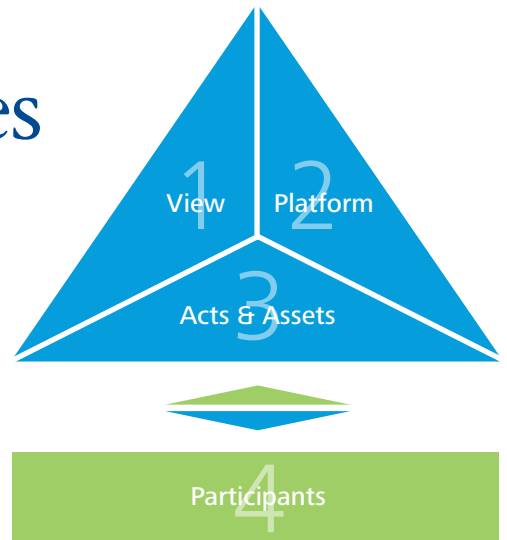


Shaping Strategies

Our framework



1 View When starting a Shaping Strategy, the orchestrator (e.g. change agent or executive of a company) must articulate a Shaping View, a long-term view of where the market is heading. This view identifies where the opportunities and economic incentives lie for external parties, yet is big-picture enough to leave considerable room for refinement. The orchestrator must be a compelling evangelist, able to clearly articulate the View of the direction of the new market and the value creation opportunities for all Participants in the industry.

A shaping vision:

- Conveys a compelling directional view of what a market or industry would look like in the long term (5 to 10 years)
- Describes fundamental industry forces and attractive economics for adopters
- Defines direction for participating companies
- Communicates a compelling case of view's economic benefits for participants
- Provides focus for investments (monetary, resource, relationship)

2 Platform The orchestrator must provide a Shaping Platform, or a set of clearly defined standards and practices, that organize the activities of the participants and also provide them with leverage by reducing initial investment and the cost of interactions between participants. A Shaping Platform is not just a springboard for new innovation. Rather, it is the way the orchestrator can build relationships with its ecosystem and create long-term industry change.

A shaping platform:

- Develops clearly defined standards and practices that organize the activities of many participants
- Fosters distributed innovation that happens through experimentation and flexibility
- Generates compelling positive incentives for ongoing use
- Increases its value and functionality of the platform as more participants join
- Can be a technology platform (e.g. Facebook), a set of protocols for how to interact with each other, or it could be a set of rules and guidelines

3 Acts & Assets To fully execute a Shaping Strategy, the orchestrator needs to demonstrate its capability and commitment to realizing its View through a mixture of Acts and Assets. Bold acts are necessary to define the shaper's intentions, and a demonstration of the shaping company's assets can also be a significant factor in persuading potential Participants to invest in the shaper's View.

A Shaper's Acts & Assets:

- Create credibility for the shaper
- Reduce the platform adoption risks faced by potential participants
- Ensure commitment of and credible access to resources
- Increases its value and functionality of the platform as more participants join
- Signal a long-term view and emphasis on trust-based relationships

4 Participants Participants are critical elements of a Shaping Strategy. The Participants are those members in the shaper's ecosystem who will rally around the shaper's view, helping expedite transformative change in their industry. Participants are part of a critical feedback loop; the orchestrator must understand their motivations and perspective in order to successfully identify their incentives. This step is necessary in creating positive incentives that will encourage Participants' involvement in the shaper's platform and support of the view.

Participants should:

- Adopt and enhance the platform
- Provide feedback on the shaping view and platform
- Lend credibility to the platform and the shaping view

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Copyright © 2014 Deloitte Development LLC. All rights reserved.

Member of Deloitte Touche Tohmatsu Limited