

NOTES

CHAPTER 1: YOUR STRATEGY PLAYBOOK HAS EXPIRED

1. Noon, C. (2007). Nokia's Kallasvuo puts brave face on iPhone. *Forbes*, February, 12. Retrieved from http://www.forbes.com/2007/02/12/nokia-kallasvuo-iphone-faces-cx_cn_0212autofacescan01.html#
2. Linden, C. G. (2016). *Nokian valtakunta. Raportti hulluilta vuosilta [Nokia's kingdom. A report from the crazy years]*. Helsinki, Finland: Gaudeamus.
3. Because we see the story very much as a tale of two markets, we have superimposed this structure on the timeline below: a rise through the 2G market, decelerating climb through the transition period when 2G and 3G coexisted, and eventual nosedive in the 3G market. But the account remains faithful to the chronology.
4. Troianovski, A. (2012). Nokia had jump on Apple with tablet, smartphone prototypes. *Wall Street Journal*, July 19. Retrieved from <http://www.theaustralian.com.au/business/wall-street-journal/nokia-had-jump-on-apple-with-tablet-smartphone-prototypes/story-fnay3ubk-1226430228129#>
5. According to the Gartner's full-year statistics (<http://www.gartner.com/newsroom/id/612207>). However, in Q4/2007, Nokia global market share, also according to Gartner, was 40.4%, and some sources even report higher market share figures (upper 40s) for 2007.

6. A recent study published in *Administrative Science Quarterly* claims that one of the issues that led to Nokia's demise was fear. Top managers were afraid of external competitors and shareholders, while middle managers were mainly afraid of internal groups, including superiors and peers. Vuori, T. O., & Huy, Q. N. (2016). Distributed attention and shared emotions in the innovation process: How Nokia lost the smartphone battle. *Administrative Science Quarterly*, 61(1), 9–51.

7. Professor Yvez Doz has been following the Nokia saga for many years, and recently published a book on the subject, called *Ringtone: Exploring the rise and fall of Nokia in Mobile Phones*. The book identifies a number of reasons for the fall. Some examples: the dominant market share led to arrogance and less risk-taking, Nokia created too many products, an organizational matrix put in place in 2004 left no strong arbitration to determine where resources should have been prioritized. See also Bedhall, R. (2017). The rise and fall of Nokia Mobile Phones. *Finland Today*. Retrieved from <http://finlandtoday.fi/the-rise-andfall-of-nokia-mobile-phones/>. Accessed on December 5.

8. Gartner quantity market shares.

9. It seems that the famous “Burning platform” memo wasn't technically a memo but a speech given by Stephen Elop which was later turned into an internal blog post. Arthur, C. (2011). Nokia's chief executive to staff: ‘We are standing on a burning platform’. *The Guardian*. Retrieved from <https://www.theguardian.com/technology/blog/2011/feb/09/nokia-burning-platform-memo-elop>. Accessed on February 9.

10. This playbook is called “classical” by Reeves, M., Haanaes, K., & Sinha, J. (2015). *Your strategy needs a strategy*. Boston, MA: Harvard Business Review Press.

11. Hawkins, A. J. (2016). Uber is trying to make you forget that surge pricing exists. *The Verge*, June 23. Retrieved from

<http://www.theverge.com/2016/6/23/12017002/uber-surge-pricing-upfront-fare-app-update-announcement>

12. Knight, S. (2016). How Uber conquered London. *The Guardian*, April 27. Retrieved from <https://www.theguardian.com/technology/2016/apr/27/how-uber-conquered-london>.

13. Zhang, S., & Shih, G. (2015). Uber seen reaching \$10.8 billion in bookings in 2015: Fundraising presentation. *Reuters*, August 21. Retrieved from <http://www.reuters.com/article/us-uber-tech-fundraising-idUSKCN0QQ0G320150821>.

