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VALUE CREATION WHEEL APPLIED TO ACREDITA PORTUGAL,

DREAMSHAPER, AND LIGA PORTUGUESA DE FUTEBOL PROFISSIONAL

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Abstract

This case study focusses on the Value Creation Wheel (VCW) which "helps to identify, analyze, and solve problems by providing a step by step dynamic process for creating value for society" (Lages, 2016: 4849). Starting with a brief overview of the literature, in what regards to value co-creation, stakeholder orientation, innovation, and paradoxes, it continues by introducing DIANA which "provides a holistic approach to problem-solving" (Lages, 2016: 4849). Lastly, TIAGO, the practical tool of VCW is described. The VCW is then applied to the following four cases: Acredita Portugal, DreamShaper, Liga Portugal-Ledman LigaPro and Liga Portugal-Taça CTT.

Index

I. Literature Review - A Brief Overview

1. Value, Value Co-Creation, and Its Theoretical Understandings

2. The Importance of Stakeholder-Orientation on Value Creation

3. Value Creation Wheel (VCW) Framework

   3.1 TIAGO Framework - A practical understanding of the VCW

   3.2 Innovation and Managing Innovation

   3.3 VCW as a dynamic approach that drives Innovation and Creativity

      3.3.1 Induce Solutions and Filters

         3.3.1.1 Creating Value from internal & external stakeholders

         3.3.1.2 Creating Value from idea generation techniques

      3.3.2 Value Validation and Consolidation

      3.3.3 VCW as a tool to overcome Paradoxes and Trade-offs

4. TIAGO Framework applied to real challenges

II. Case studies

Case Study 1: "How can Acredita Portugal ensure long-term financial stability and market relevance?"

Case Study 2: "Which additional features DreamShaper product must have to be competitive in the market?"

Case Study 3: "How can Liga Portugal increase both the competitiveness and attractiveness of Ledman LigaPro?"

Case Study 4: "How to use the Value Creation Wheel to design a new positioning for Taça CTT?"

III. References

Literature Review - A Brief Overview

The literature review starts with an overview of the concepts of value and value co-creation, as they are fundamental concepts of strategic management. The crucial role played by stakeholders in the process is also emphasized, as a "balanced stakeholder approach (…) is more likely to provide improved overall profits and satisfaction of key stakeholders, which suggests positive and sustainable relationships and improved performance" (Patel et al., 2016:657).

The Value Creation Wheel (VCW) is later introduced as driver of innovation, being its application described by a Board Member of a large company, to "industrialize the innovation process" (Lages, 2016). Likewise, the VCW is considered as a tool to overcome paradoxes and trade-offs in the decision-making process as shown afterward. In addition, the VCW is analyzed and compared to other methodologies and frameworks. Lastly, the application of TIAGO to organization's real challenges is reviewed in four different case studies.

1. Value, Value Co-Creation, and its Theoretical Understandings

In 1776, Adam Smith wrote that value "has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys" (Smith, 1776:48). Smith called the utility of a particular object, value in use, and the power of purchasing other goods for the possession it brings, he called value in exchange.

Value and value creation have undoubtedly been a subject of discussion for more than 200 years. Other authors, like Michael Porter (1985) for instance, described value in the context of consumer decision making as "the willingness to pay for a firm product/service". The theoretical perspectives on value and value creation had a large impact over the years on organizations and societies, influencing the way people behave and view the world.

In 2000, the term co-creation was coined by the professors CK Prahalad and Venkat Ramaswamy. Value co-creation (VCC) is a method that involves collaboration between various stakeholders (Prahalad & Ramaswamy, 2000).

However, recent research was not able to "adhere to a consistent theoretical perspective of VCC" (Ranjan & Read, 2014: 290). In order to find a consistent study of VCC, Ranjan and Read (2014), integrated two main dimensions in the concept of value co-creation: co-production and value-in-use, meaning that, consumers create value to firms through direct and indirect cooperation, from production to consumption (Hoyer et al., 2010; Payne et al., 2008; Payne et al., 2009; Roggeven et al., 2012; Tynan et al., 2010).

The first concept, co-production, is the direct or indirect process of "coworking with customers" (Hu and McLoughlin, 2012; Nuttavuthisit, 2010) or its collaboration in the design process of a service or a product (Auh et al., 2007). It can also be defined as any sort of customer interaction, such as "mutual exchange, physical and mental activities, and access to mutual expertise" (Ranjan & Read, 2014: 293). According to Ranjan and Read (2014: 293), co-production is composed of three main categories: knowledge sharing, comprises sharing consumer's knowledge, ideas and creativity, equity, that represents sharing the control of the firm and its co-creation of value (Fisher and Smith, 2011; Hoyer et al., 2010) and interaction, "the primary interface between parties" (Ranjan & Read, 2014: 294).

The second concept, value-in-use, "extends beyond the co-production" (Ranjan & Read, 2014: 2) and enters the field of consumption and usage of a product or service, to validate its proposition (Vargo and Lush, 2004), underlying the idea that "value is co-created in use" (Ranjan & Read, 2014: 294). The concept contemplates three other elements: experience, as the intrinsic value is generated through "empathetic, emotional and memorable interaction" (Ranjan & Read, 2014: 294), relationship, which contemplates the creation of value through "customer empowerment to develop solutions" (Ranjan & Read, 2014: 295) and

personalization that can manifest in the "possibilities of cultural reshaping and reinforcement" (Ranjan & Read, 2014: 295). Looking at the different types of collaboration between firms and consumers, it is possible to see simpler to more complex relations, i.e. from market research to active contribution in new product development (Chien & Chen, 2010; Droge et al., 2010).

2. The Importance of Stakeholder-Orientation on Value Creation

"Stakeholder theory suggests firms should be sensitive to a broad group of stakeholders and their needs, with balanced trade-offs that are fundamental to achieving a sustainable competitive advantage, and ultimately survival" (Patel et al., 2016:650).

Customer learning is one of the main tools through which companies can create value, by exploring three aspects: remembering, internalization and proportioning. Marketing communication focuseses heavily on remembering, and brand building activities focus on internalization, however, proportioning is the most engaging process, making the customer reflect on its behaviour (Payne et al., 2007).

Payne et al., (2007), developed a process-based value co creation framework, which contains three main parts: customer value-creating processes, supplier value-creating process, and encounter processes between both. The model was based in many examples of success firms that correctly use the relationship with its customers to create value, as IKEA that involves its customers in transporting and assembling furniture, or Disney Theme Parks that focus on the experience for the customer (Payne et al., 2007).

There is also an intensified importance of prototypes in this new concept, which can be designed in the form of environments, encounters and content, so that the solutions found to answer to customers' needs can be tested and put into practice faster (Payne et al., 2007), always complemented by the development of meaningful metrics to assess the value created, following the concept of "return on relationships" (Gummesson, 2004: 91).

The creation of value through customers should be seen in a non-linear way, but in a dynamic and interactive process (Ballantyne, 2004) - customers have no longer a passive attitude, but are "active players" (Prahalad & Ramaswamy, 2000: 86), demanding a more and more active use of a stakeholder-orientation approach.

3. Value Creation Wheel (VCW) Framework

Value Creation Wheel (VCW) is a problem-solving stakeholder-oriented meta-framework that integrates/interacts with other frameworks, to follow a journey of innovation. The process of this tool is designed as circular, with five different phases sequentially presented. Due to the current dynamic environment we live in, the VCW framework allows for sequence changes or integration of new ideas/problems in a later stage (Lages, 2016) – that is why it is so effective and versatile.

VCW is a flexible framework that adapts to uncertainty and more dynamic environments, based on Darwinist principles (Lages, 2016), while most of the models used "give an illusion that the world is stable" (Lages, 2016: 4849). This framework asks for people to think with "no-boxes" (Lewis, 2000; Lewis et al., 2014), not demanding convergence, but feeding on divergent thinkers (Lages, 2016). It is the perfect example of a structured yet flexible framework, that fits the nowadays markets' dynamics, being able to help on innovative environments and generating true value for the wide range of companies that have already experimented it (Lages, 2016).

It certainly involves everyone in the process, both internal and external stakeholders, "with a Win-Win vision" that relies on Game Theory (Lages, 2016: 4850). It understands that the survival of rivals and partners is extremely relevant and that they also play an important part in the organizations' success (Brandenburger & Nalebuff, 1995).

It is composed of two major elements: TIAGO (see **Appendix 0.1**) and DIANA (see **Appendix 0.2**). DIANA is the theoretical framework, which creates a "bird's-eye view of how to solve

problems" (Lages, 2016: 4849). It allows for a 360º approach, integrating visions that belong to the company, to the market or even to outside the market, which is something uncommon in other frameworks. As confirmed by research, "traditional frameworks are about benchmarking, substitutions, and cannot think outside existing markets" (Lages, 2016: 4852), meaning that DIANA is a different framework, not building on trade-offs, but on paradoxes (Lages, 2006). It follows a somewhat similar concept to the one used in the Theory of Inventing Problem Solving (TRIZ) method, where the objective is to make the creative and innovative process more predictable by looking at other problems/ industries/ markets, and gathering solutions from them to apply to the current problems (Mansoor et al., 2016).

3.1 TIAGO Framework - A practical understanding of the VCW´

TIAGO is the practical framework - "a customizable tool that adjusts to the problem and context (…) supporting the implementation of the DIANA framework" (Lages, 2006: 4849). It consists of five dynamic and circular phases: 1) tap, 2) induce, 3) analyze, 4) ground and 5) operate.

In phase one (Tap), it starts by diagnosing the market, and demands for a correct problem definition in the beginning of its application, that can be done through methodologies such as 5 Why's or Cause and Effect Analysis (CEA) (Maddux et al., 2014; Brown and Kusiak, 2007).

The 5 Why's method had its origin in the 1970´s, in the Toyota Industries, created by Sakichi Toyoda, in an approach that would privilege answers coming from people with hands on the approach. It functions drilling down to the root cause of a problem, by asking *why* as many times as needed, and it relates on countermeasures, rather than solutions, in order to prevent problems from recurring. (Maddux et al., 2014).

