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“One of These Days, Things Gonna Change:”

How Do *You* Make Sense of Market Disruption?

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Abstract

The significance of mindsets is apparent in everyday business life. As today's managers and companies face uncertainty and disruptive change in their business environment and markets, there is a growing need to understand and strategically address such change. This becomes challenging when disruptive market forces confront the institutional logic or "rules of the game" based on collectively acquired experience of doing business in the given field. In overcoming such challenges, managers' hidden reasoning remains an untapped potential while their existing mindset influences what they attend to and what they decide to do. The paper elaborates a diagnostic framework, accompanied by a tool to help managers to make sense of disruptive markets and to reflect individually and collectively on possible courses of action. The framework has two principal dimensions—strategic scope and focus—which are further divided into three business elements of strategic market-oriented management: offering, customer, and market. The tool offers a practical means of profiling individuals' mindsets. In increasingly dynamic business environments, reflection capabilities represent a new source of competitive advantage.

Key words: mindset; managerial decision-making; self-diagnosing tool; strategy; market disruption

1. MARKETS ARE INCREASINGLY DISRUPTIVE

In most industries, the business landscape has changed dramatically in recent years, affecting both established companies and start-ups. In this environment, there is growing concern that managers' traditional map of the landscape—that is, their mindset—is outdated, and there is a need to rethink in order to remain competitive. For example, experts in the financial industry have noted growing global pressure for change, especially among incumbent financial institutions (Dietz, Härle, & Khanna, 2016). The multiple forces of change extend beyond FinTech and digitalization to include new disruptive entities such as e-retailers, large ICT and tech companies, startups, and robotics, artificial intelligence, and social media platforms. Other relevant factors include changes in customer behaviors, industry regulation, and the need to switch from continuous improvement of existing processes alone to transformational change. Astonishingly, more than 80% of banking leaders believe that their business is at risk, and newcomers that alter the institutional logic in ways that can indeed be called revolutionary, fundamentally changing the "rules of the game", undoubtedly challenge incumbent actors. While managers at incumbent companies generally confess to fear of disruption and where it may lead, many businesses find ways of managing through it. To date, incumbent financial institutions have been slow to take drastic measures. Some argue that this is because they operate in a highly regulated market where margins remain satisfactory. However, that market is now approaching a point where genuine disruption is intensifying, and not all will survive. Many other industries have already experienced this effect, and other will presumably follow suit.

The notion of disruption dates back to Christensen's renowned book *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail* (1997), which drew a distinction between sustaining technologies that build on current products, making existing operations more efficient, and disruptive technologies that redefine those operations. Based on numerous cases, Christensen observed that many respected and well-managed companies failed when confronted by changing markets and technologies because they continued to do what had worked for them in the past and so underestimated their rivals' disruptive innovations. While few incumbents transformed successfully into disruptive innovators, new entrants emerged and began to dominate the market. The paradox was that, in disruptive market situations where companies knew least, the payoff was highest for learning quickly and being a first-mover.

In disruptive markets, what seems to distinguish winners from losers is that the successful companies have individuals who can "see" the present and the future more clearly than others and then act on their vision to steer their company into what is, for others, the unknown. These prominent business innovators and leaders serve as role models for how to rethink and challenge business assumptions. In any industry or company, whether already experiencing disruptions or not, the value of managers' mindsets represents an untapped resource.

While organizational similarity of mindset and shared meaning may work in stable situations, increasingly dynamic environments demand mindset diversity. In such circumstances, individuals can make or break a company, and this is our starting point—what if companies and organizations recognized individuals who make key decisions about what to do next, and what if there was a tool to analyze how they think? Such a tool would be useful not only in crises but also as a proactive means of ensuring and enhancing continued competiveness.