14. Newcomer, E. (2015). Uber draws fresh comparison with Amazon as growth trumps profit. *Live Mint*, July 1. Retrieved from <http://www.livemint.com/Companies/Lw0nxWkxibt8Bv9UPEyG1BP/Uber-draws-fresh-comparison-with-Amazon-as-growth-trumps-pro.html>.

15. Bershidsky, L. (2016). Uber needs an \$11 Billion war chest. *Bloomberg View*, June 2. Retrieved from <http://www.bloomberg.com/view/articles/2016-06-02/uber-needs-an-11-billion-war-chest>.

16. Goddin, P. (2015). Uber's plan for self-driving cars bigger than its taxi disruption. *Mobility Lab*, August 18. Retrieved from <http://mobilitylab.org/2015/08/18/ubers-plan-for-self-driving-cars-bigger-than-its-taxi-disruption/>.

17. Liberatore, S. (2016). Uber drivers, beware: Taxi app tests self-driving car in Pittsburgh that could put all of its 'contractors' out of work. *Daily Mail*, May 19. Retrieved from <http://www.dailymail.co.uk/sciencetech/article-3599338/Uber-s-self-driving-car-revealed-pictures-autonomous-Ford-Fusion-cars-tested-Pittsburgh.html#ixzz4pGOHJbCw>.

18. Fairchild, C. (2015). Uber needs a crash course in crisis management. *Linkedin*, March 18. Retrieved from <https://www.linkedin.com/pulse/uber-needs-crash-course-crisis-management-caroline-fairchild>.

19. Chrisafis, A. (2016). France hit by day of protest as security forces fire teargas at taxi strike. *The Guardian*, January 26. Retrieved from <https://www.theguardian.com/world/2016/jan/26/french-taxi-drivers-block-paris-roads-in-uber-protest>.
20. Knight, S. (2016). How Uber conquered London. *The Guardian*, April 27. Retrieved from <https://www.theguardian.com/technology/2016/apr/27/how-uber-conquered-london>.
21. North, D. C. (1977). Markets and other allocation systems in history: The challenge of Karl Polanyi. *Journal of European Economic History*, 6(3), 703.
22. Mele, C., Pels, J., & Storbacka, K. (2015). A holistic market conceptualization. *Journal of the Academy of Marketing Science*, 43(1), 100–114.
23. Baghai, M., Smit, S., & Viguerie, S. P. (2007). The granularity of growth. *The McKinsey Quarterly*, 2, 41–51.
24. In *Lady Windermere's Fan*, Oscar Wilde had Lord Darlington quip that a cynic was “a man who knows the price of everything and the value of nothing.”
25. Political economy and especially Marxian economics propose also other aspects of value such as “labour value” to complement exchange value and use value.
26. Zenger, T. (2013). Strategy: The uniqueness challenge. *Harvard Business Review*, 91(11), 52–58.
27. See, for example, Lambkin, M., & Day, G. S. (1989). Evolutionary processes in competitive markets: Beyond the product life cycle. *Journal of Marketing*, 4–20.
28. Burgelman, R. A. (2003). *Intel beyond 2003: Looking for its third act*. Teaching Note No. SM-106. Stanford Graduate School of Business.

29. See Slater, S. F., & Narver, J. C. (1995). Market orientation and the learning organization. *Journal of Marketing*, 63–74; and Narver, J. C., Slater, S. F., & MacLachlan, D. L. (2004). Responsive and proactive market orientation and new-product success. *Journal of Product Innovation Management*, 21(5), 334–347.

30. As Daniel Kahneman points out, we humans are susceptible to WYSIATI: what You See It All There Is. If you focus on the product, your entire reality becomes the product – it is just how brain is configured. See Kahneman, D. (2011). *Thinking, fast and slow*. New York, NY: Farrar, Straus and Giroux.

