



Blue Economy and Blue Ocean Strategy

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Abstract

Oceans are becoming increasingly important in facilitating international trade by connecting vendors and customers. As the interaction between land and water grows in its function and relevance, economic and regulatory attention should be paid to the behavior patterns of such connecting facilitators on the oceans. Against this backdrop, the notion of the "Blue Economy" was born. A review of the literature is conducted in order to determine a suitable definition for the Blue Economy. These definitions are examined in terms of the very minimum requirements for a Blue Economy. The article also tries to organize the many sorts of activity related to ocean services. It is really done with the goal of identifying what one would consider to be the primary considerations for the Blue Economy's growth. Article further proposes that blue oceans can be created via radical innovation, disruptive innovation, frugal innovation, and purely differentiation strategy and focused differentiation strategy rather than only value innovation. Furthermore, we suggest that strategy canvas is applicable not only for value innovation but all types of innovation. We, thus extend the boundaries of sources of blue oceans. Lastly, we explore if sustainable competitive advantage or blue oceans are better sources of profitability.

Keywords: Blue Economy; International Trade; Oceans; Life Below Water; Green Economy

Introduction

The 'Blue Economy' is a new idea that promotes greater sustainability of our ocean and other "blue" resources. It underscores the Commonwealth Blue Charter's philosophy, emphasizing the intimate ties that exist between the ocean, environmental issues, and the well-being of Commonwealth citizens. It maintains Commonwealth principles, such as fairness and public engagement in maritime and shoreline decision-making, at its core. It helps all of the Sustainable Development Goals (SDGs) of the United Nations, particularly SDG14, "Life Below Water." It recognizes that this will need bold, coordinated efforts now, just for sake of current and future generations, to ensure sustainable, protect, and conserve our ocean [1].

The blue economy is more than just a way of looking at the ocean economy as a source of revenue. Massive industrial states have witnessed the growth of their ocean economies via the exploiting of maritime and marine assets under the 'business-as-usual' approach- For example, shipping, fish farming, and the oil, gas, minerals, and mining sectors - all of which operate without regard for the long-term health or efficiency of those very same resources [2].

Small island governments have tremendous marine resources at its disposal, proportional to their land mass, which presents a huge potential for improving economic growth and addressing unemployment, food security, and poverty. They also stand to lose the most if marine resources are depleted [1,3].

The blue economy concept, like the 'Green Economy,' strives to promote consumer welfare and social equality while minimizing environmental hazards and ecosystem scarcities. It establishes an inclusive paradigm in which coastal nations, who may lack the competence to manage their abundant ocean resources, may begin to share the benefits of those resources with everyone. Realizing the blue economy's full potential requires the engagement and inclusion of all impacted social groups and organizations [4].

The blue economy is more than just about simply commercial possibilities; it also helps vulnerable governments manage the often disastrous impacts of climate change by protecting and developing intangible 'blue' resources including lifestyles, carbon sequestration, and coastal vulnerability [5].

A marketplace for a product in which there is no or very little rivalry is considered to as a Blue Ocean Strategy. This technique is looking for a niche market with few competitors and little pricing pressure. Blue Ocean Approach may be used in a variety of industries or enterprises. It isn't restricted to a single type of business. But first, let's define Diversification Strategy and how it differs from Red Ocean approach [5].

In current market, most businesses compete fiercely for market penetration and will go to any length to obtain it. There is often a price war when a goods has been under pressure. It's possible that a company's operations may be jeopardized. This occurs most often when a company operates in a saturated market, often known as a 'Red Ocean.'

Whenever there isn't much opportunity for expansion, companies search for sectors or new business opportunities where they may enjoy unchallenged market share, or 'Blue Ocean'. There is indeed a blue ocean if there is the possibility for increased earnings since there is little or little competition. By offering a product with greater characteristics, the approach seeks to capture fresh demand and render competitors irrelevant. Due to its high unique qualities, the product may be priced a little more, allowing the firm to make a lot of Money [4].

The objective of the study is to create a strategy that enabled for a convenient, implement, manage, and assess concept of the Blue Economy.

Blue Economy

The "Blue Economy (BE)" or "Oceans/Marine Economy" has also been practiced widely by a variety of stakeholders as a notion or approach for protecting the pacific ocean and aquatic ecosystems in the last decade. The United

Nations Conference on Sustainable Development in Rio de Janeiro in 2012 gave birth to the notion of BE. The phrase "blue economy" has been used in a variety of ways, while related words like "ocean economy" or "marine economy" have been used without meaning [1]. The United Nations defined the "Blue Economy" as either an ocean economy that aspires to "increase human well-being and social equality while considerably decreasing environmental hazards and ecosystem scarcities" in a project report. The "Blue Economy," as described by the World Bank, is "the sustainable utilization of coastal resources for." The World Bank's description is a broad term that encompasses a variety of facets of marine sustainability, from maintaining biodiversity to ecosystem health and pollution prevention. Importantly, the concept itself necessitates cross-border and cross-sector coordination through a variety of partners. Alternative stakeholders, however, will favor distinct views or perceptions of the term to suit their needs. It suggests that certain possible conflicts or issues may occur as a result of the preferences or interests of various stakeholders [6,7].