To see individual managers and their mindsets as an organizational capability, it becomes essential to understand how different mindsets can be utilized and how they affect the organization. How do managers envision the future? What are the priorities of each individual manager? What does each believe should be the core of the business to generate sustainable competitive strength for the future? What is the detail of their marketing priorities and the hidden potential of their offerings, customers, and markets? Today, even when these issues are discussed, there is in practice no formalized means of systematically identifying and articulating these more or less hidden assumptions. This paper describes such a tool, with instructions for its application to diagnosing fundamental business logics.

2. THE VIEWS OF INDIVIDUALS MATTER

"We have to change in order to be the same" is the first chapter of Richard Normann's (2001) seminal book *Reframing Business: When the Map Changes the Landscape*. This publication was the first (and remains one of the very few) to link the changing logics of business context and value creation to the mental processes that enable companies to change. However, rather than emphasizing an aggregated collective mind in which meaning is shared by managers and others, Normann (2001) highlighted the significance of key individuals. Some are CEOs with a mandate to direct their company; others are entrepreneurs with a singular vision that may contradict what is expected or taken for granted. For example, what would IKEA be today without the original and persisting vision of its founder Ingvar Kamprad? Other examples include Bill Gates of Microsoft, Steve Jobs of Apple, and Mark Zuckerberg of Facebook, and there are other visionaries who are perhaps less well known to the wider public. Extending this idea beyond the influence of top managers, we argue that, in an increasingly complex and dynamic business environment, the role of the individual becomes increasingly important. A focus on shared meaning and organizational culture and identity downplays the fact that individuals have their own mindsets, making it important for both the individual and the collective to understand those mindsets.

Confronted with the same environment and circumstances, different managers know different things and have different thoughts—not only about what is going on but also about what the company should do to succeed. This need not be a weakness if the company recognizes the existence of distinct views and the potential benefits of exploiting them for what they are. Just as managers' individual technical and personal skills and capabilities are assessed and utilized, their cognition or mindset in relation to the "business landscape" (Normann, 2001) and how the company might act should be of greater interest. Indeed, each manager's understanding plays an essential role, especially when the landscape is changing.

Recently, the significance of managers' mindsets has also been discussed in relation to how markets are defined and understood. If markets are mentally constructed rather than given, then companies can identify new business opportunities by thinking differently. In their study of market innovations, Storbacka and Nenonen (2015) took this idea further, arguing that whole business networks must be convinced of the need to think differently. This notion of mindset links directly to change—or, more precisely, to lack of change—in the company.

For managers in disruptive markets, it is critical—and not always easy—to assess the situation before deciding what to do. Zooming in, we find that it is the individual's thinking that drives behavior and underpins decisions, making it crucial to discern their personal logic. Given the significance of how individual managers think, it is surprising that more attention has not been devoted to this issue. In one rare study, Rydén, Ringberg, and Wilke (2015) showed how managers conceptualize and use social media, identifying four distinct mindsets in relation to business-customer interactions: business-to-customers, business-from-customers, business-with-customers, and business-for-customers. These mindsets represent fundamentally different ways of understanding the role of customers beyond the simplistic customer orientation perspective (business-to-customers) that has tended to dominate much business practice.

The academic marketing literature reveals how different "logics" have evolved from the 1970s to the present day. The present study reflects this evolution from marketing as a company function to its fundamental role in strategic management. These different approaches have included CRM (Customer Relationship Management), the business network perspective, the service perspective, and more recently, the customer-dominant business logic. Each is based on a set of distinct underlying assumptions that have profound consequences for practice. Here, they inform the development of a tool to analyze managers' mindsets, which embody beliefs and ideas formed consciously or instinctively through experience and guide managers' thoughts and actions.

3. A NEW TOOL TO DIAGNOSE AND REFLECT ON MINDSETS

The proposed mind-mapping framework and tool will help managers to think and reflect more effectively by self-diagnosing their mindset in relation to market disruptions. The framework has two principal dimensions—strategic scope and focus—which are further divided into three business elements: offering, customer, and market. The tool offers a practical means of profiling individuals' thinking in relation to these crucial business elements. The basics of the tool are 1) do the test, 2) profile the results in the matrix, 3) read the guide for interpreting results, and 4) reflect individually or in teams on the findings and conclusions.