31. Why would anyone think markets were not at least partly social? Clearly, markets involve human beings – even though increasingly computers are taking over a human role such as in making automatic trades when the stock hits a certain level. To posit that markets are not socially constructed seems to entail saying that the human agents are merely vehicles for market forces and drives, notably self-interest; and for laws like the canonical but under-specified law of supply and demand, which are supposedly universal and immutable like the laws of nature. So people in markets do not act “socially,” that is, in concert in any way beyond working out these forces, nor are they distracted from them by other agendas.

It is easy to slip into this depersonalized view because our modern economic idiom has embedded it as an article of faith, an almost mystical metanarrative supported by the mathematical abstractions about *homo economicus*: the very terms “The Market” and “market forces” and expressions like “The market has spoken.” Yet this leaves much unexplained. Consider differences across time and space in tastes, or in what is valued (the Spanish lust for gold left the Incas mystified, the modern fetish for phone paraphernalia would have looked as odd to the nineteenth century

English as their craze for Dutch tulips), or whether commerce itself is exalted or looked on as base. And the law of supply and demand is so pitted with exceptions that it is arguably as close to human legislation as to natural physical laws. If the nature of markets looks inevitable, it is only ever in hindsight – as with the market for gasoline-powered autos in our worked example below, which in fact nearly missed out on winning the social acceptance and legitimacy that we have taken as natural for the last 75 years. Were markets truly inevitable, we should have less difficulty predicting them and face fewer surprises. Besides, if the objection is that a social explanation is not scientific enough, the science and mathematics behind complex systems theory rebuts that.

While certain forces do pretty consistently drive human behavior, and thwarting them can be like trying to turn back the tide, nonetheless to totally deny a socially constructed element to markets greatly overstates the case. It reminds us of Margaret Thatcher's dictum that there is no such thing as society itself. It also entails saying that social activities themselves cannot be driven by forces either; yet try taking the drive for self-interest out of that most social of activities, politics, for example.

32. For more on the transient nature of competitive advantage, please see McGrath, R. G. (2013). *The end of competitive advantage: How to keep your strategy moving as fast as your business*. Boston, MA: Harvard Business Review Press.

33. As barrier-building competitive strategies are no longer the key to success, the traditional metaphors from war and sports should be avoided. This means less of competing, dominating, penetrating, targeting, attacking, frontlines, winning, and other confrontational words. The analogy to look for is art. Consider, for instance, performing arts. In her HBR blog in 2011, Joan Magretta crystallizes this idea: "There can be many good singers or actors — each outstanding and successful in a distinctive way.

Each finds and creates an audience. The more good performers there are, the more audiences grow and the arts flourish. This approach produces positive sum competition. Companies that do a good job can earn sustainable returns because they create more value. At the same time, customers benefit by getting real choice in how their needs are met.” Magretta, J. (2011). Stop competing to be the best. *Harvard Business Review*, Blog Network. Retrieved from http://blogs.hbr.org/cs/2011/11/stop_competing_to_be_the_best.html.

34. Reeves, M., Haanaes, K., & Sinha, J. (2015). *Your strategy needs a strategy*. Boston, MA: Harvard Business Review Press.

35. Urry, J. (2004). The ‘system’ of automobility. *Theory, Culture & Society*, 21(4–5), 25–39.

36. We have been informed by the work of our good friend and colleague, Dr. Hans Kjellberg, who has been focusing on creating a better understanding of how markets work. Together with Dr. Claes-Fredrik Helgesson, they have proposed a framework based on practice theory that conceives markets as constituted by market practices, defined as all activities that contribute to constitute markets. They identify three categories of market practice: “(1) exchange practice, the concrete activities involved in consummating individual economic exchanges of goods; (2) normalizing practice, activities that contribute to establish normative objectives for actors, i.e., how a market and/or its actors should be (re)shaped according to some (group of) actor(s); and (3) representational practice, activities that re-present economic exchanges as markets, i.e. that depict markets and/or how they work”. Kjellberg, H., & Helgesson, C. F. (2006). Multiple versions of markets: Multiplicity and performativity in market practice. *Industrial Marketing Management*, 35(7), 839–855.

