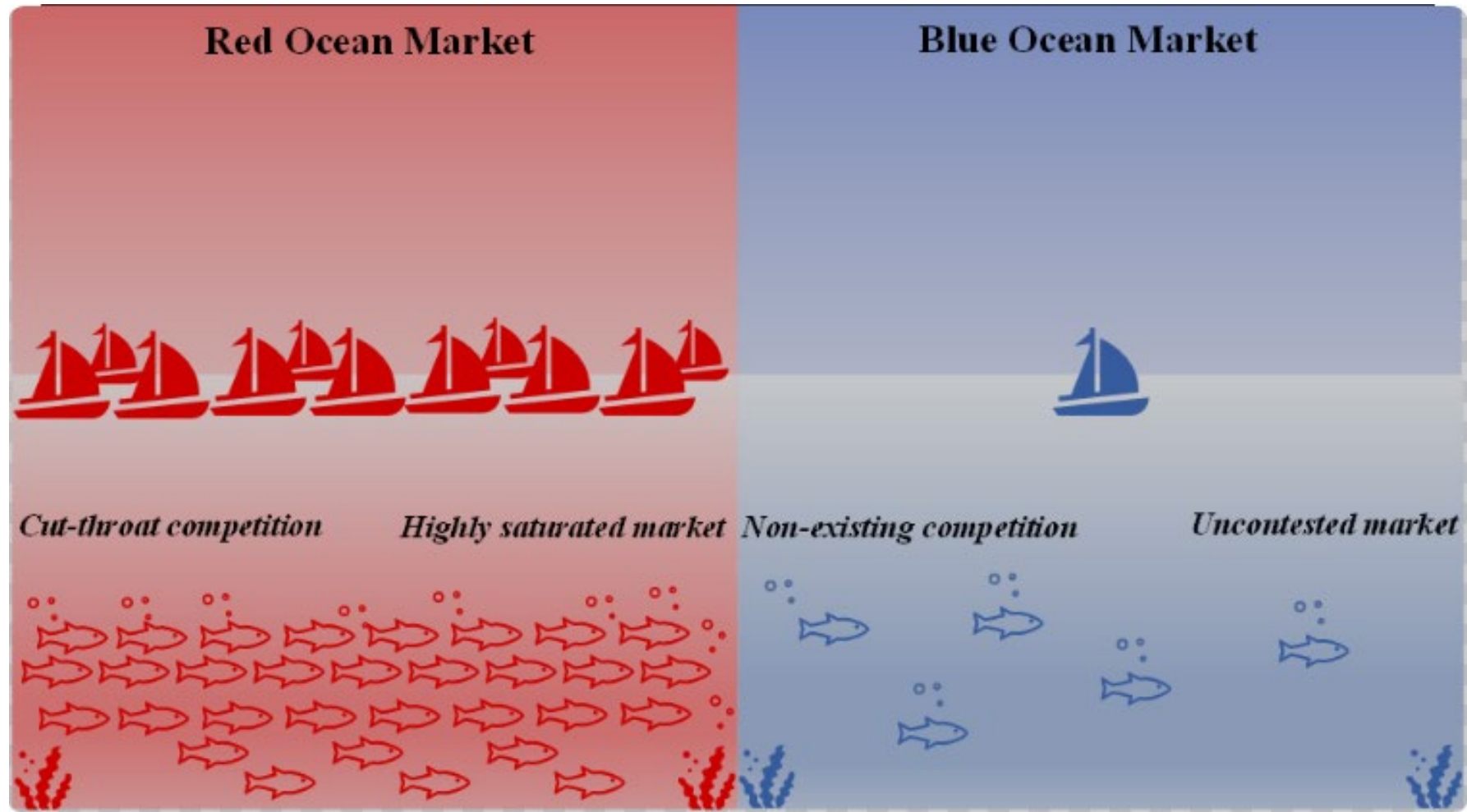


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# BankChat 2025: Blue Ocean Strategies – Navigating Headwinds and Charting Unique Paths to Success

Chris Black, CEO (Thread Bank) & Scott Gupton, EVP & CCO (INSBANK)



## Red Ocean Versus Blue Ocean Strategy

The imperatives for red ocean and blue ocean strategies are starkly different.

Red ocean strategy	Blue ocean strategy
Compete in existing market space	Create uncontested market space
Beat the competition	Make the competition irrelevant
Exploit existing demand	Create and capture new demand
Make the value/cost trade-off	Break the value/cost trade-off
Align the whole system of a company's activities with its strategic choice of differentiation or low cost	Align the whole system of a company's activities in pursuit of differentiation and low cost

*Blue Ocean Strategy is a business approach that focuses on creating new market spaces, or "blue oceans," rather than competing in existing markets, known as "red oceans." This strategy aims to make the competition irrelevant by innovating and offering unique value propositions that attract new customers*

**Red Oceans:** *These represent all the industries in existence today, where companies compete to outperform each other and capture existing demand. This often leads to intense competition and reduced profitability*

**Blue Oceans:** *These denote all the industries not in existence today, where demand is created rather than fought over. Companies in blue oceans innovate to create new market spaces with ample opportunities for growth and profitability*

# Possible Discussion Topics

- What is the Blue Ocean Strategy?
- Are this concept of “Blue Oceans” applicable to banking?
- How have banks approached exploring unique opportunities and markets?
- How does a bank identify which fintechs or partners to work with?
- Examples of transforming how the Management team focuses on customers, identifies customer needs, even to the point of creating demand? How do you “embed” this approach into the way you connect and provide services to your customer base?
- How does the geography and demographics impact the approach?
- What are the risks?
- How do regulators react?

# INNOVATION PROCESS