The tool entails a reflection exercise to be completed individually according to each manager's personal view. As shown in Table 1, it comprises eight statements. Three distinct options are provided, one of which is selected.

--INSERT TABLE 1 ABOUT HERE—

The tool distinguishes two fundamental dimensions of mindsets: strategic focus and strategic scope; the first two statements independently assess the manager's general mindset type in terms of these two dimensions. The next six statements employ these same dimensions to reveal more specific individual priorities in relation to customers, offerings, and markets. These correspond broadly to Teece's (2010) business model, conceptualizing how management hypothesizes about what customers want, how they want it, and how those needs can be met while making a profit.

Results from the new tool can be input to the matrices in Figures 1 and 2.

--INSERT FIGURE 1 ABOUT HERE--

--INSERT FIGURE 2 ABOUT HERE--

The strategic mindset categorization in Figure 1 shows nine different combinations of responses from Statements #1 and #2. Figure 2 shows the mindsets in more detail, referring to Statements #3–8 about the three core business elements (customer, offering, and market). Positions in Figures 1 and 2 correspond, and each position is further described in Table 2, which guides interpretation of the different mindsets. The manager can also use Table 2 to reflect on the correspondence between their own beliefs and the core descriptions of mindsets.

--INSERT TABLE 2 ABOUT HERE--

The following examples of mindsets and mindset transitions in real companies illustrate the value of the new tool. The most common mindset, from which some companies are struggling to escape, is the transaction/company view (a-d); examples include mass producers, bulk product companies, and car producers. In this situation, the company may also be "customer-oriented," perhaps collecting data about customers' preferences and making product adaptations. Many of these companies have loyalty programs and offer benefits for accumulated buying (a-e).

In contrast, some consumer companies have been successful for a long time because of their unorthodox approach to understanding and supporting users of their products in their context and over time (c-e and c-e). Examples include IKEA (2017) and Lego (2017). Both of these global companies place customers at the core, going far beyond "customer-oriented" as commonly understood. Instead, IKEA proposes to "Create a better everyday life for as many people as possible around the world" by enabling consumers to create and live in comfortable, affordable homes. Their whole business model is built around a customer-dominant view. Lego's customer-empowering orientation shows in the vocabulary they use—for example, "Inspire and develop the builders of tomorrow" emphasizes Lego fans, playful learning, the power to create, and play experiences. Surprisingly, it seems that many companies have tried but few have succeeded in equaling their customer understanding skills.

The transition from one perspective to another is not easy for many reasons. For one, managers are not necessarily aware of their own underlying assumptions because these remain implicit as long as the business is constant or growing. In practice, moving from one position to another is not an easy task, as it involves abandoning fundamental beliefs and adopting a new mindset. The old mindset not only persists in the minds of managers but is also ingrained in the organization's culture, structures, processes, and performance measurement systems. For example, when adopting a service perspective, many companies struggle to switch their focus from product features to customer interaction capabilities. Similarly, the shift to a relationship focus requires a mindset transformation that extends beyond current transactions to include a time perspective on customers. Perhaps the most dramatic change in mindset is the move from an interaction-based to a customer-dominant view, as it is no longer a matter of involving customers in company processes but of understanding how customers choose to involve the company (or not) in their processes, and why.

Today, a typical mindset/business transformation involves a move from transaction-based to systems-based while retaining a company focus (a-d to a-f). Many online companies reflect this trend—for example, PayPal was originally a financial technology company, best known as a payment system for people making purchases on e-commerce websites. Now, the company is expanding to become a software platform for a range of financial transactions. According to its current CEO (Schulman, 2016), the need to change its fundamental business logic is primarily a consequence of smartphone growth, which gives people access to applications and platforms. For PayPal, the transformation has meant evolving the technology as the underlying merchant operating system for digital commerce, opening their platforms to an ecosystem, and partnering with companies like Facebook and Visa to solve problems for customer segments with different needs, using new payment methods like Venmo and PayPal Working Capital.