When the problems are complex or have multiple causes, CEA analysis is more effective (Brown and Kusiak, 2007). The method relies on the 80/20 rule, deriving from the Pareto's principle that states that 80% of the effects usually come from 20% of the causes (Juran, 1954).

This theory has been tested throughout the years, most of the times with good results (Dunford et al., 2014), which proves that choosing the right causes "is the heart of problem analysis" (Brown & Kusiak, 2007: 2).

In phase two (Induce), TIAGO framework allows for problem-solving partnerships, using the inputs of internal and external stakeholders to find concrete ideas and solutions, as well as filters. This is another distinctive aspect of the framework that allows for more idea generation by separating ideas from filters - there is no such thing as killing ideas initially (Lages, 2016). Analyze is the third phase in which the model recurs to the key-decision makers to select the solutions and rank or eliminate filters, potentially by using the Poker-Method (Lages, 2016). In phase four (Ground), the ideas and solutions are filtered using the Value Creation Funnel (VCF) leading to the identification of the "solutions with the highest potential" (Lages, 2016).

There should be kept an open mind for the appearance of new solutions or filters suggested by the key-decision makers at a later stage. Even though the conclusions are taken, the model is dynamic enough to always admit new options. In phase five (Operate), the board decides on a Go, No Go, or Check basis, after presented with the development and implementation of the solutions chosen, through a business model, where applicable (Lages, 2016).

3.2 Innovation and Managing Innovation

Nagji and Tuff (2012: 68) argue that "the year-to-year viability of a company depends on its ability to innovate". In fact, innovation and managing innovation is one of the biggest concerns of companies nowadays, but not everyone is able to acknowledge the creative process behind successful innovations (Terwiesch & Ulrich, 2008).

To understand the "perfect" way of managing innovation in a firm, Nagji and Tuff (2012) conducted a research to understand the right balance between the investment in core, adjacent and transformational innovation initiatives, acknowledging that most of the times "returns on

the company's total innovation investment are too low", and as a response, managers usually have dramatic interventions and vacillating strategies (Nagji & Tuff, 2012: 6).

The research has proved that the most successful companies have average weights of investment of 70% in core activities, 20% in adjacent and 10% in transformational, but the average returns on cumulative innovation usually presents the inverse situation, with 10% coming from core activities, 20% from adjacent and 70% from transformational (Nagji & Tuff, 2012). This proves the importance of "transformational rather than incremental innovations" (Nagji & Tuff, 2012), but some organizations don't have what it takes, and they constantly retreat to what they know best, and the cycle repeats itself (Nagji & Tuff, 2012).

3.3 VCW as a dynamic approach that drives Innovation and Creativity

In the second half of the twentieth century, a considerable number of strategic frameworks arose. The most well-known are the BCG matrix, the Cooper-Stage Game Model, the Ansoff Matrix (Ansoff, 1957) and the McKinsey matrix. These frameworks try to simplify the real problem, however, fail to connect the external and internal perspectives of firms (Sanchez & Heene, 1997). According to Sanchez & Heene, 1997, to achieve success, companies need to move towards a holistic approach with interlinked elements, and only by doing so can they innovate sustainably.

Different from traditional approaches which commonly inhibit individuals' creativity (Amabile, 1998), the VCW's second phase, "Induce Ideas", focusses on spawning the maximum amount of ideas for both solutions and filters, using the critical inputs received from a heterogeneous and wide range of both internal and external stakeholders, including laggards, lead users, divergent thinkers, sceptics, devil & angel advocates, within others (Lages, 2016). As a result, as the number of stakeholders involved increases, so does the value created. This characteristic of the VCW is often not seen in other frameworks.

The VCW brainstorming, both for solutions and filters, is different from other techniques, as is not possible people to destroy ideas, as such the creativity generated in the process drives adaptive innovation within each phase, and among all the five VCW phases (Lages, 2016).

"For many companies, innovation is a sprawling collection of energetic but uncoordinated activities" (Nagji & Tuff, 2012:11), so it is very important to keep in mind tools as the Ansoff's Matrix and other frameworks that might help in the integration of vision, strategy, and actions, that will assure that all the activities "add-up to the strategy of the firm", and that the risk of each strategy is considered (Nagji & Tuff, 2012).

Managing for total innovation means having a clear innovation ambition, having the right balance between core, adjacent and transformational initiatives, and put into place the tools and capabilities to integrate all the innovative initiatives as part of a whole (Nagji & Tuff, Harvard).

3.3.1. Induce Solutions and Filters

Today's world economy is about choices - we are transitioning from an economy of scale to an economy of choice, where consumers have now several choices, resulting in a weaker consumer loyalty towards the brands (Whitney, 2015; Nussbaum, 2004). Therefore, there is an "innovation gap in which companies know how to make anything without knowing what to make" (Whitney, 2015: 58).

According to Nussbaum (2004), research shows that companies are yet to know their consumers and thereby, there is a crucial need for corporations to improve their consumer experience. Moreover, ideas are the source of innovation, playing a vital role in the organization's' innovation/idea generation process. As a result, companies need to ensure that they allocate their right resources to take the most out of it, avoiding falling into the "innovation gap" (Dorow et al., 2015). For instance, by leveraging the approach proposed on the VCW to gather solutions, companies will be in a better position not to fall in the "innovation gap", as it focuses on

generating solutions where the objective is to collect the maximum amount of ideas provided by all sorts of stakeholders, both internal and external, through the use of multiple approaches. Here, "there are no good or bad ideas" (Lages, 2016: 3), thus the higher the creativity and innovation of the stakeholders, the greater the number of ideas generated.

A major point of difference of the VCW to other frameworks is the distinction it makes between solutions and filters. Filters are, according to Lages, the reason why a solution might or might not be suitable for future implementation.

Filters can be gathered just like solutions are, meaning applying the same idea generation techniques, but ideally, this process would be made by different people from the other generating solutions to reduce bias and barriers to thought (Lages, 2016).

3.3.1.1. Creating Value from internal & external stakeholders

This circular framework hides a dynamic stakeholder orientation that provides continuous inputs to the problem-solving process (Lages, 2016), reminding of the New Consumer Journey Theory that, like the VCW method, transcripts the relationship between consumer and company with a circular framework, which means that the engaging process never ends, and it is never granted (Mckinsey, 2009). To generate solutions, Lages (2016) highlights the importance of using different kinds of stakeholders. According to Nussbaum (2004), when you involve a wide range of stakeholders, you get a 360º view on the matter in question.

Furthermore, there is a wide range of stakeholders that should be considered during the idea generation process (Lages, 2016). Following this, the first are the lead users, who represent those whose existing needs will become usual in a marketplace in a near future (Von Hippel, 1986; Jahanmir & Lages, 2015). According to Von Hippel (1896: 801), lead-users represent one of the groups that contribute the most, and that in certain industries, this group of users can be responsible for up to "100% of first type innovations". Likewise, lead-users are eager and

motivated to innovate, so that they can solve their problem or satisfy their need (Eisenberg, 2011). Moreover, Lages (2016) emphasizes the significance of involving both innovation resistance people and laggards. Firstly, by applying the Lag-User Method, you will be involving "the last group of users to adopt a product" (Jahanmir & Lages, 2015: 66), i.e. late-adopters in the new product/service development process that are skeptical and resistant towards the firm's innovations. This method involves laggards in "new product development, teaches them to innovate and uses them as a rich source of idea generation" (Jahanmir & Lages, 2015: 66). Moreover, according to Jahanmir & Lages (2015), research showed that while innovators stare for high-level features and problems, laggards seek for straightforwardness and convenience. In fact, when comparing both groups of users, there are some common needs. Secondly, individuals that seem skeptic and that resist to innovation, play a vital role, as they are usually the ones who assume the devil's advocate role (Lages, 2015). A devil's advocate represents someone who challenges others' thoughts and ideas, giving different perspectives on the topic. According to Cleaver (2016: 2), when people have ideas, sometimes they are "blindsided, fumbling for a defense of what they thought was obvious, thus leading to mistakes which would likely be seen by one with a different lens". Grant (2016) suggests having an authentic devil's advocate, an "authentic dissenter", not someone appointed, as it will generate "more-and-better solutions to problems" (Grant, 2016: 94). Moreover, many academics suggest the use of the Angel's advocate role, particularly in the early stages, to encourage people to generate ideas (Malone, 2003). The angel's advocate is someone that incentivizes people to generate ideas, spending time building on them and trying to find ways for it to work (Iannarino, 2013). The role sends the message which welcomes new ideas and tries to reinforce the importance of engagement (James, 2010).

Additionally, many companies, when addressing their problems, they try to look solely for solutions in-house, i.e., they put their departments, from marketing to R&D, thinking on a

potential solution. Thus, they don't realize the value of accessing expertise from analogous fields, from which the best ideas potentially come from (Poetz, Franke & Schreier, 2014). For instance, studies have shown how crucial and valuable it is, to involve people that are "knowledgeable about subject areas that are different from yet relevant to the matter at hand" (Frankle, 2015: 2). Those people are called divergent thinkers, characterized by having a different background/area of expertise from the one that the addressed problem has (Arcoverde, 2017). Moreover, Poetz, Franke & Schreier (2014: 3) suggest that people, experienced in analogous fields (i.e. different industries/backgrounds) "can draw on different pools of knowledge" as they are not cerebrally limited by existing barriers and filters. Likewise, according to Runco & Acar (2012), divergent thinking often leads to originality, which corresponds to one of the most important features of creativity. They firmed that there is a "great value in the concept, and how it is associated with problem-solving, ideation and creative potential" (Runco & Acar, 2012: 9).

3.3.1.2. Creating Value from idea generation techniques

This phase must be supported by multiple approaches on how to generate ideas. From the bank of ideas, brainstorming sessions, crowdsourcing, networking to open-innovation, interviews, focus groups, surveys, and workshops (King & Lakhani, 2013; Lages, 2016; Pearson & Tony, 2015). Many organizations use the brainstorming technique, spawning numerous ideas and solutions that will further resolve the problem (Litchfield, 2008). This methodology represents a quick and simple way to find both ideas and/or solutions, being applicable to almost every field (Litcanu et al., 2015). The term Brainstorming was coined and suggested by advertising executive and creativity academic Alex Osborn in his 1953 book, *Applied Imagination.* This technique was meant "to access the group's collective creativity by taking down the barriers that stop people from suggesting ideas" (Gobble, 2014: 1).