37. Baron, D. P. (1995). The nonmarket strategy system. *Sloan Management Review*, 37(1), 73.

38. Agarwal, R., & Bayus, B. L. (2002). The market evolution and sales takeoff of product innovations. *Management Science*, 48(8), 1024–1041.
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CHAPTER 2: FRAME YOUR MARKET

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3. Laurie, D. L., Doz, Y. L., & Sheer, C. P. (2006). Creating new growth platforms. *Harvard Business Review*, 84(5), 80–90.
4. KONE Corporation (n.d.). <http://www.kone.com/en/company/>
5. Morgan, J. (2017). Kone on the benefits of People FlowIntelligence. *ConstructionWeekOnline.com*, February 18. Retrieved from <http://www.constructionweekonline.com/article-43100-kone-on-the-benefits-of-people-flow-intelligence/>.
6. Storbacka, K., & Nenonen, S. (2011). Scripting markets: From value propositions to market propositions. *Industrial Marketing Management*, 40(2), 255–266.
7. There is an irony in the fact that Nokia’s slogan was “Connecting People.”
8. Vectia Ltd, the consulting company in which we both were partners, conducted an exploratory research on market-shaping

strategies in 2011. In this research, we studied the business definitions of the 100 largest Finnish commercial organizations. The data was collected through phone and F2F interviews, the respondents were CEOs or other relevant members of the executive management team, and we got answers from 59 organizations. In this sample, most respondents defined their business according to one (56%) or two (31%) criteria. The most commonly used criteria are the product/service sold (85%) and geographical area (81%).

9. Levitt, T. (1960). Marketing myopia. *Harvard Business Review*, 38(4), 45–56.

10. Ansoff, I. (1957). Strategies for diversification. *Harvard Business Review*, 35(5), 113–124.

11. The late Richard Normann called products and services “frozen knowledge.” He claimed that particularly tangible products are an efficient media to make providers’ knowledge and resources available to customers because of their reproductability and predictability. For more on “frozen knowledge” and Richard Normann’s other ideas about reconfiguring business systems, please see Normann, R. (2001). *Reframing business: When the map changes the landscape*. Chichester: Wiley.

12. The late Paul Geroski has researched the nature of markets in detail, and especially the more creative market definitions. See, for example, Geroski, P. A. (1998). Thinking creatively about markets. *International Journal of Industrial Organization*, 16(6), 677–695; Christensen, C. M., Cook, S., & Hall, T. (2005). Marketing malpractice. *Harvard Business Review*, 83(12), 74–83; Levitt, T. (1960). Marketing myopia. *Harvard Business Review*, 38(4), 24–47.

13. When you progress to market shaping in Chapter 3, you’ll spot some of these terms repeating, notably “network” and “system.” This is not surprising, since the business definition is negotiated in that recursive dialogue with the market view and acts as a

microcosm of it. The network we examine here shares one of the same elements as the network layer of the Fan examined in Chapter 3: actors.

14. *Source*: Business Week (2006). July 17.

15. Garrett, M. (Ed.). (2014). *Encyclopedia of transportation: Social science and policy*. Thousand Oaks, CA: SAGE Publications.

16. www.jcdecaux.com and Normann, R. (2001). *Reframing business: When the map changes the landscape*. Chichester: Wiley.

17. Skanska, IKEA, BoKlok, speech by Susanna Sucksdorff, Business Development Manager in Skanska RDN Finland in 2013.

18. Bower, J. L. (2012). Sam Palmisano's transformation of IBM. *Harvard Business Review*, January 20. Retrieved from <https://hbr.org/2012/01/sam-palmisanos-transformation.html>; IBM (2008). *Annual Report 2007*. Retrieved from ftp://public.dhe.ibm.com/annualreport/2007/2007_ibm_annual.pdf; and van Kralingen, B. (2010). IBM's transformation – From survival to success. *Forbes*, July 7. Retrieved from <https://www.forbes.com/2010/07/07/ibm-transformation-lessons-leadership-managing-change.html>.