Transformation through as many as four different mindsets and, by implication, four different ways of doing business, is rare. KONE corporation (KONE, 2017) is a classic example of a traditional manufacturing company that transformed its culture at an early stage from "engineering products," first incorporating services related to these products and then retaining the service focus while extending it to relationships and systems (a-d to b-d to b-e to b-f). In servitization situations of this kind, mastering profound transformation and deciding on concrete actions is no easy task (cf. Kowalkowski and Ulaga, 2017). KONE began by introducing a service culture, emphasizing that elevator and escalator maintenance people must also be included, as they were in direct contact with the customer. Gradually, different services became more than a way of adding value to company products, offering benefits and increasing value for the customer over time to build and strengthen customer relationships. While still retaining this service focus, KONE now provides solutions within still larger systems in the construction domain. In each case, initiating the mindset and business transition has not been easy, and the role of CEOs and key people has been highlighted (and sometimes criticized) in the media.

This evolution of perspectives reflects how the business environment and society have changed over time; newer approaches are generally responses to emergent challenges, posed for example by information technology, globalization, or environmental concerns. In general, disruptive markets seem to require a shift to the right and top of the matrix.

4. VALUE FOR THE COMPANY FROM REVEALING/MANAGING MINDSETS

In combination with resistance to change, ever more turbulent market forces are creating growing tensions in many companies, as it becomes increasingly difficult to rely on established business formulas. As a remedy, we argue that individuals must be recognized as such rather than as components of collectives, and that their reflective capabilities must be captured.

An individual's mindset determines what that person attends to, what conclusions they draw, and what they decide to do. Organizational cultures represent a kind of institutionalized mindset, and company processes, systems and structures are representations of the mindsets that created them. Business models and strategies are also grounded in specific mindsets. In short, mindsets are like maps of the business environment, and the better and more relevant the map, the better the company will fare. This, then, is the challenge: the more dynamic the business environment, the more mindsets must be reflected on to sustain the company's competitiveness. A focus on shared meaning among managers may facilitate swift and smooth action, but it creates inertia when change is necessary. This is not easy, as fundamental assumptions and beliefs must be questioned or altered, and disruptive market situations seem to attract entrepreneurs who are particularly open to new possibilities in terms of key elements: capabilities, value drivers, and the key business elements of customer, offering, and market. By comparison with incumbents, they are also less burdened by previous business beliefs and are therefore better equipped to cope in a changing marketplace.

As no one knows for sure what the winning mindset will be, there is no way (except perhaps in hindsight) of knowing which mindset was wrong or right, or whether several parallel mindsets might be successful. The market does not “demand” a certain mindset or way of operating, nor can one know how far one is from the “optimal” model. Instead, it is a matter of how the customer, offering, and market are “scripted” and “shaped” (cf. Storbacka and Nenonen, 2015) by the individuals and the company.

Management-oriented journals, magazines and books offer excellent insights into well-regarded executives’ mindsets. Biographies and articles such as the Harvard Business Review’s “How I Did It” (e.g. Schulman, 2016; Stone, 2015) reveal their reasoning, how it has evolved, and how their personal thinking played a significant role in why they were hired. These accounts clearly demonstrate the power of the individual and how personal mindset can make all the difference in business for those individuals and their companies. Our new mindset tool is all about exploiting that personal thinking, in contrast to the prevailing view, which relies on the supposed “wisdom of crowds.”