Osborn observed that whenever people were given the assignment to generate ideas for a problem in a group, individuals would start appraising and debating as soon as the first idea was thrown, instead of generating several ideas. Thus, inhibiting others' creativity, rather than emboldening it, as there wasn't any opportunity for others to pitch their ideas. (Furnham, 2000). Instead, he instructed some fundamental rules, that people should shadow when undertaking a brainstorm being them, "toss out as many ideas as possible. Don't worry if they're too crazy. Build on the ideas people generate. Don't criticize initially" (Markman, 2017: 1). He claimed that, by allowing people to generate the maximum ideas possible, by avoiding condemning them instantly, in its place, building or leveraging on them and by encouraging eager ideas, there will be a rise in both "the quantity and quality" (Furnham, 2000: 1) of the ideas/inputs generated by people while brainstorming (Litchfield, 2008).

Moreover, despite being more than 60 years old, this technique "isn't dead, though, by a wide margin. It continues to be used by innovative firms from Apple to IDEO" (Gobble, 2014: 1). According to McCaffrey (2014), studies against brainstorming "actually show that in some cases, individual idea generation is a superior method, none concluded that brainstorming did not work".

3.3.2. Value Validation and Consolidation

Society is more than ever facing scarcity of resources, and as such not all solutions of a creative process, such as VCW, might be implemented. In the validation phase, the key decision makers (KDM) assess the potential for implementation of each solution and filter that was previously collected. At this stage, the result is dependent "on the hierarchy and control systems within the organization" (Lages, 2016: 4852).

According to Hughes (2013), a validation factor to consider is related to the organization and the processes inside the organization itself. The extent to which the organization is running a

Value Chain instead of a Supply Chain - in which the concerns are only related to costs and process efficiency - the better the value creation results. The value chain management is more related to the management of a sustainable innovation process and the people involved as well as to assure the efficiency of the process. (Hughes, 2013).

Value validation is also dependent on the external context of the company, mainly the socioeconomic and cultural context. Societies with stronger post-materialist values are more likely to emphasize social and environmental value over economic value (Hechavarría, 2016). For instance, in a multinational company as Almond Chemical, the ways to create value vary as the way to do business is different in markets such as Europe or China. (Xin & Haijie, 2011). In this respect, the Value Creation Wheel considers "different kinds of internal and external stakeholders with a Win-Win vision" (Lages, 2016:4850), and by integrating both internal and external inputs, it adopts a holistic approach allowing organizations to overcome the approach and cultural barriers.

According to Michel (2014), two concepts must be distinguished - value creation and value capture - both important, but most companies focus only on the first. The VCW application does not finish with the complete value creation strategy and includes an execution or implementation plan. As Lages (2016) sustains VCW allows companies to focus on value capture since the fifth phase is completely dedicated to the development and implementation of the concept created in the previous phases through a business model (when possible).

To perform the task above described, well-known business tools are available that allow for simplification. One possibility is the Business Model Canvas, developed by Alexander Osterwalder. The Business Model Canvas analyzes nine key elements: customer segments, value propositions, channels, customer relationships, revenue streams, resources, activities, partnerships, and costs (Greenwald, 2012).

Furthermore, other implementation tools can be used as the Marketing Plan or the 3 M's (Money, Men and Minute) in order consolidate solution execution.

3.3.3. VCW as a tool to overcome Paradoxes and Trade-offs

Nowadays, organizations (businesses) must face unprecedented diachronic and synchronic complexities (Ogrean, 2016). In hypercompetitive environments, survival is dependent on agile and flexible response to changing environments (Lewis & Andriopoulos & Smith, 2014).

According to Lages (2016: 4850), "the A.G. (After Google) world is both flat and spiky, requiring new frameworks (both structured and flexible) to incorporate previously accumulated knowledge to deal with change and solve complex paradoxes. As such, the VCW is not another competing tool, but a tool that embraces partners that contribute towards a stronger solution to problems and challenges".

The VCW builds on the idea that in addition to the control system, experts require both "boxes" and "no boxes", both "flexibility and structure", both "converging and spreading", and both "trade-off and paradoxes" to manage uncertainty (Lages, 2016: 4850).

A paradox can be described as a "challenging tension, between contradictory, yet interrelated elements that exist simultaneously and persist over time" (Lewis & Andriopoulos & Smith, 2014: 59). Contrary to tradeoffs, in which it is selected the option with the highest potential, paradoxes select the option to seek a both/and approach. (Waldman & Bowen, 2016). As the Value Creation Wheel is customizable and does not impose its own formula, it allows organizations to build on paradoxes, contrary to other frameworks that "are too rigid or have a bias toward either market-pull or a technology push" (Lages, 2016: 4851).

The VCW framework solves diverse "paradoxical problems, overcoming crises, and addressing constant challenges" (Lages, 2016: 4849). It allows the organization to deal with the paradox of choice. According to Schwartz (2004), the paradox of choice is the result of the large amount

of choice that society faces today. The author argues that a broad freedom of choice is leading to less satisfaction and frustration. Lages (2016) sustains that the VCW framework involves in the process both angels and the devils, the techies and the laggards helping them taking decisions in highly complex environments.

Furthermore, the VCW helps to solve several strategic paradoxes, such as how to make the bridge between the "what" and the "why", the technology and the market, and economies of scale and local market needs (Lages, 2016). According to Thompson (1998) company's strategy is full of paradoxes, since they are constantly doing no right or wrong choices, but essential to look simultaneously to the issues and not in isolation.

To Lewis & Smith & Tushman (2016), leaders that use the paradox approach can have more abundant resources, because they adopt strategies to grow the pie, instead of dividing it by establishing partnerships with other players, taking advantage of different technologies or using more adjustable periods of time.

Exploration of paradoxes also allows organizations "to move away from seeking permanent solutions to workable certainties" (Lewis & Smith & Tushman, 2016: 68), resulting in more dynamic organizations, since paradoxes have the potential push leaders to the initial problem, revising "either/or" assumptions in search of more inclusive, "both/and" possibilities.

4. TIAGO Framework applied to real challenges

The flexibility that the VCW offers allow for an infinite number of useful applications in very diverse areas of activity. In the recent years, the VCW framework has been applied in several contexts. Its applications range from solving personal problems to solving problems in very different business units inside companies and organizations. "An MIT Professor, who is an inventor, co-founder, and board member of three venture-funded companies, mentions that the VCW can solve problems in many different fields because life is about making constant

choices" (Lages, 2016: 4849). According to Lages, the VCW framework allows managers, politicians, stakeholders, and society to create value and "make a perfect bridge between why and what".

In this second part of the master's thesis, four different case studies are introduced to show how versatility, agile, and effective the VCW framework can be when applied to real problem-solving situations.

- At Acredita Portugal, the question addressed was "How to ensure Acredita Portugal long-term financial stability and market relevance". This case study was developed Ana Egas, and the goal is to develop a sustainable growth strategy, in order to allow Acredita Portugal to reach its full potential.

- At Dreamshaper, the question answered was "Which additional features Dreamshaper product must have to be competitive in the market?". This case study was developed by Samuel Pires and aims to consolidate Dreamshaper's offering and competitive position by involving the maximum number of stakeholders.

- At Liga Portugal, the question answered was "How can Liga increase both the competitiveness and attractiveness of Ledman LigaPro?". This case study was developed by Bruno Bernardo and aims to reformulate the competitive model, strategy, and positioning of the 2nd tier League, Ledman Liga Pro.

- At Liga Portugal, the question answered was "How to make Taça CTT more competitive for clubs, and more attractive for supporters?". This case study was developed by Joana Pontes and it aims to help on building a sustainable strategy for the newest football competition of the country, the League Cup.

In the following case studies, the term VCW team is used to describe the team composed by the student responsible for developing the case study, under the supervision of professor Luís Filipe Lages.

Case study 1: "How can Acredita Portugal ensure long-term financial stability and market relevance?"

Abstract

The following case study illustrates the application of the Value Creation Wheel to Acredita Portugal, a non-profit organization that supports and encourages entrepreneurship in Portugal. It demonstrates how the Executive Board, in close collaboration with the VCW team redefined the operating model for 2018, by including new activities and initiatives, that will generate sustainable sources of revenue, and expand business opportunities. The case describes Acredita Portugal's journey of innovation, highlights the importance of involving stakeholders in the process of value co-creation, and shows how Acredita Portugal overcome the Paradox of Choice to select the solution(s) with the highest potential.

Keywords

Value Creation Wheel, Acredita Portugal, Entrepreneurship, Paradox of Choice.

Case study 1: "How can Acredita Portugal ensure long-term financial stability and market relevance?"

In June 2017, after finishing the seventh edition of their competition, Acredita Portugal's Executive Board held a meeting to review the past year. It was a great year for Acredita Portugal which established a partnership with Montepio as their main sponsor of the competition that year, and the following two years. The number of projects that registered for the competition was close to 13,000, and even though there was a decrease when compared to the previous year, there was no doubt they were creating a positive impact in the Portuguese society. Although everyone was happy and celebrating, there was a question that remained in everyone's minds – *What will we do differently next year? How can we maximize the value we bring to our partners and to society?* In 2018, Acredita Portugal will celebrate its tenth anniversary, and everyone was thinking about what else could they do to create value and to take Acredita Portugal to the next level.

Soon after that meeting Pedro Queiró, CEO of Acredita Portugal was introduced to the VCW, a problem-solving meta-framework. The timing could not have been better. Acredita Portugal decided to embark on this journey of innovation and value co-creation along with the VCW team.

Acredita Portugal Overview

Acredita Portugal (AP) is a non-profit organization, that supports and encourages entrepreneurship in Portugal. In August 2008, when Portugal was facing the economic crisis and losing hope, Acredita Portugal was born with the mission of allowing every Portuguese to have a true chance to pursue their entrepreneurial dream.

