REFRAMING and IDEATION
Zooming in and out

• "If I had an hour to solve a problem and my life depended on the solution, I would spend the first fifty-five minutes determining the proper question to ask, for once I know the proper question, I could solve the problem in less than five minutes.”

*Albert Einstein*
The Elements of Value Pyramid

Products and services deliver fundamental elements of value that address four kinds of needs: functional, emotional, life changing, and social impact. In general, the more elements provided, the greater customers' loyalty and the higher the company's sustained revenue growth.

SOCIAL IMPACT

Self-transcendence

LIFE CHANGING

Provides hope  Self-actualization

Motivation  Heirloom  Affiliation/belonging

EMOTIONAL

Reduces anxiety  Rewards me  Nostalgia  Design/aesthetics  Badge value

Wellness  Therapeutic value  Fun/entertainment  Attractiveness  Provides access

FUNCTIONAL

Saves time  Simplifies  Makes money  Reduces risk  Organizes  Integrates  Connects

Reduces effort  Avoids hassles  Reduces cost  Quality  Variety  Sensory appeal  Informs

SOURCE: © 2016 BAIN & COMPANY, INC.
Laundry List of Value Elements

- Freedom
- Convenience
- Speed
- Affordability
- Status
- Reliability
- Safety
- Hygiene
- Entertainment
- Loyalty
- Legacy
- Sense of Belonging
- Pride
- Variety
- Piece of Mind
- Confidence
New Value Curve

**Raise**
Which factors should be raised *well above* the industry’s standard?

**Eliminate**
Which factors that the industry has long competed on should be eliminated?

**Reduce**
Which factors should be reduced *well below* the industry’s standard?

**Create**
Which factors should be created that the industry has never offered?
Strategy Canvas – Trader’s Joe

Factors the industry competes on

How much industry invests in

Low | Medium | High

- Price
- National Brands
- Choice of Package Size
- Store Space
- Sales & Coupons
- Advertisement
- Proximity of Stores
- Friendly Staff
- Exclusive Int. Food
- Fun/Adventure

Industry
Trader Joe’s
Disrupting Elements of Value

Industry Standards
Car Rental

• Centralized Location
• Paperwork
• One day
• Focus of drivers >24
• Standard vehicle offering

ZIP CAR

• Decentralized Location
• 100% on line
• Per hour
• Focus of college students
• Cool car models
Disrupting Elements of Value

Fiction Editorial Industry

• Best Sellers Centric
• Variety
• Traditional Outlets
• High Margin
• Driven by the author’ reputation

Harlequin

• No Best Sellers
• Standardization
• Drugstores/Supermarkets
• High Volume
• Product Lines
• Variety
Disrupting Elements of Value

Traditional Snack Business

- Shelf availability
- Product
- Standard
- Product

Naturebox

- Customized
- Selection
- Convenience
- Service
- Consistency
- Variety
- Novelty
Exercise

• What are the current INTANGIBLE value elements for Walmart? Define at least 7 (composition of value proposition) for the following locations and market segment:

  • Team 1: Single Mothers, Low to middle income
  • Team 2: Families with 2 or more children, Low to middle income
  • Team 3: Families with 2 or more children, middle to high income
Exercise (con’t)

• Determine the importance of every value element, and assign a particular value between 0 and 100 (ideal curve)

• Note:
  • Be as specific as you can
  • Focus on intagibles
  • Avoid quality or service as elements of value (too generic)
# Trade Offs and Opportunities for Innovation

## Links Across Elements of Value

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The diagram illustrates the relationships and potential trade-offs and opportunities across different elements of value (Ev1 to Ev7). The darker areas indicate stronger links, suggesting areas that may require more focus or consideration for innovation.
## Trade Offs and Opportunities for Innovation

### Links Across Elements of Value

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CONTEXT MATTERS!

The Joshua Bell Experiment:

Video 1: The Metro Experiment

Video 2: The Interview

Video 3: empathy Paul Parkin

The Emergence of Tribal Leadership
REFRAMING

• Beyond outside the box
• Art without a frame?
• Original Perspective
• Zoom in Zoom out
• Interpretation of things and situations
• Understand our filters
• Confirmation Bias
REFRAMING

OUR THINKING GETS IN THE WAY!
**User:** Kids with cancer.

**Need:** Play and have fun. Feel like a normal child.

**Insight:** Kids participate in everything once they perceive it as an adventure.

"How might we turn MRI scans for children (fearing »medical treatment«) into an adventure?"
User: Young moms in poor rural areas in developing countries.
Need: Always carry baby close to body equals being a good mother.
Insight: Low cultural acceptance in many countries to «leave babies alone» (e.g. in incubators).

“How might we create an non-electrical infant incubator that keeps babies close to mother’s body?”
The Re-Framing Challenge
Paula Baldizon’s CHALLENGE!!

• Step 0: Team Formation
  • **Team 1:** Karl Trenker, Anna Sisastky, Michael Scadden, Ricardo Astorga, Amy Berman, Monica Cejas, Rafeal Lugioyo, Juan Mejia
  • **Team 2:** Clovis Sarmento-Leite, Anthony Rios, Juan Rey, Cesar Cortes, Olga Guzman, Madison Hill, Angel Marcano, Karl Mulhberger
  • **Team 3:** Silvana Quintero, Christina Parry, Ivan Ordaz, Rene Jewett, Lukas Kaliszewski, Juan Jose Ladron de Guevara, William Martinez de Velasco

• Step 1:
  • Listen to Paula’s Challenge

• Step 2: Ask Questions.
The Re-Framing Challenge
Paula Baldizon’s CHALLENGE!!

• Step 3: Identify the different dimensions of the problem (7).
• Step 4: From the implosion and synthesis of the the dimensions, groups will craft a business challenge focusing on one of the dimensions of the problem
• Step 5: Once the business challenge is defined and refined, we will proceed to the ideation process.
  • Goal: 160 ideas per hour.
Rules of Brainstorming

• Focus in one theme
• One conversation at the time
• Look for quantity
• Defer judgments
• Incentive new and crazy ideas
• Build over the ideas of others
• Number ideas
• Do not use cell phones
• One conversation at the time
Do you have an Idea?

• How do you know you have an idea?
  • Clearly provide a solution alternative to the innovation challenge
  • It contains something concrete and specific :
    • Ex. Increase our market presence Vs. Offer a 1-800 number for medical consultations
    • It is not repeated
  • If contains a more and/or better, increase or decrease, you have to precise the means (vehicle)
    • Ex.. Improve our market knowledge by systematically observing our lead users
    • If you propose a WHAT include a HOW
      • What?: Position as leaders in heath risk solutions
      • How? Creating the Healthiest Place to Work Ranking
Do you have a radical, extraordinary, revolutionary and disruptive idea?

• How do I know?
  • Its unique and original
  • Has the potential to create a new competitive advantage
  • Creates an extraordinary value to customers
  • Has the potential to ignite significantly the growth and development of the organization
  • Rapidly positions the organization as leader in one dimension of business
  • It’s difficult to imitate
  • It’s relatively easy to replicate internally
  • Utilize and orchestrate current resources and capabilities at the organizational and value chain level
  • It’s execution is very feasible
  • It seems to be a bit unreasonable