This focus on personal mindsets as the foundational trigger for much contemporary strategic work differs from more normative current studies, which commonly discuss the need to neutralize cognitive bias because it distorts reasoning and is thought to result in less than optimal decisions (Kahneman, Lovallo, & Sibony, 2011). This paper also differs fundamentally from those discussing how companies can support knowledge sharing (Sunstein and Hastie, 2014). As against the most examined issue in strategy research—how to narrow the gap between formulation and implementation (e.g. Crittenden & Crittenden, 2008)—we address a much earlier phase in the strategy process. We also diverge from studies that aim to increase the success of business innovation by investigating the actual innovation process (Brown & Anthony, 2011; Christensen, Bartman, & Van Bever, 2016) rather than how the preceding situation was interpreted. All such studies seem to share three assumptions: a) that people share foundational assumptions about the business; b) that the key challenge is to encourage the voicing and sharing of ideas; and c) that a smaller gap between strategy formulation and implementation makes success more likely. In contrast, we argue that people may have very different underlying mindsets, and that strategizing starts earlier than is suggested in current studies—that it should start by recognising individuals and diagnosing their essential mindsets.

The tool described here can be used collectively or for self-diagnosis. Similarly, the results can be interpreted individually or in teams; in the former case, they can be used to initiate and direct capability and self-development—for example, to identify personal learning goals or relevant management literature. Discussing individual and group findings in teams may also be of value in developing team working skills and reflecting on differences and their origins. While most of the literature on strategy and management focuses on setting strategies, implementing change, and diffusing change, we are concerned here with what triggers these processes. The dimensions and content of mindsets as elaborated here are also applicable to strategy work and can be useful, for example, in simulating different strategic goals and ways of operating. Our proposal broadens strategic options beyond the prevailing range of streamlining current internal processes and adding products or services. In particular, the mindset framework encourages discussion of customer understanding, which continues to be approached in a narrow and company-focused way. Positions on the maps might then be used to discuss the methods and requirements for shifting the company from its current position, perhaps using tools based on partnering potential and current state (Dalsace & Jap, 2017) or customer journal touchpoints (Rosenbaum, Otalora, & Ramírez, 2017).

An individual manager's view of business is grounded not only in their personal experience but also in how their colleagues think, how the company has organized its business, standards within the industry, and what is considered best practice. In many cases, underlying beliefs about focus and scope influence managers' logics in relation to customers, offerings, and markets, creating a correspondence between these. In this way, individual managers may come to understand their own underlying mindset by using the tool, as well as using the interpretation guide to reflect on other mindsets. If other managers complete the same mindset test, a comparison of findings can be expected to inspire reflection and discussion concerning action points for the company.

The different result configurations—for example, whether the map shows more distributed or more concentrated responses—have differing implications. The spread of responses may for example reveal or explain hidden or overt conflicts in the team. Yet even individuals with different mindsets (potentially implying hidden conflicts) may be able to collaborate, especially if they address their differences, perhaps even turning them into possibilities. Revealing and analyzing outliers may also be revealing, as those with deviating views can be especially important; what matters is who the outlier is; is it the CEO, or someone else?

The tool we describe is intended to avoid or mitigate many of the decision making pitfalls faced by today's managers. First, an emphasis on reflective capabilities helps to counter what Alvesson and Spicer (2016) recently described as the stupidity paradox—that is, how the most educated managers are often unable or unwilling to use their reflective and cognitive capacities in the workplace or to think outside the box. They recommend deliberate measures to guard against the functional stupidity that encourages smart people not to think or reflect at workgroup level. Secondly, the increasing availability of information does not automatically lead to better decision-making. Instead, we argue that reflective capabilities gain in significance, offering truly unique opportunities if they can keep up with an ever accelerating environment. In some cases, a company may have exhausted all other options.

While recognizing individuals and mindset storming clearly has potential, there are also traps. For one thing, it may be risky to deviate from established approaches to strategic planning. The costs would not be substantial, but experimenting with new approaches takes courage. The further one departs from familiar ways, the less comfortable some may feel about revealing their business priorities or their business vision. The opposite may also happen—that is, people whose strategy ideas are not listened to may quit, taking their ideas with them (cf. Felin, 2016). Additionally, it may be risky to be first to market with a novel idea (cf. Christensen's paradox; where companies knew least, the payoff was highest for first-movers). This explains why a company must have full executive commitment and support and must devote full attention to implementation constraints, as in the case of any organizational change. The transition will be smoother where the new transformation strategy is supported by fundamentals such as organization culture and leadership, personnel skills, company structures and policies, and customers. Depending on its extent, transformation demands a time perspective that allows for change and a willingness to make adjustments along the way.