In the words of the founder, José Miguel Queimado, "Acredita Portugal was born to remember the importance of organizing our lives and our society around our dreams. This message is sterile without supporting those who try. We use DreamShaper, a software that teaches how to put dreams into practice, and gives tools to everyone with a dream, and that needs help to bring it to life… We dream and work towards a society in which everyone has a real opportunity to pursue their dreams. That is why we exist. Training 12,000 teams is not sufficient. Our mission will not be completed until we are able to help everyone with an entrepreneurial dream to materialize it."

Acredita Portugal fulfills its mission through a yearly competition, which is currently the largest in Europe. After seven editions Acredita Portugal already summed 69,182 registered projects and helped develop 9,449 business models (please refer to **appendix 1.1** for yearly detailed data). Their competition is called Concurso Montepio Acredita Portugal, it happens every year, and everyone (independently of their age, education, or background) can register their idea or project for free.

Part of that competition happens online (for scalability reasons) through a learning software called DreamShaper in which each team is taught how to put together a business model, a marketing plan, and a financial plan in a step by step guided learning experience. After this online phase, the semi-finalists are invited to an in-person pitch. The selected projects have a 4-week pre-acceleration program and mentoring followed by an in-person final evaluation. The winners are announced during the final event at the Centro de Congressos de Lisboa.

Kickoff meeting: Acredita Portugal Context and VCW Introduction

During the kickoff meeting with the Executive Board, Pedro Queiró, CEO of Acredita Portugal, guided the VCW team through their journey over almost ten years of experience. The Executive Board felt that AP was not being able to properly respond to the changes happening in the

country and in the world or to adapt to the latest trends in entrepreneurship. They demonstrated a great deal of excitement with the idea of adding new activities to their portfolio.

When questioned about why now would be the best moment to do so, they told the VCW team that after securing a three-year contract with Montepio, AP was in the best position ever to dedicate resources to find new initiatives. During their almost 10 years of experience, all their resources were focused on gathering sponsors for the competition and ensuring support to the participants.

The team explained to the Board why the VCW would be the perfect framework to seek new activities in this dynamic environment while integrating Acredita Portugal's context. The meeting ended with the Executive Board and the VCW team defining the research question. The goal of this 4-months project would be to develop new activities to add to Acredita Portugal's portfolio to maximize value to participants and partners and seek a top of mind positioning in Portuguese society.

Implementation of the Value Creation Wheel - The Five Phases

The Value Creation Wheel is a problem-solving methodology, that focusses on value creation by involving several stakeholders in the process (Lages, 2016). Some of its main advantages, when compared to other frameworks, are its flexibility to integrate the existing organizational context as well as the incorporation of additional inputs as they appear in the process.

VCW implementation has 5 phases – Tap, Induce, Analyze, Ground and Operate, as illustrated in **figure 1**.

Figure 1- The Value Creation Wheel
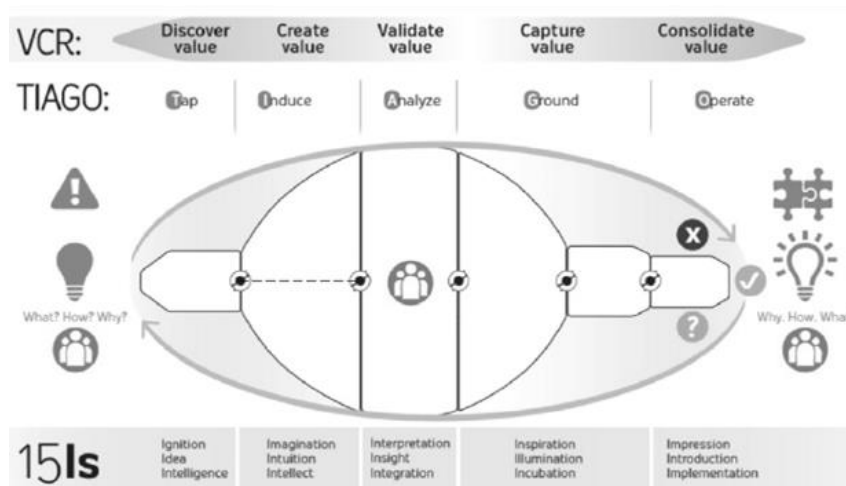
Source: Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

In the first phase, the VCW team focused on collecting information about Acredita Portugal, both on an internal and external level and defined the research question. In the second phase, the VCW team collected answers to the research question (solutions), and criteria to rank them (filters). This value creation process is characterized as value co-creation, as the stakeholders are involved in the process, by suggesting solutions and filters. In the third phase, the VCW team involved the Executive Board in a process of value validation. Through this process, the Board selected the solutions with the highest potential and ranked the filters collected by order of importance. In the following phase, the fourth one, the team built the Value Creation Funnel grounded on the ranked filters, and once the funnel was completed the ideas with the highest potential were selected and a business concept was developed. Lastly, in the fifth phase, the VCW team presented the business concept of the final ideas to the Executive Board, and each idea was assessed as Go, No-Go, or Check.

## 1. Discover Value (Tap): Acredita Portugal background

The aim of this phase was to learn more about Acredita Portugal and the context they are in, by collecting primary and secondary data and define the research question.

The VCW team started by interviewing people working full time, namely the current COO, the previous one, and two volunteers (please refer to **appendix 1.2** for the questionnaire) to better understand Acredita Portugal business model and background. They helped to comprehend what AP has done through the years, and what their main achievements and difficulties were. One of the most important insights from the interviews was that the competition was the only consistent activity AP has done in years.

These interviews along with some secondary data allowed the team to perform a TOWS analysis and the 5C's of Marketing analysis (**appendix 1.3**) that revealed very helpful.

Afterwards, the team was challenged to do an exercise called *The Five Whys*, first developed by Sakichi Toyoda (Serrat, 2010). This is a simple question answering exercise, that consists of asking 5 times W*hy* until reaching the underlying problem of an organization, as illustrated in **figure 2**.

Figure 2 - The Five Whys Technique adapted to Acredita Portugal
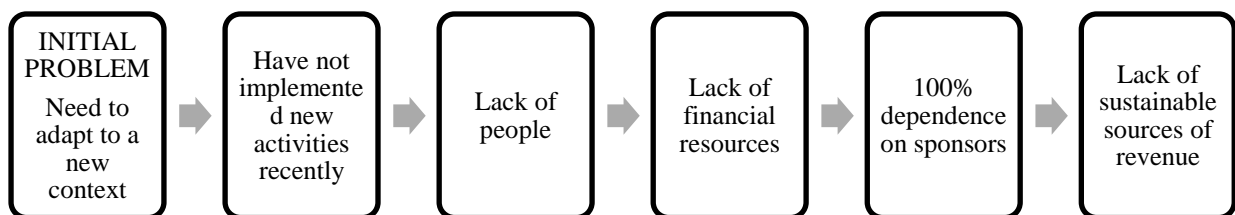
Source: Conducted by the VCW team

Through this exercise, the team unfolded Acredita Portugal real problem – the lack of sustainable sources of revenue. When questioned about why not to have a paid competition Pedro said: "There are many programs in Portugal that support entrepreneurship often focused

on the top of the pyramid (people with successful careers), but then there is everyone else who does not have access to that opportunity". AP main goal is to allow every Portuguese to have a true chance to pursue their entrepreneurial dream, by providing them tools and continuous support, and this can only be accomplished with a competition without any costs to the participants.

The first phase allowed the team, along with the Executive Board, to refine the research question to look for sustainable sources of revenue.

Entrepreneurial Ecosystem in Portugal

The Global Entrepreneurship Monitor (GEM) defines entrepreneurship as "Any attempt at new business or new venture creation, such as self-employment, a new business organization, or the expansion of an existing business, by an individual, a team of individuals, or an established business" (GEM, 2017). The presented definition will be used for the following case study.

The Portuguese scenario seems promising, as described in the Amway Global Entrepreneurship Report (Amway, 2015), where 57% of the Portuguese showed a positive attitude towards entrepreneurship. In fact, when questioned if they could image themselves owning a business, 39% of the study participants answered *Yes*, a value close to the European average (38%).

Another interesting conclusion of the study worth highlighting was the difference in the willingness to own a business between people with and without superior education: 57% of the participants with superior education were receptive to the possibility of owning a business, while the percentage of those without superior education was only 37%.

According to the GEM report about entrepreneurship in Portugal (GEM, 2015), "Portuguese adults are 1.5 times more likely to start a business out of opportunity than out of necessity" which confirms a positive attitude towards entrepreneurship. However, 70% percent of the

Portuguese identified fear of failure as the main obstacle towards being an entrepreneur, which reflects the need for an incentive to start a career path in entrepreneurship.

In line with the data presented, Acredita Portugal has a valuable role in the Portuguese society, not only by providing people with tools and knowledge but mainly encouragement and hope. This analysis allowed the team to gather practical insights on the entrepreneurial ecosystem in Portugal.

2. Create Value (Induce): Collecting Solutions and Filters

This phase aims at collecting solutions and filters from several stakeholders. Solutions are answers to the research question - how to ensure long-term financial stability, and filters are criteria that will help ranking those solutions to select the idea(s) with the highest potential. During this phase all solutions and filters suggested are valid. This is another advantage of the VCW as it prevents early elimination of ideas.

The VCW team started with a brainwriting based on previously collected information for both solutions and filters. Then, the team interviewed six participants of the competition (please refer to **appendix 1.4** for the questionnaire), that provided crucial insights. Additionally, the VCW team interviewed two academic professors and two other players in the Portuguese context with a strong social component. Other important sources of solutions and filters were recordings from the interviews of Acredita Portugal's staff, past case studies, and surprisingly ordinary conversations with colleagues and friends.

The VCW team applied both a market-pull and a technology-push perspective to generate solutions and filters. Following the market-pull perspective, the team took an outside-in view and reviewed Acredita Portugal's target market and their needs, and what opportunities were available to expand the target market. On the other hand, following the technology-push

perspective, the team took an inside-out view and determined how Acredita Portugal current activities brought value to the Portuguese society.