19. Singleton, M. (2016). Tidal now has 3 million subscribers. *The Verge*, March 29. Retrieved from <http://www.theverge.com/2016/3/29/11325608/tidal-now-has-3-million-subscribers>.

20. Singer, N. (2014). Intel's sharp-eyed social scientist. *The New York Times*, February 16. Retrieved from <https://www.nytimes.com/2014/02/16/technology/intels-sharp-eyed-social-scientist.html>.

21. Bright Horizons (n.d.). <https://www.brighthorizons.com/about-us>.

22. Cyriac, J., Koller, T., & Thomsen, J. (2012). Testing the limits of diversification. *The McKinsey Quarterly*, 2–5.

23. Favaro, K. (2014a). The dangers of adjacencies strategy. *Strategy+Business*, January 30. Retrieved from <https://www.strategy-business.com/blog/The-Dangers-of-Adjacencies-Strategy?gko=04eeb>, Favaro, K. (2014b). How IKEA, Disney, and Berkshire Hathaway succeed with adjacencies. *Strategy+Business*, March 11. Retrieved from <https://www.strategy-business.com/blog/How-IKEA-Disney-and-Berkshire-Hathaway-Succeed-with-Adjacencies?gko=fa07c>.
24. Storbacka, K., & Nenonen, S. (2012). Competitive arena mapping: Market innovation using morphological analysis in business markets. *Journal of Business-to-Business Marketing*, 19(3), 183–215.
25. Scientifically we are talking about multidimensional inquiry, i.e., morphological analysis (see Ritchey, T. (2006). Problem structuring using computer-aided morphological analysis. *Journal of the Operational Research Society*, 57(7), 792–801.). Morphological analysis (MA) is a method for structuring socio-technical systems pioneered by Fritz Zwicky. He used MA as a method for investigating the totality of relationships contained in multidimensional, usually non-quantifiable complex problems (Zwicky, F. (1969). *Discovery, invention, research through the morphological analysis*. New York, NY: McMillan.)
26. Zook and Allen have been doing systematic work in helping companies to use growth opportunities provided by adjacency moves; see for example: Zook, C., & Allen, J. (2003). Growth outside the core. *Harvard Business Review*, 81(12), 66–73.
27. [http://en.wikipedia.org/wiki/The_Fox_and_the_Cat_\(fable\)](http://en.wikipedia.org/wiki/The_Fox_and_the_Cat_(fable))
28. Based on the speech by Martin Cole, then COO of Starbucks, at the Strategic Management Society's annual conference in San Diego in 2007.

CHAPTER 3: SHAPE YOUR MARKET

1. Gittleson, K. (2012). Can a company live forever? *BBC News*, January 19. Retrieved from <http://www.bbc.com/news/business-16611040>.

2. Case description partly based on speeches by Matti Mikkola, CEO, Federation of the Finnish Woodworking Industries: “Shaping the market for wooden multistorey buildings – Case Stora Enso” (June 13, 2017) and Mikko Viljakainen, CEO, Puuinfo: “Three market shaping tools” (June 15, 2017). (Finnish Forest Industries. (2010a). *Modernisation of fire safety regulations supports the development of Finland’s wood construction industry*. Press release, December 2. Retrieved from <https://www.forestindustries.fi/releases/modernisation-of-fire-safety-regulations-supports-the-development-of-finlands-wood-construction-industry/>. Finnish Forest Industries (2010b). *Common dimensioning system to strengthen the competitiveness of wood construction*. Press release, October 6. Retrieved from <https://www.forestindustries.fi/news/common-dimensioning-system-to-strengthen-the-competitiveness-of-wood-construction/> Ministry of Employment and the Economy, Finland. (2011). *Status and possibilities of wood construction in Finland*. Retrieved from <https://tem.fi/documents/1410877/2937056/Status+and+possibilities+of+wood+construction+in+Finland>; Stora Enso. (2014). *SRV and Stora Enso partner up to build multi-storey wooden residential housing for City of Helsinki*. Press release, May 6. Retrieved from <http://buildingandliving.storaenso.com/news/news-and-press-releases/srv-and-storaenso-partner-up-to-build-multi-storey-wooden-residential-housing-for-city-of-helsinki>).