Each of us has beliefs and is guided by them, whether we admit this or not. Some may deny this or consider it less rational or objective and more biased or emotional. What we wish to highlight is that mindsets are an intrinsic element of how we make sense of what is happening in the world, and how we envision the future. For that reason, we need to have the necessary tools to identify our mindsets and to develop an understanding of how they work. This becomes clear, for example, when companies recruit, or when they seek to change a key executive's mindset. Especially in market situations where much or everything is changing, it becomes important to capture how our minds work.

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Table 1: Mindset diagnostic tool

Instruction: Please choose one of the three options for each statement (numbered 1 to 8) that best corresponds to your personal view concerning the company you work for

When markets disrupt, I believe that

#1 in our business strategies, we should prioritize

a) *Company-internal capabilities*
b) *Capabilities for interacting with customers*
c) *Capabilities for understanding customers*

#2 in our business strategies, we should prioritize

d) *Unique products/services as value drivers*
e) *Customer relationships as value drivers*
f) *A systems view as the value driver*

#3 we should focus on our customers as

a) *Reactive*
b) *Participating*
c) *Dominant*

#4 we should consider our customers' interest to be based on

d) *Unique products/services*
e) *Relationships*
f) *Systems of products and services*

#5 we should focus on developing offerings based on

a) *Company-internal priorities*
b) *Collaboration with customers*
c) *Customer priorities*

#6 we should consider the scope of our offering as

d) *Unique products/services*
e) *Relationships with customers*
f) *Systems of products and services*

#7 we should define our markets on the basis of

a) *Company functions/units*
b) *Customer interaction forms*
c) *Customer activities and reasoning*

#8 we should consider the scope of our market as

d) *Products/services*
e) *Customer relationship types*
f) *Systems of products and services*

Table 2: Interpretation guide: strategic mindsets

Strategic Mindset Type	*Core description*
Transaction/ company view	- Customers are targets that need to be activated by marketing communication. - Value resides in products and service solutions designed by the company and delivered to customers. - Markets are faceless and homogenous collections of products, customers, and competitors. - Marketing is a function or department in the company. - Primary business goals are to increase revenues, cut costs, and differentiate from competitors in order to increase market share and short-term profitability. - Customer orientation means collecting data about customer needs and preferences.
Transaction/ interaction view	- Customers are participants in service encounters focused on the customer and their quality and value perceptions. - Value resides both in the products and in the interactions between company and customer. - Markets are faceless and homogenous collections of products, customers, and competitors, where level of customer service is a deciding factor. - Marketing is not only a function; all personnel are part-time marketers, and the service culture is important. - The primary business goal is to increase customer-perceived quality of products and interactions to differentiate from competitors and so increase market share and short-term profitability. - Customer orientation means mapping and improving contact points with customers and customer experiences of these.
	- Customers integrate products and services from different sellers into their lives, making it essential to understand how they think and behave.

Transaction/ Customer view	- Value emerges through customers' use of products and services; the better these match, the higher their value. - Markets form around the products and services that the customer uses and are defined by customer use of offerings. - Marketing is central and ingrained in all company activities and goals. - The primary business goal is to understand different customer logics and activities that capture their attention and preferences for relevance to selected customer groups. - Customer orientation means understanding customer processes and goals holistically and in context.
Relationship/ company view	- Customers are targets that need to be activated by marketing communication. Value resides in customer relationships based on contracts or repeated purchase of bundles of products and services augmented by value-adding features and adjusted for different customer types and situations over time. - Markets are faceless and homogenous collections of customer relationships and competitors. - Marketing spans many functions and departments and needs to be coordinated to support customer relationship management. - Primary business goals are to initiate and maintain customer relationships and to measure and increase customer relationship profitability, as long-term relationships are considered to increase revenues and stability and reduce costs. - Customer orientation means collecting data about customer needs and preferences over time.
	- Customers are participants in relationships that focus on the customer and their quality and value perceptions.