Even though the team had already collected an interesting number of solutions and filters, it was lacking a different perspective. As such the VCW team decided to do a workshop focused on collecting solutions and filters with master's students. The group of almost 20 students, from diverse backgrounds, did a guided brainwriting activity, followed by a group discussion. Additionally, because filters tend to be harder to collect, the team attended a class from professor Luis Filipe Lages, with close to 40 masters' students where only filters were collected. To complement this research the team did an online questionnaire (**appendix 1.5**) where it collected close to 160 answers. Altogether, the team collected 39 solutions and 17 filters (please refer to **appendix 1.6** for the entire list).

During the interviews and workshops, the team had the opportunity to talk to techies, laggards, skeptics, and the commonly called "devil's and angel's advocate". This was extremely interesting and relevant to the case study as it brought a different perspective and increased the array of solutions, which boost the potential for success.

3. Validate Value (Analyze): Executive Board's Feedback

Acredita Portugal's Executive Board and the VCW team met to validate and select the solutions and filters collected. During this process, the Board faced the Paradox of Choice (Schwartz, 2004), due to the number of solutions and filters collected. The more options the more daunting the choice often became. To facilitate the process, the team resorted to the Poker Method, a framework designed by Lages and Hartman (Lages, 2016), with the goal of validating, reviewing, multiplying and eliminating both solutions and filters (**appendix 1.7**).

After discussing the solutions collectively, the Board selected the solutions. When the Board started to analyze the filters, they felt the team was lacking a crucial filter related to Acredita

Portugal's current contracts and legal obligations. The VCW team agreed, and the filter was easily included in the process due to the flexibility of the framework. As such both solutions and filters were validated, and the Board could proceed to rank the filters according to their order of importance, starting from the most important to the least important one.

All the filters selected were considered extremely important, therefore considered as *Qualifiers*. The Board decided to have only the Qualifiers type of filters on the funnel, as they wanted to have a broad set of solutions. Thus, they only selected 4 out of the 17 filters presented and the one suggested by them. At the end of this process, the team proceeded to the funnel with 26 solutions (**figure 3**) and 5 filters (**figure 4**).

Figure 3 - List of solutions that entered the funnel

1. Charge a refundable fee at the beginning of the competition
2. Turn gala into a two-day conference
3. Sell a limited amount of tickets to non-finalists for the pre-acceleration program
4. Offer space rental services
5. Design and produce a TV program
6. Do the competition twice a year
7. Have a blog
8. Expand the competition internationally (with a partner)
9. Promote TED talks
10. Sell pre-made entrepreneurship courses to universities
11. Acredita Portugal app
12. Charge for intermediary services
13. Expand the educational content (failure, personal development)
14. Charge a fee at the beginning of the competition
15. Acredita Portugal loyalty card
16. Acredita Portugal local offices across the country
17. Develop an entrepreneurship competition for large companies
18. Provide paid consulting services
19. Networking events with investors
20. Workshops around the country for unemployed people
21. Have an investment fund
22. Charge royalties to winning ideas/projects
23. Have equity of winning ideas/projects
24. Have a paid competition on a very specific topic (technology, health, …)
25. Bootcamps / Workshops in Universities
26. Sell access to DreamShaper outside the competition to non-participants

4. Capture Value (Ground): Value Creation Funnel

The VCW team built the Value Creation Funnel (VCF) to select the idea(s) with the highest potential to answer to the research question. For this process, the team started by organizing the filters according to the ranking made by the Executive Board, as illustrated in **figure 4**.

The most important filter was mission alignment. The second most important filter was related to their contractual and legal obligations as AP had already signed contracts. The third and fourth filters were related with the solutions having a positive impact in terms of revenue and visibility, respectively, and the fifth and final filter related with the resources required to implement the solutions being available or obtainable.

After passing all the 26 solutions through the 5 filters' funnel, the team had 8 possible final solutions, as presented in **figure 4**.

Figure 4 - Value Creation Funnel applied to Acredita Portugal
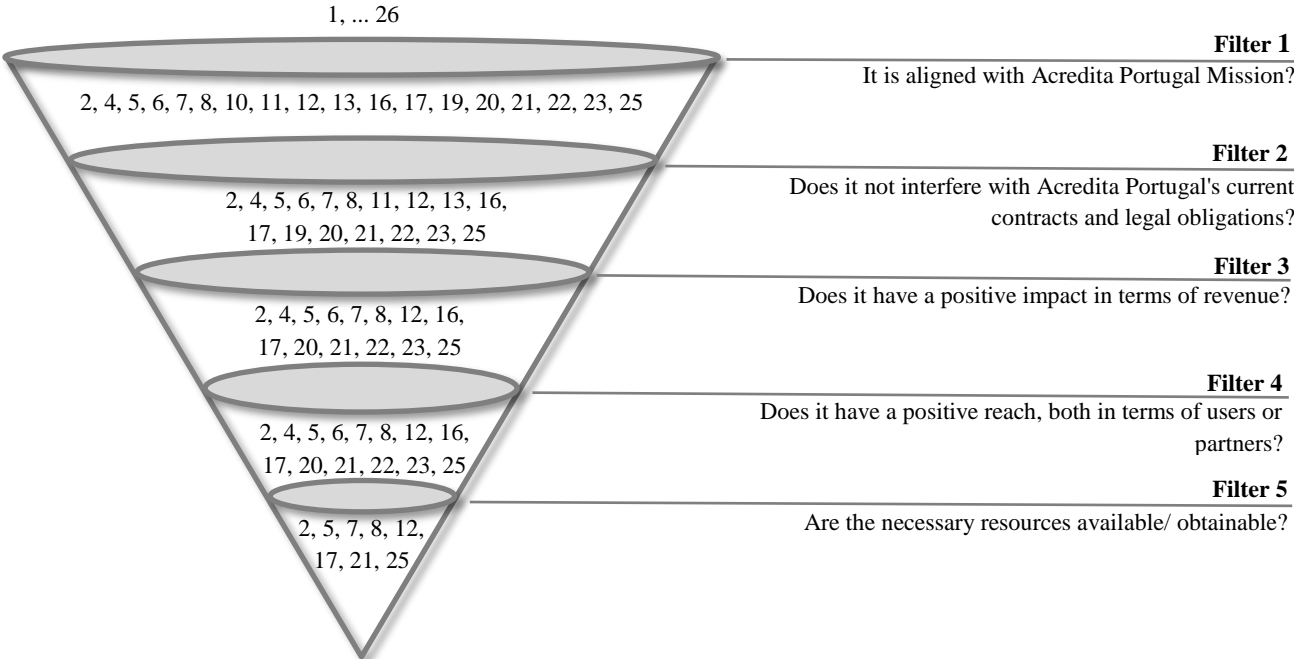
Source: Conducted by the VCW team

5. Consolidate Value (Operate): Solutions' Prioritization

In this final phase, the VCW team met with the Executive Board one last time to present the eight solutions that passed the funnel and its business concept, as detailed in **figure 5**. The solutions were divided into 3 categories. The first category entailed solutions to monetize the current competition – (2) Turn gala into a two-day conference, (5) Design and produce a TV program and (7) Have a blog. The second category included solutions to escalate the competition – (8) Expand the competition internationally and (25) Have bootcamps and workshops at universities. Finally, the third category entailed solutions that aim at expanding AP business activities – (12) Charge for intermediary services, (17) Develop an entrepreneurship competition for large companies and (21) Have an investment fund.

Figure 5 - List of the final solutions

CATEGORY 1	**2. Turn gala into a two-day conference**
	The gala is an afternoon event ceremony where winners are announced. By turning the gala into a conference, AP could charge an entrance fee on the first day (whose agenda entails talks, networking events and a business forum). On the second day, the finalists will pitch their ideas to the audience and the winners will be announced. This event would not only be a source of revenue but increase awareness on the topic.
	5. Design and produce a TV program
	This idea would leverage AP know-how and networks of contacts, both participants, and partners. Even though this initiative takes AP to the next level, it may also bring several interesting business opportunities.
	7. Have a blog
	By posting frequently on a blog, AP can attract new partners, leverage their know-how and experience by giving tips to future entrepreneurs, and write articles about their participants, partners, and mentors.

CATEGORY 2	**8. Expand the competition internationally (with a partner)**
	With the help of a partner, AP could easily escalate their competition overseas, and not only broaden their mission, but have an extra source of revenue.
	25. Bootcamps / Workshops in Universities
	This initiative follows into AP desire of expanding their activities to different targets. By bringing together students and companies, AP believes they could start changing mentalities at an early-stage and provide the students with the necessary tools to develop their ideas.

	12. Charge for intermediary services
CATEGORY 3	The aim of this initiative is to develop an online hub for projects and startups looking for services to find different service providers. Acredita Portugal could charge a percentage of the transacted fee and easily leverage their network. This initiative would also bring visibility to AP.
	17. Develop an entrepreneurship competition for large companies
	Through this initiative, Acredita Portugal aims at developing an idea generation contest that companies can replicate in the house. AP would design the different stages, develop tools and methodologies for each one, and provide mechanisms for evaluation.
	21. Have an investment fund
	To boost their positioning AP should start an investment fund to support projects and startups. With this initiative, they would definitely be more than an entrepreneurship contest.

Source: Conducted by the VCW team

The Executive Board showed great excitement with all the solutions presented and commented that all of them would be interesting to pursue. However, they also explained that even though they had now more available resources than ever, they did not have the necessary resources to implement all of them.

Together, the Board and the VCW team decided to do an effort/revenue matrix, as illustrated in **figure 6**, to select the ideas with the highest effort/revenue ratio. The matrix helped deciding on the most relevant and feasible solutions, to maximize the return on resources. This additional selection process could have also been achieved by adding a new filter to the VCF, but Acredita Portugal's Executive Board preferred to keep only mandatory type of filters on the funnel.