3. Kafafi, Z. H., Martín-Palma, R. J., Nogueira, A. F., O’Carroll, D. M., Pietron, J. J., Samuel, I. D., ... Tsakalacos, L. (2015). The role of photonics in energy. *Journal of Photonics for Energy*, 5(1),

050997-050997. Retrieved from <http://photonicsforenergy.spiedigitallibrary.org/article.aspx?articleid=2463108>.

See also: https://commons.wikimedia.org/wiki/File:PV_cume_semi_log_chart_2014_estimate.svg.

4. Vazquez Sampere, J. P. (2016). Apple's shrinking impact in the smartphone industry. *Harvard Business Review*, February 2. Retrieved from <https://hbr.org/2016/02/apples-shrinking-impact-in-the-smartphone-industry>.

5. Benner, K. (2016). Apple says sales of iPhones have slowed. *The New York Times*, January 26. Retrieved from http://www.nytimes.com/2016/01/27/technology/apple-earnings-iphone-sales.html?_r=0.

6. Fox, J. (2014). How to succeed in business by bundling – and unbundling. *Harvard Business Review*, June 24. Retrieved from <https://hbr.org/2014/06/how-to-succeed-in-business-by-bundling-and-unbundling>.

7. Air Transport Action Group. (2014). *Aviation benefits beyond borders. Powering global economic growth, employment, trade links, tourism and support for sustainable development through air transport*. Retrieved from http://aviationbenefits.org/media/26786/ATAG_AviationBenefits2014_FULL_LowRes.pdf.

8. BreadTalk (n.d.). Retrieved from <http://www.breadtalk.com.sg/>; Asia, R. (2016). The evolution of BreadTalk Singapore through the years. *Retail News Asia*, September 22. Retrieved from <https://www.retailnews.asia/evolution-breadtalk-singapore-years/>. <http://www.breadtalk.com.sg/>

9. Fondia (n.d.). <http://www.fondia.com/services/ldaas>

10. Roth, A. E. (2007). The art of designing markets. *Harvard Business Review*, 85(10), 118.

11. Statistics New Zealand. (2013). *Census QuickStats about housing*. Retrieved from <http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/quickstats-about-housing>.

12. Gary, L. (2005). Dow Corning's big pricing gamble. *Harvard Business School Working Knowledge*, July 3. Retrieved from <http://hbswk.hbs.edu/archive/4677.html>.

13. FRANK by OCBC (n.d.). <https://www.frankbyocbc.com/>

14. Pilcher, J. (2011). Meet FRANK, maybe the coolest bank Gen-Y has ever seen. *The Financial Brand*, May 31. Retrieved from <https://thefinancialbrand.com/18642/ocbc-frank-gen-y-banking-brand/>.

15. Yeo, R. (2016). *FRANK by OCBC – The future of consumer banking to millennials*. Case S/N 88-16-010. The Nanyang Technopreneurship Case Centre (NTCC) at the Nanyang Technological University. Retrieved from <http://www.ntc.ntu.edu.sg/ntcc/Documents/Full%20Version/10.%20FRANK%20BY%20OCBC%20-%20THE%20FUTURE%20OF%20CONSUMER%20BANKING%20TO%20MILLENNIALS.pdf>.

16. *A word about terminology*. As we note elsewhere, the Fan is not something you can walk out onto the street and see, but rather a conceptual representation of a complex system, the market. We therefore stipulate certain terms of art to mean somewhat specialized things, and both the terms and the real-world things they reference may actually or apparently overlap between and within layers.