Transaction/ interaction view	- Value resides both in bundles of products and services and in value-adding features, especially in customer-specific adjustments and interactions over time between company and customer. - Markets are collections of customer relationships with different levels of customer service in which the customer position is central. - Marketing spans many functions and departments and needs to be coordinated to support customer relationship management. - Primary business goals are to initiate and maintain customer relationships and to measure and increase customer relationship profitability, as long-term relationships are considered necessary to increase revenues and stability and reduce costs. - Customer orientation means optimizing interactions with customers and customer experiences of these.
Relationship/ customer view	- Customers select and combine products, services, and value-adding relationship features from sellers as needed. - Value emerges in customers' use of products, services, and value-adding relationship features; the better these match, the higher their value. - Markets form around the products, services, and value-adding relationship features the customer uses and are defined according to customer logics. - Marketing is central and ingrained in all company activities and goals. - The primary business goal is to understand different customer logics and activities that capture their attention and preferences for relevance to selected customer groups. - Customer orientation means understanding customer processes and goals holistically and in context.
	- Customers are targets that need to be activated by marketing communication.

Systems/ company view	- Value resides in building solutions and platforms where services are integrated and designed by the company and delivered to customers. - Markets are faceless and homogenous collections of solutions, platforms, and competing systems. - Marketing is a function or department in the company. - Primary business goals are to build solutions (alone or with suitable partners) that are more competitive than existing single services or similar systems on the market, so differentiating from competitors to increase market share and short-term profitability. - Customer orientation means collecting data about customer needs and preferences that can be translated into service systems or solutions.
Systems/ interaction view	- Customers are contributors to solutions focusing on the customer and their engagement. - Value resides in both solutions and co-creation of these with customers over time. - Markets are competing systems and platforms around solutions and are not fully controlled by the seller. - Marketing spans many functions and departments and needs to be coordinated to support solutions and platforms and customer interactions. - Primary business goals are to develop processes and platforms for solutions and customer interaction contact points. - Customer orientation means mapping and improving complex configurations of services, contact points with customers, and customer experiences of these.
	- Customers independently organize and coordinate solutions that they need to improve their lives. - Value emerges in customers' use of solutions; the better these match, the higher their value. - Markets form for the customer around the solutions they use and are defined according to customer logics.

Systems/ customer view	-	Marketing is central and ingrained in all company activities and goals.
	-	The primary business goal is to understand different customer logics and activities that capture their attention and preferences for relevance to selected customer groups.
	-	Customer orientation means understanding customer processes and goals holistically and in context.

Figure 1: Strategic mindsets

Strategic mindset grounded in

SCOPE Statement # 2	a) Company	b) Interaction	c) Customer
f) Systems	Systems/ company view	Systems/ interaction view	Systems/ customer view
e) Relationship	Relationship/ company view	Relationship/ interaction view	Relationship/ customer view
d) Transaction	Transaction/ company view	Transaction/ interaction view	Transaction/ customer view

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Statement # 1

Figure 2: Core business elements (Customer-Offering-Market) of strategic mindsets

SCOPE Statements # 4, 6, 8	a) Company	b) Interaction	c) Customer
f) Systems	Customer as target Seller-defined solution Seller-defined market/system	Customer as contributor Co-created solution Seller-negotiated market /system	Customer as orchestrator Customer-defined solution Customer-defined market/system
e) Relationship	Customer as target Repeated buying/ contract and added relationship features Seller-defined market	Customer as participant Repeated buying/ contract embedded in negotiated relationship features Seller-negotiated market	Customer as designer Repeated buying/ contract and customer valued features Customer-defined market
d) Transaction	Customer as target Seller-defined products/services Seller-defined market	Customer as participant Customer-perceived products/services Seller-defined market	Customer as integrator Customer-valued products/services Customer-defined market

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Statements #3, 5, 7