Figure 6 - Effort/Revenue Matrix
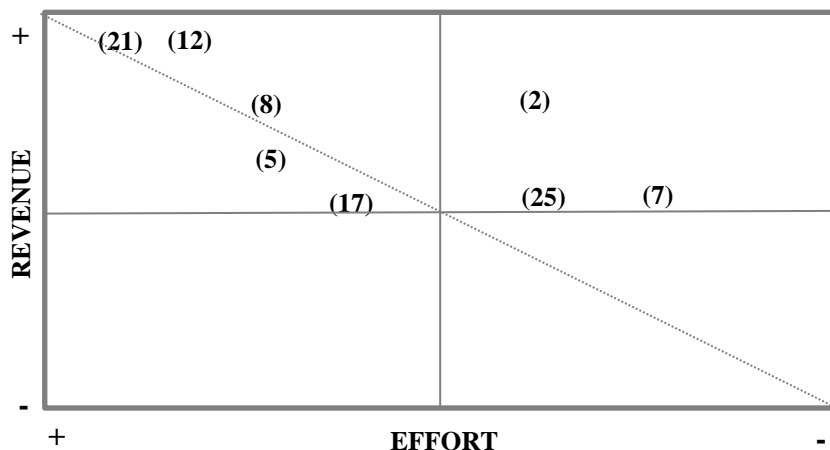
The matrix allowed the team to develop an implementation plan for the ideas with the best ratio, which were the ones above the diagonal line on the matrix, namely (2), (7), (8), (12), (21) and (25). Once the solutions were presented and prioritized the board must decide how to proceed with their implementation.

The journey ahead

The Board acknowledged the VCW contributions and the relevance of the solutions presented. Pedro Queiró, during an interview in the 2017 VCW Conference said "Acredita Portugal used the VCW to redefine its entire existence. It allowed us to put together an operating plan for 2018 much more focused on what truly adds value to our partners and users."

The Executive Board also acknowledged that the VCW accelerated the decision-making process, by allowing to clearly state the problem in the beginning and seek solutions and filters, together with several stakeholders. VCW's ability to integrate the existing and specific context of Acredita Portugal, and integrate new solutions and filters as they appeared was also very important.

The first Value Creation Radar (VCR) (Lages, 2016) was completed, as Acredita Portugal had the first contact with the VCW and its great potential to generate value. The team recommended the board to conduct further research through various VCW cycles, exploring the 15 Is of innovation. Some of the recommended questions were "Should Acredita Portugal develop services to help entrepreneurs with the projects' implementation?", "Where can Acredita Portugal extend its services next? Should it specialize on a specific area or industry?" and "Should Acredita Portugal became a company?".

Case Synopsis

The following case study describes the application of the Value Creation Wheel to Acredita Portugal (AP), a non-profit organization that supports and encourages entrepreneurship in Portugal. The case starts with a brief description of Acredita Portugal, and an overview of the context they are in. Their major problem is the lack of sustainable sources of revenue which is stopping AP from growing and adapting to a constantly evolving world. Thus, the case study demonstrates how Acredita Portugal redefined the operating model for 2018, by including new activities and initiatives in their yearly plan, fulfilling the main goal of finding sustainable sources of revenue to promote Acredita Portugal sustainable growth.

In the first phase, Tap, the VCW team started by collecting information on Acredita Portugal, and the entrepreneurship context in Portugal. In the second phase, Induce, the team collected several solutions and filters mainly by approaching numerous stakeholders. In the third phase, Analyze, the Executive Board validated the solutions and the filters collected, later used in the VCF. In the fourth phase the team developed the funnel to select the solutions with the highest potential and developed a business concept, and in the final and fifth phase, Ground, the team presented the selected ideas to the Executive Board that assessed them on a Go, No-Go and Check basis.

Learning Objectives

The following case study is appropriate to be discussed in courses of Innovation Management, New Product Development, Strategic Management, Business Strategy, and Value Creation, at either Masters, MBA or Executive level. Consequently, it can serve different learning objectives. Some of the most relevant are:

- To understand the Value Creation Wheel and its five phases;

- To understand how to involve several stakeholders in the process of value co-creation, and to select the idea(s) with the highest potential;

- To understand how the VCW can be used to overcome the Paradox of Choice;

- To understand how the VCW can bring value to organizations and help to define a growth strategy;

- To understand how can innovation be achieved in a context with scarce resources.

Discussion Questions

1. To what extent did the Value Creation Wheel bring added value to Acredita Portugal?

2. How did the stakeholder-orientation in the case study relate to the theory of value creation, and how did it contribute to their journey of innovation?

3. Which resources are needed to operationalize the recommended final solutions? Use the 3 M's Framework: ManPower, Money and Minute.

Recommended Readings

- Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

- Patel, V. Manley, S. Hair, J. Ferrel, OC. Pieper T. 2016. "Is stakeholder orientation relevant for European firms?". *European Management Journal.* 34 (6): 650-660

Discussion Questions

1. **To what extent did the Value Creation Wheel bring added value to Acredita Portugal?**

As Pedro Queiró mentioned in the 2017 VCW Conference, the application of the Value Creation Wheel "was necessary to adapt to the changes happening around us. We needed to apply a framework such as VCW to understand how could we adjust". The outcomes of the application of the Value Creation Wheel allowed Acredita Portugal to "redefine its entire existence" through a structured, yet flexible process, that incorporated Acredita Portugal unique needs. Together the Executive Board and the VCW team designed an operating plan for 2018 focused on what really adds value to society, based on all the feedback from different stakeholders.

In fact, Acredita Portugal has already started to implement some of the proposed solutions, namely those in the second category, that aim at escalating the competition. Acredita Portugal has already found a sponsor for the workshops in universities and started the communication plan. Moreover, AP has recently started conversations with several partners to expand the competition to South America. It is also important to highlight that Acredita Portugal was very satisfied with the solutions generated, thus they will be kept in a bank of ideas.

Overall, the Executive Board considered the VCW an innovative tool that allowed Acredita Portugal to improve its growth potential for 2018 and the VCW team could not have been more delighted to realize the project had a practical value to Acredita Portugal.

2. **How did the stakeholder-orientation in the case study relate to the theory of value creation, and how did it contribute to their journey of innovation?**

The aim of this question is to spark the discussion about the Stakeholder theory, the role of innovation in business, and the potential of bringing both together through the VCW.

On the one hand, the stakeholder theory (Patel et all, 2016) suggests firms should be sensitive to a broad group of stakeholders and their needs. Only through involving stakeholders in the process of value creation can companies fully achieve a sustainable advantage. The simple fact that stakeholders involved in the process were able to suggest solutions and filters without any barriers promoted creativity and inspired Acredita Portugal to consider inputs never thought before.

Also, only by being VCW a meta-framework, it was possible to integrate other frameworks both for analyzing Acredita Portugal's context and background such as TOWS and the 5 C's of Marketing and to combine different approaches to gather both solutions and filters such as brainwriting, brainstorming, interviews, benchmark and online questionnaires.

By forcing Acredita Portugal to review the past years, analyze their internal strengths and weaknesses, and the external environment, the Board reached the true essence of their problem, through the 5 Whys Technique, which ultimately facilitated problem-solving. Only by understanding the underlying problem of an organization, can the potential of involving stakeholders be maximized.

On the other hand, another important aspect worth highlighting is the role that innovation plays in the long-term sustainability of organizations. Innovation can be characterized from different perspectives, and it is important for organizations to also have different approaches to innovation to achieve the best results. Innovation was achieved in this case study in the way the VCW Team nurtured Acredita Portugal talent, boosted creativity, and built relationships with the stakeholders involved in the process.

3.   Which resources are needed to operationalize the recommended final solutions? Use the 3 M's Framework: ManPower, Money and Minute.

The 3M's framework aims at analyzing the key resources needed to implement the proposed solutions, that range from required resources, to money and time. Students can propose a solution that is in line with Acredita Portugal resources and timeline of the competition.

Figure 7- The 3M's Framework for the proposed solutions

	MANPOWER		MONEY	
	Background	**Responsibilities**	**Revenues to be estimated**	**Costs to be estimated**
(2) Turn gala into a two days conference	These 3 activities should be allocated to 3 different existing resources, as AP would leverage their know-how and experience, and reduce implementation costs. AP team has people specialized in Marketing and Communication, and with vast experience organizing events and conferences.	Find the venue, schedule the dates, find sponsors and partners to collaborate, ensure communication, and secure staff for the event	Revenues from the tickets sold and sponsors	Venue, MKT, Sound Team and Miscellaneous costs (food & booklets)
(7) Have a blog		Design the blog, create content and ensure communication and visibility of the blog, and maintain weekly content updates	Adds on the blog and partners	Hosting the blog, legal fees
(8) Expand the competition internationally		Find the perfect partner to help AP and support the chosen partner in implementation	% fee paid by competition sponsors	Travel expenses
(25) Workshops in universities	Hire a resource with a background in management and marketing, preferably with some working experience.	Find the partner, ensure communication and registrations for the event and prepare the necessary content	Company paid fee	Travel expenses, % of the salary
(12) Charge for intermediary services		Sell this idea to AP partners, seek new partners, develop the website, and ensure its launch on the scheduled date, and its maintenance	Fee for the services	% of the salary
(21) Have an investment fund	Hire a specialized resource on the topic, with a background in finance and venture capital.	Collect the investment necessary to start, ensuring the required structure and coordinate the operation	Equity in funded projects	Salary, legal fees

<div align="center">**MINUTE**</div>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Out	Nov	Dec
(2) Turn gala into a two days conference		Organize the event				**Conf.**						
(7) Have a blog		Design and develop the blog							**Launch the blog**	Maintenance		
(8) Expand the competition internationally		Find the best partner to expand the competition & support them in the implementation										
(25) Workshops in Universities		Find partners and develop workshops' content							**Present the project to universities**	Execution		
(12) Charge for Intermediary services		Build the network of partners, negotiate the contracts and design the website							**Launch the website**	Maintenance		
(21) Have an investment fund			Gather the investment funds and the team									**Start invest.**

Source: Conducted by the VCW team

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Case Study 2: "Which additional features DreamShaper product must have to be competitive in the market?"

Abstract

This case study summarizes the application of the Value Creation Wheel (VCW) to the context of DreamShaper, represented in this case by Pedro Queiró. In a world full of possibilities, in which companies face the paradox of choice, DreamShaper applied VCW to structure the decision-making process to define its offering and competitive position. During the VCW project, several types of stakeholders such as professors and students were involved, proposing solutions that after were reviewed by the company. The value creation cycle did not stop at this stage, and the case makes the bridge to the implementation phase.

Keywords

Education; Innovation Management; Paradox of Choice; Value Creation Wheel.

Case Study 2: "Which additional features Dreamshaper product must have to be competitive in the market?"