The Blue Economy is emerging as a new governance tool which is used to articulate appropriate use within the oceans at global, regional and national scales. In addition to the lack of a clear definition, there is also significant ambiguity around the extent of the governance 'reach' of a Blue Economy. This relates to the geographic scale of the concept – does the Blue Economy incorporate coastal or deep sea environments or both? How does the Blue Economy interact with land-based systems? Questions of scale also apply to sectors, especially in relation to which industries or individual businesses can be considered to be a part of a Blue Economy and which cannot [8].

The term "Ocean Economy" or "Blue Economy" is relatively new, having emerged from the 2012 United Nations Conference on Sustainable Development in Rio de Janeiro. 4 The idea is based on a distinction between socioeconomic progress and environmental destruction, which has historically been viewed as a worldwide established order. This idea is increasingly more closely linked to commercial and trade operations, and it stems from the need to incorporate preservation and sustainability into marine domain management. It can also be expanded to encompass the ecosystem or ecology of the sea. The sustainable development element allows for the incorporation of activities consumption based and replacement patterns while creating low or no greenhouse gas (GHG) pollutants, which is essential in the process of carrying out the activities. This element of sustainability is also considered to indicate the long-term viability of the seas, which provide food for both animals and people. However, there are several descriptions for the Blue Economy or Oceans Economy, and

the first section of this article aims to discover one that is simple to remember, implement, manage, and assess [4,9].

Protecting our oceans is not a luxury. It is a necessity that contributes to our economy, our climate and our way of life. Working together, we can change the current course and chart a sustainable future. It is essential to standardize our methods and definitions for valuing the coasts and ocean. The world's population depends upon the ocean for its very existence. The ocean regulates our climate and our weather. It generates half of the oxygen we breathe. It provides food and income for billions of people. Covering almost three quarters of the planet, the ocean is the life support system for planet earth. As a proxy, we express this life support as "ecosystem services:" provisioning (e.g. food, oxygen and water); regulating (e.g. climate/temperature regulation, coastal stabilization); supporting (e.g. pollution filtration, waste processing, transportation of goods); and cultural services (e.g. aesthetics, recreation, fun and inspiration) [10,11].

Blue Ocean Strategy

Imagine a market universe composed of two sorts of oceans: red oceans and blue oceans. Red oceans represent all the industries in existence today. This is the known market space. Blue oceans denote all the industries not in existence today. This is the unknown market space. This is the unknown market space [5]. In the red oceans, industry boundaries are defined and accepted, and the competitive rules of the game are known." Here companies try to outperform their rivals to grab a greater share of existing demand. The dominant focus of strategy work over the past twenty-five years has been on competition-based red ocean strategies." As the market space of red oceans gets crowded, prospects for profits and growth are reduced. Products become commodities, and cutthroat competition turns the red ocean bloody [12]. Hence we use the term "red" oceans. Blue oceans, in contrast, are defined by untapped market space, demand creation, and the opportunity for highly profitable growth. Although some blue oceans are created well beyond existing industry boundaries, most are created from within red oceans by expanding existing industry boundaries. In blue oceans, competition is irrelevant because the rules of the game are waiting to be set. The term "blue ocean" is an analogy to describe the wider potential of market space that is vast, deep, and not yet explored [13].

Economic growth is a priority of the most recent policy interventions. There have been numerous shifts in how economists perceive the main source of economic growth, evolving from manufacturing to entrepreneurship and productivity growth. Although in principle economic growth can be achieved through growth of labor or labor productivity, most governments count on productivity increases [14].

Suggestions and Conclusion

The last evaluation was to verify that the projects' drivers of transformation or growth elements are now used for the balance to be achieved as well as an evaluation of effectiveness.

Blue Ocean Strategy argues that cut throat competition results in nothing but a bloody red ocean of rivals fighting over a shrinking profit pool. Blue Ocean Strategy shows that lasting success comes not from battling competitors but from creating "blue oceans" - untapped new market spaces ripe for growth. Blue Ocean Strategy is an extremely successful attempt to brand a set of already existing concepts and frameworks with a highly "sticky" idea. The blue ocean/red ocean analogy is a powerful and memorable metaphor, which is responsible for its popularity. This metaphor can be powerful enough to stimulate people to action. However, the concepts behind the Blue Ocean Strategy (such as the competing factors, the consumer cycle, non-customers, etc.) are not new. Many of these tools are also used by Six Sigma practitioners and proposed by other management gurus.

The final section of the study put the definition into practice by looking at the ocean economy as it currently exists. Value chain model and cluster analysis were used in this investigation. The techniques were used to first structure the seas that's from a value chain, then cluster them based on their activities, services, and existing and growing sectors, as well as offer some insight on what drives the expansion of these sectors. The method was based on adapting the specifications' individual elements to the framework of the ocean supply chain and then consolidating the chain.

The paper's study goal was to create a strategy that enabled for a convenient, implement, manage, and assess concept of the Blue Economy. This has been tackled by first examining the backdrop of the Blue Economy within its globally developed to describe, and then evaluating the different current definitions using qualitative comparison analysis. The description produced from this study was then put to the test against such a set of minimum criteria to see if it could maintain its authenticity.

Finally, the study suggests that by describing the Blue Economy in quantifiable and quantifiable terms, standards may be established for it, enabling for a systems perspective in how it combines regime-related duties with socio-economic activity while avoiding ocean ecological deterioration.

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