"> • It's easy to do business with them because they are hassle-free and I know exactly what to expect 	<ul style="list-style-type: none"> • On a case-by-case basis, they can make exceptions to provide enhanced service for me 	<ul style="list-style-type: none"> • I am willing to make an extra effort to obtain their products
Service	<ul style="list-style-type: none"> • The people I deal with are knowledgeable and courteous • They are efficient and able to help me as long as I need one of their standardized offerings • The service is very predictable 	<ul style="list-style-type: none"> • They are my partner and I depend on them heavily to anticipate, understand and meet my needs • I work with the same person or group of people every time I need service • They know everything about my needs and frequently contact me proactively if they can make my life easier 	<ul style="list-style-type: none"> • The people I deal with are extremely knowledgeable about their products and courteous (but less knowledgeable about me) • They are very good at helping me understand the features of their products (but I have to figure out how fit the solution to my situation)
Impression	<ul style="list-style-type: none"> • I am a shrewd shopper 	<ul style="list-style-type: none"> • I am special 	<ul style="list-style-type: none"> • I am on the leading edge

Operating Model Examples

	Operational Excellence	Customer Intimacy	Product Leadership
Key business processes	<ul style="list-style-type: none"> • Delivery process “codification”, delivery process management • Emphasize reliable, convenient, and consistent delivery of standard products/services 	<ul style="list-style-type: none"> • Customer knowledge and relationship management, mass-customization production • Emphasize flexibility and responsiveness 	<ul style="list-style-type: none"> • Product development, marketing / market communication • Emphasize time-to-market, branding
Organization and skills	<ul style="list-style-type: none"> • Central authority, low level of empowerment • High skills at the core of the organization 	<ul style="list-style-type: none"> • Empowerment close to point of customer contact • High skills at boundary of the organization 	<ul style="list-style-type: none"> • Ad hoc, loose authority, organic and cellular • High skills abound in loose-knit organization
Management systems	<ul style="list-style-type: none"> • Transaction profitability • Command and control, SOPs • Quality management 	<ul style="list-style-type: none"> • Customer lifetime profitability • Customer satisfaction / share of wallet driven 	<ul style="list-style-type: none"> • Product lifecycle profitability • Rewarding individuals’ innovative capacity • Risk taking encouragement / exposure management
Information and I/S	<ul style="list-style-type: none"> • Integrated, low-cost transaction systems • The system is the process 	<ul style="list-style-type: none"> • Production system reflecting specific customer requirements and specifications • Technology enabling customization 	<ul style="list-style-type: none"> • Person-to-person communication systems • Technologies enabling collaboration / innovation
“Rules” and norms	<ul style="list-style-type: none"> • Process-driven • Conformance, “one size fits all” mind-set 	<ul style="list-style-type: none"> • Customer-driven • Variation and “have it your way” mindset 	<ul style="list-style-type: none"> • Concept, future-driven • Experimentation and “out-of-the-box” mind-set