In the summer of 2017, Pedro Queiró, DreamShaper's head of product, was concerned about the competitive position of Dreamshaper and its product offering definition.

Pedro Queiró believed that the company did not have a strict offering in the market yet and so suffered from a common problem in most start-up businesses: the struggle to define exactly their product offering. To better understand the market and so better shape and define its offering, the company decided to apply the Value Creation Wheel (VCW) methodology (**Exhibit 1**) given that Pedro Queiró believed that the framework could structure the process to surpass the identified problem.

Company Overview

DreamShaper was founded in 2013 and is based on the online platform used in several editions of the Acredita Portugal annual contest. The company comprises the experience and knowledge of Acredita Portugal, a Portuguese Non-for-profit organization whose main objective is to give the power and knowledge to everyone in Portugal to develop their own business ideas, regardless of studies background or socioeconomic condition.

Although DreamShaper's platform was initially used in the Acredita Portugal contest, the company is nowadays more concerned in making available its product in schools as part of the educational curricular program.

The mission of DreamShaper is to advance in students more practical capabilities through the development of non-cognitive skills as resilience, willpower or focus and provide tools and knowledge for students developing their own business projects and ideas. DreamShaper's founders believe that the platform can be integrated into schools as they are today, without the

need for change school infrastructure, professors, and staff role or the present curricular programs.

Currently, the company is engaged with over 40 000 students, 100 schools, and 700 teachers. Geographically, it entered Brazil in 2014 and has been growing in the last years in partnership with Fundação Lemann. Moreover, the company also entered Mexico in 2016, where is introducing its concept and is now starting to explore the Colombian market.

Initial meeting: VCW method clarification and DreamShaper introduction

The first meeting with DreamShaper took place at the end of August 2017, when the Value Creation Wheel team presented itself to Pedro Queiró. Before the meeting takes place, Pedro Queiro was provided with all relevant information about the framework - the theoretical support (VCW article) and several practical applications.

The meeting started with the framework clarification and the team answered questions and doubts of the company about the Value Creation Wheel. After the clarification period take place, Pedro Queiró identified several positive points of applying the framework in the company's context: the involvement of internal stakeholders as well as external ones were immediately highlighted as a critical advantage of the VCW. This feature immediately led the head of product to suggest the benefits of including stakeholders that are not acquainted with the company. After the clarifications and agreement on the terms of the project between the VCW team and the company for the next four months, DreamShaper's mission and company competitive situation were presented by Pedro Queiró.

During the initial meeting, priority was given to understand the company and its dimensions. To do so, several questions concerned with DreamShaper product and competitive landscape were done by the VCW team to better understand the context of the company. An analysis of strengths, weaknesses, opportunities, and threats of the company, as well as the 5 C's of

Marketing analysis, were conducted, supervised by the Key Decision Maker that provided critical inputs about the company and the market (see **Appendix 2.1 and 2.2**).

After the discussion about company's situation, two types of Key Performance Indicators (KPI) were defined, one range of them for the short run of the project and the other group for the long run, considering the implementation phase (see **Appendix 2.3**). In the closing of the meeting, a schedule for the four following months was settled and a conversation with DreamShaper's CEO was immediately arranged for the team better understand current company's priorities and validate some of the ideas collected in the introductory meeting.

1ª Phase: Discover Value (Tap): Defining the challenge to solve

As agreed in the introductory meeting, a conversation with José Miguel Queimado (CEO of DreamShaper) took place, in the company's office. The CEO did a general diagnosis of the company and when asked to identify the major areas of improvement, he highlighted three main points: the first one related with DreamShaper offering and how it could be improved to better motivate students. A second one concerned with international expansion of the company to other geographies and the third area of research related to raising of investment to finance company's growth. After the diagnosis made by Pedro Queiró in the introductory meeting and José Miguel Queimado, the VCW team compiled and analyzed the collected information and came to the initial formulation of the problem to solve: "Should DreamShaper have a physical presence in schools to make it more appealing to students?"

Another meeting was scheduled with Pedro Queiró to discuss and validate initial assessment and the research question to be answered. The Key Decision Maker (KDM) agreed on the three main points diagnosed before but emphasized that the major problem of the company and that better fit the purpose of the VCW project was the first problem identified by the CEO related with DreamShaper product. To sustain his opinion, the KDM explained that since the company

is a recent spin-off from Acredita Portugal, the offering was not sufficiently mature in the education market and needed to be better defined.

Furthermore, Pedro Queiró pointed that the properties of the VCW project allow the company to include in the process external stakeholders as professors, students and experts in education that could add value to its offering definition. Moreover, the KDM was also concerned with the consequences that this problem could have in competitive terms, since the educational market is booming, and several competitors are arising. In the end of the meeting, considering the assessment of company's situation and after Pedro Queiró highlighting the importance of having a broader discussion about DreamShaper's offering, the initially proposed problem was reviewed. Both parts agreed in the following research question: "Which additional features DreamShaper product must have to be competitive in the market?"

DreamShaper product and competitive landscape

DreamShaper offers an online project-based learning platform (**Exhibit 2**) that allows students to create and work on its projects, ate the same time that develops important soft skills such as resilience, driving focus or students motivated towards the end. The platform guides the students through the development of their business ideas, helping them to understand the questions related with the practical implementation of a business idea, allowing them to answer question such as: how to analyse and assess the target market, the required resources for implementation of an idea or understand the required financial analysis. It was designed to be used particularly in high schools and universities as well as in entrepreneurship contests. The company has been partnering mainly with educational foundations, private schools and public institutions that fund the application of its platform at schools.

DreamShaper's platform is within the eLearning market that has been growing exponentially in the last few years: the global market size is about USB 182 billion dollars in 2017 and it is

expected to grow by 5% per year between 2017 and 2023 (eLearning Industry, 2017). Although the global educational system is even today dominated by the state's offering, with centralized decision-making processes, numerous structural changes took place across the world in the last few years. According to Euromonitor (2017), schools have been using more and more software educational tools that reinforce the connections between students and professors but also the creation of connections with experts in different subjects. These structural changes in education open business opportunities for companies in the eLearning business. As a result, competitors in the market have been arising and the main DreamShaper's competitors can be grouped into two segments: the educational platforms as Udemy, Khan Academy or General Assembly (upwork, 2014) that offer general knowledge and other category that comprises companies that allow users to build their business plans as is the case of Enloop and Liveplan.

2ª Phase: Create Value (Induce): Increase solutions and filters

After the diagnosis of the company and the research question definition, the VCW team started the longest phase of the project. It started in the middle of September and was finished in the end of October. As the VCW Article (Lages, 2016) suggests, the maximum amount possible of stakeholders (internal and external ones) must be included to create a broad set of solutions and filters to the problem. To do so, the VCW team conducted several initiatives. Right in the beginning, the team organized two workshops that comprised brainstorming and brain writing exercises to raise solutions and filters. In the first workshop participated nine people and in the second, thirteen people, from several backgrounds such as management, finance and engineering (see **Appendix 2.4**). In the end of September, other brain writing exercise of solutions took place in the Product Development class at Nova School of Business and Economics, where forty students contributed with their solutions to solve DreamShaper's problem. Also, the team participated in a focus group with a Marketing professor from Nova

School of Business and Economics, the responsible of VCW Brazil and a professor from Universidade Federal de Ouro Preto. In this focus group was possible to collect important inputs about the educational context in Brazil and in South America.

Furthermore, some interviews were conducted to other external stakeholders to assess different perspectives of the question at hands: two interviews with previous users of the platform were performed to assess user experience, one to a former intern of DreamShaper and two individual interviews to professors were conducted - one from economics and other with expertise in social impact – to assess the relevance of the platform to the educational system (see **Appendix 2.5** and **2.6**).

A conversation with one of the directors of Academia de Código was scheduled to discuss educational challenges and their approach in the educational market, particularly in their pioneering project with Municipally of Fundão in public schools (see **Appendix 2.7**).

To collect the perception of the current educational system and to raise solutions, an online survey was created which resulted in one hundred fifty-nine answers collected (see **Appendix 2.8**). Other three individual surveys were collected from three different professors that assessed the relevance of the DreamShaper's offering to the educational system and suggested numerous solutions and points of improvement to better make the bridge between the schools and the platform itself. (see **Appendix 2.9**).

Moreover, to complete the information collected in the previously described initiatives, the VCW team conducted desk research to assess the current situation of the educational market and the trends in the industry that were previously described. From all the brainstorms, brain writings, interviews, surveys and desk research conducted in the second phase of the VCW application was possible to collect a total of forty-eight solutions and seventeen filters (see **Appendix 2.10** and **2.11**).

3ª Phase: Validate Value (Analyze): Key Decision Maker assessment

The third phase was initiated in the beginning of November when all the solutions and filters collected in the previous phase were gathered and organized to be presented to the KDM.

On the thirteen of November, the VCW team met Pedro Queiró and discussed the output from previous phases. The meeting started with a presentation of the steps conducted in the Induce phase, in which the KDM acknowledged the importance of including in the creation process unexpected and relevant stakeholders such as the *Academia de Código* or experienced professors from the Portuguese educational system.

In the second part of the meeting, the solutions and filters collected were presented and each one was critically analyzed. At this stage, Pedro Queiró and the VCW team agreed that it was important to have a brainstorming of solutions and filters before starting to choose the ideas and filters that would be validated. From this initial exercise resulted one more solution to be considered, related with a creation of a new platform to assess skills and that one of the filters should be replaced, instead of being concerned with "Focus on current clients" must be "Focus on high schools and universities", since the company wants to grow in this segment.

After concluding the initial assessment of all ideas and filters, the Poker method (**Exhibit 3**) developed by Hartmann and Lages (2016) was introduced to Pedro Queiró to guarantee a structured and smooth decision-making process. According to the method, the initial forty-eight solutions were subject to the validation test and were classified into four categories: validate, multiply, review or eliminate. A similar exercise took place to classify the filters. After concluding the Poker Method exercise, the KDM was also asked to rank the selected filters.