Thus, the word “network” is loosely synonymous with “system” in general parlance, and the description we’ve given of the network layer might at first sound as though it is co-extensive with the whole market system. But, like a color filter in photography, the Network layer picks out only elements of a certain hue: actors (with their roles and resources) and infrastructure. In the process,

it abstracts from the other vital components of the market system, which have their own, different colors: language (dealt with in the Representations layer); the rules of the game (dealt with under Rules of the Game); and what items and rights are exchanged, how and with what pricing logic (Exchange).

Also, note that our use of “infrastructure” is not synonymous with “network” (or for that matter “system”): infrastructure excludes people. Meanwhile, note that the actors listed in the Network influence other layers. For instance, media clearly engage in Representations, while regulators impose Rules of the Game. But the Network layer collects those actors here for conceptual convenience.

17. This method of picturing one’s wider business network is heavily influenced by the work done in the IMP (Industrial Marketing & Purchasing) Group, and particularly by the ARA (Actors-Resources-Activities) model by Håkan Håkansson and Ivan Snehota. For an overview of the ARA model and other things related to business-to-business relationships, please see Snehota, I., & Hakansson, H. (Eds.). (1995). *Developing relationships in business networks*. London: Routledge.

18. Ferdows, K., Lewis, M. A., & Machuca, J. A. (2004). Rapid-fire fulfillment. *Harvard Business Review*, 82(11), 104–117; Smith, K. (2014). Zara vs H&M – Who’s in the global lead? *Edited*, April 15. Retrieved from <https://edited.com/blog/2014/04/zara-vs-hm-whos-in-the-global-lead/>; and Verma, M. (2007). *H&M vs Zara: Competitive growth strategies*. Case study COM0196P. Retrieved from http://www.ibscdc.org/Case_Studies/Strategy/Competitive%20Strategies/COM0196P.htm.

19. International SOS (n.d.). <https://www.internationalsos.com/>; <https://www.internationalsos.com/about-us/philosophy-and-values>; https://en.wikipedia.org/wiki/International_SOS

20. Agarwal, R., & Bayus, B. L. (2002). The market evolution and sales takeoff of product innovations. *Management Science*, 48(8), 1024–1041.
21. Press, G. (2016). From IBM mainframe users group to Apple ‘Welcome IBM. Seriously’: This week In tech history. *Forbes*. Retrieved from <https://www.forbes.com/sites/gilpress/2016/08/21/from-ibm-ainframe-users-group-to-apple-welcome-ibm-seriously-this-week-in-tech-history/#7290b873beb4>. Accessed on August 9.
22. Aspers, P. (2009). *How are markets made?* MPIfG Working Paper No. 09/2.
23. Fair Dinkum (n.d.). <http://www.fairdinkumsheds.com.au/>; <http://www.fairdinkumsheds.com.au/about-us-0>
24. Fonterra Food Services (n.d.). <http://www.fonterrafoodservices.net/en/cn/home>; <http://www.fonterrafoodservices.net/en/cn/news/10>; <http://www.fonterrafoodservices.net/en/cn/news/15>
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26. Wärtsilä (n.d.). <https://www.wartsila.com/twentyfour7/gas/small-carriers-diversify-the-lng-fleet>
27. Hindustan Unilever Limited (n.d.). *Enhancing livelihoods through Project Shakti*. Retrieved from <https://www.hul.co.in/sustainable-living/case-studies/enhancing-livelihoods-through-project-shakti.html> and Bhasin, K. (2012). Unilever now has an army of 50,000 ‘Shakti Women’ selling its products in India. *Business Insider*, July 3. Retrieved from <http://www.businessinsider.com/unilevers-shakti-women-fight-pg-in-india-2012-7?r=US&IR=T&IR=T>.
28. Sealed Air Corporation (1960).
29. Dempster Brothers (1936).
30. Universal Fastener Company (1917).

31. Otis (1900).
32. Arnott, S. (2010). International SOS: How to avoid turning a crisis into a drama. *Independent*. Retrieved from <http://www.independent.co.uk/news/business/analysis-and-features/international-sos-how-to-avoid-turning-a-crisis-into-a-drama-1957327.html>. Accessed on April 28.
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34. Water Footprint Network (n.d.). <http://waterfootprint.org/en/>
35. NORD National Organization for Rare Disorders (n.d.). <https://rarediseases.org/>
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CHAPTER 4: LEARN SHAPING PRINCIPLES AND PLAYS

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CHAPTER 5: LEADERSHIP FOR MARKET SHAPERS

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8. Performativity is the property of expressed views and ideas impacting on reality per se and helping bring about the state of affairs they express. In the market-shaping context this means that any actor’s expressed market view can potentially shape the market toward itself as the actor repeatedly and consistently proposes that view to other market actors and they relay the signal. So, preaching the gospel to the parish may make the gospel real – or at least it will persuade everyone to act as if it were! See Wikipedia (n.d.f). *Andrew Grove*. Retrieved from https://en.wikipedia.org/wiki/Andrew_Grove.

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12. The classic go-to-book in this context is by Gladwell, M. (2008). *Outliers: The story of success*. London: Hachette.

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This is a virtual space for grieving, in which followers of various services can leave a flower and the gravestone, and “let the healing process begin.” There were 42 headstones by June 30, 2014.

19. The affordable loss principles is one of the principles in the so-called Effectuation approach to business development, originally developed by Saras Sarasvathy (see Sarasvathy, S. D. (2009). *Effectuation: Elements of entrepreneurial expertise*. Northampton, MA: Edward Elgar Publishing). She did long-term research with successful serial entrepreneurs and noted that the way that they approach business development is radically different from the “traditional” business school approach. Based on this, she identified five core principles (<https://en.wikipedia.org/wiki/Effectuation>) that define Effectual Logic: (1) The Bird in Hand Principle. Entrepreneurs start with what they have. They will look at who they are, what they know, and who they know. Their education, tastes, and experience are examples of factors which are important in this stage. Besides these examples, this is also the stage where entrepreneurs look at their 3Fs, better known as friends, family, and fools. From this point, they will look at their abilities. So an entrepreneur does not start with a given goal, but with the tools he or she has. (2) The Affordable Loss Principle. An entrepreneur does not focus on possible profits, but on the possible losses and how they can minimize those losses. (3) The Crazy Quilt Principle. Entrepreneurs cooperate with parties they can trust. These parties can limit the affordable loss by giving pre-commitment. (4) The Lemonade Principle. Entrepreneurs will look at how to leverage contingencies. Surprises are not necessarily seen as something bad, but as opportunities to find new markets. (5) The Pilot-in-the-Plane. In this stage, all the previous principles are put together. The future cannot be predicted, but entrepreneurs can control some of the factors which determine the future.

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context: McChrystal, S., & Fussell, C. (2015). *Team of teams: The power of small groups in a fragmented world*. New York, NY: Portfolio Hardcover.

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22. Kinni, T. (2015). Conquering complexity with simple rules. *Insights by Stanford Business*, April 14. Retrieved from <https://www.gsb.stanford.edu/insights/conquering-complexity-simple-rules>.

23. *Economist* and *Financial Times* columnist Tim Harford writes in his new book: *Adapt: Why Success Always Starts with Failure* (Harford, T. (2011). *Adapt: Why success always starts with failure*. London: Little, Brown).

24. https://en.wikiquote.org/wiki/Enrico_Fermi

25. The key tool in this is language development and the ability to create expressions of the envisioned market. In his seminal work from 2001, Richard Normann illustrates how firms can influence their landscape by reframing their role and creating a language to convey this to other players in the network.

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27. The book can nowadays be found free on the Internet: <http://www.gutenberg.org/files/1946/1946-h/1946-h.htm>

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41. Sull, D. L., & Ruelas-Gossi, A. (2010). Strategic orchestration. *Business Strategy Review*, 21(4), 58–63.

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