Considering the output of the meeting with Pedro Queiró, the VCW team selected the ideas identified with the highest potential to be implemented and consolidated also the final list filters (ranked). The result of phase 3 can be found in **Figure 1** that consolidates the twenty-three final solutions and the twelve ranked filters selected in this phase**.**

Figure 1 - Selected solutions and filters in the validation phase

Final selected solutions	Selected filters (ranked)
1. Research and Information available about several industries.	A. Is it product related?
2. How to perform a pitch? (learning materials)	B. Is it aligned with DS mission?
3. Videos based on real projects.	C. Does it include professors and staff?
4. Online interaction: forum and chat.	D. Does it increase DS attractiveness?
5. Available e-books for users.	E. Is it scalable?
6. Gamification.	F. Is there market available?
7. How to deal with tax system (Learning Materials)	G. Internal resources available.
8. Campus ambassadors.	H. Revenue is higher than cost.
9. Talks with alumni	I. Does it consider feedback from users?
10. Training courses for professors.	J. Does it make it easier for users
11. Partnership with clubs.	K. 2 people dedicated to customer service.
12. Courses with certification.	L. Focus on high schools and universities.
13. Content related with future paths	
14. Onboard potential investors.	
15. Weekly challenges.	
16. Use European funds.	
17. Complement to entrepreneurship classes.	
18. Language courses.	
19. Conferences with experienced professors.	
20. Consultation hours.	
21. Skype classes.	
22. Networking events.	
23. Tests to assess skills.	

Source: Conducted by the VCW team

4ª Phase: Capture value (Ground): Determining the final solution

In the fourth phase – Ground - the Value Creation Funnel was applied to the twenty-three final solutions selected in the third phase to come to the final solutions to be appreciated in phase five. A funnel with six layers was created considering the rank of filters previously established by Pedro Queiró, starting from the top to bottom, from the most important filter to the least important. In the first layer, the most important filter was considered and in the second, fourth, fifth and sixth layer, two filters were used since they were considered equally important. In the third layer, three filters were considered with the same reasoning.

After the Value Creation Funnel application, five of the initial twenty-three selected solutions by the KDM successfully passed throughout all the filter categories. The final Value Creation Funnel can be found in **Figure 2**.

Figure 2 - Value creation Funnel applied to DreamShaper problem

FILTER A — 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23

FILTER B, C — 1,2,3,4,5,6,7,8,9,10,11,13,14,15,18,19,20,21,22,23

FILTER D. E. — 1,2,3,6,7,8,9,10,11,13,14,15,19,20,21,22,23

FILTER G, K — 1,2,3,6,7,8,13,15,23

FILTER I, J — 1,2,7,8,13,15,23

FILTER H, L — 1,2,7,8,13,15,23

Solutions Selected: 1.2.7.13.23
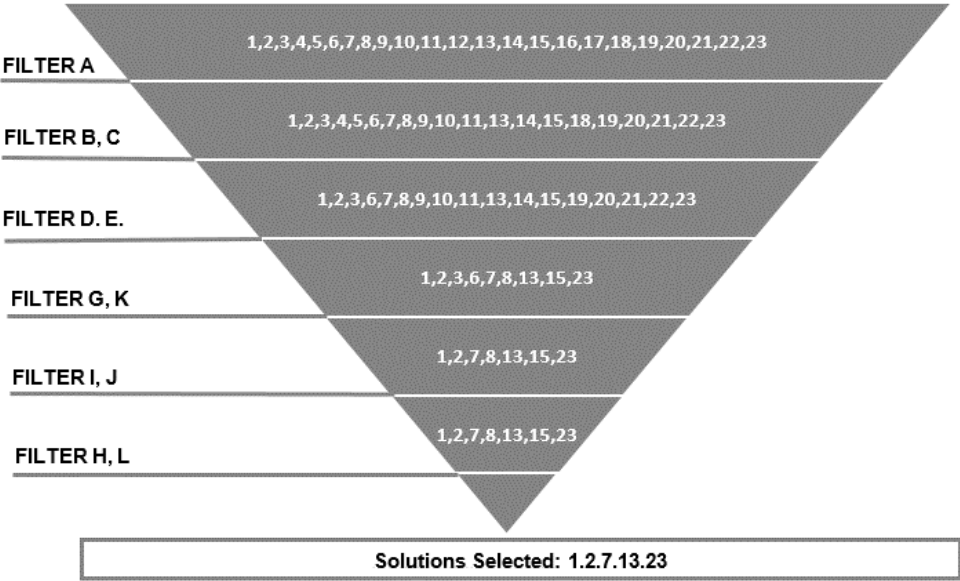
Source: Conducted by the VCW team

5ª Phase: Consolidate value (Operate): Final ideas discussion and final prioritization

After conducting the selection of solutions using the Value Creation Funnel, a final meeting with DreamShaper was scheduled to discuss the outcome of VCW's fourth phase. The VCW team was mainly interested in assessing the feasibility of each individual final solution together with the KDM. To do so, the five final ideas were subject to the test of Go/No-go or Check.

In the final meeting, scheduled in the beginning of December, Pedro Queiró considered that all the five final solutions had potential to be implemented, but considered that they could be organized into two different categories since some were related with current offering improvement and others with new offering components.

The KDM suggested that final solutions one, two and seven were related with the extension of the platform learning materials and so considered that these three ideas should be grouped in a category concerned with current offering improvement called "Reinforce educational component". These three solutions together aim to cover topics related to development and

communication of ideas learning materials that stakeholders in the process considered of high interest to people that wants to develop a business idea.

Furthermore, the KDM also considered that ideas thirteen and twenty-three, concerned with a solution to help students to define their future career and give support to their decisions, should also be grouped in a category that the KDM named "Tool to shape Future Career". This final solution aims to help students to know themselves and what they want to do in the future to allow better decisions in a critical period at high school. This idea represents new market opportunities to DreamShaper since would signify a totally new product for the company given that currently, the company is not exploring this niche of the market.

Both ideas' prototype can be seen in **Figure 3.**

Figure 3 - Final Solutions: development

1ª Final Solution: Reinforce educational component	
Expand educational materials	Research and information about several industries (solution #1) Search and organize available online content about different industries: statistics, facts, projections. Learning materials about the different tax systems (solution #7) Make available consolidated information about tax systems and legislations in the different countries starting with the ones where DreamShaper is already present.
Offer a new skill: communication	Learning materials about pitch performance (solution #2) Make available pitch related content: Structure guidelines; Delivering tools; Adequate syntax; Videos with examples and tips.
Delivering tools: Reinforce micro learning Video-based learning – eLearning industry for 2017 (eLearning Trends and Predictions for 2017, 2017).	

2ª Final Solution: Tool to shape Future Career	
Self Awareness	**Future Paths**
Tests to assess skills (solution #23) Tools that allow students to better known themselves: their strengths, interests, future aspirations. These tests about personality and different environments would allow to better guide the student to learn more about specific areas. **Benchmarking:** Sokanu | **Target:** high schools.	Content about different future paths (solution #13) Provide information about different career possibilities (responsibilities, employment, workplace, and required background). Future Paths definition
Delivering tools: Video-based learning Individual assessments	

Source: Conducted by the VCW team

After the discussion of the solutions' prototypes with Pedro Queiró, the check go/no-go or check was performed to the two final ideas and resulted in the approval of both final ideas since were considered equally relevant by the Key Decision Maker.

Pedro Queiró sustained that the first set of ideas are relevant topics to include in the platform since users in the past also asked for information related to the suggested topics. Moreover, since it is an incremental solution, it was considered relatively simple to implement at this stage given it represents an expansion of the actual product without radical changes.

Regarding the new component of DreamShaper related with a tool to shape future careers (final solution two), the KDM highlighted the relevance of this tool to motivate students and to have better professionals. Then, the KDM argued that the target in which this solution is more relevant is for high school students that are doing their choices about the future and not in university. However, the institutions that are more willing to pay for solid decisions are universities that do not want to lose students during the curricular program. Pedro Queiró considered that further efforts were required in the future to assess how the monetization of this product could be done.

To do so, the VCW team suggested that in the future, during the planning of solutions' execution, future VCW cycles should be conducted to collect the solutions and filters of internal and external stakeholders about specific execution problems as the one highlighted above.

After analyzing each individual idea and concluding the discussion about the relevance and execution of the final ideas of the VCW cycle, the KDM was asked to prioritize the solutions in terms of execution. When asked to prioritize the ideas, Pedro Queiró was not able to choose between the two categories, saying that both ideas were important because the first one allows DreamShaper to expand its educational offering and the second one offers a new market opportunity for the company.

At the end of the final meeting, Pedro Queiró highlighted the importance of conducting a value creation project in the company that ends with a defined implementation path. Additionally, sustained that it is important for the company to consider the execution of both ideas because "It is not possible to turn-off the creation machine, in this competitive market, the product has to evolve".

Time for final decisions

Pedro Queiró acknowledged the importance of VCW application to structure and guide the value creation exercise and validate the final solutions given that considered them relevant for the market and in the accordance with DreamShaper vision and mission.

The Key Decision Maker and the VCW team agreed that a bank with the forty-eight solutions and seventeen filters initially collected must be kept in the company and used by DreamShaper in similar exercises in the future and particularly during the implementation phase.

After the solutions presentation and their implementation discussion, DreamShaper head of product had several questions to answer in the future: How can the company monetize the final solution two? Should the company run more VCW cycles in the future to work on the application of these final ideas? Where can the company find the required resources to execute the final solutions?

Cases Synopsis

The case summaries the application of the Value Creation Wheel methodology developed by Luis Filipe Lages to the context of Dreamshaper, a Portuguese start-up company founded in 2013. The case study was developed to be part of Strategy, Innovation Management and New Product Development courses at the Masters, MBA and Executive programs. The case starts with the decision of Pedro Queiró (DreamShaper's head of product) to apply the VCW framework to increase decision-making process effectiveness to overcome the paradox of choice given the considerable amount of options that the company had available.

After the introduction of the framework to the company, the case describes each phase of the application of TIAGO framework. The first phase (**Tap**) consisted in the assessment of the company competencies and capabilities as well as the competitive context. During the second phase (**Induce**), solutions and filters were generated through several techniques and with various stakeholders to have the broader range of inputs possible. In the third phase (**Analyse**) solutions and filters were assessed by the KDM. In the fourth phase (**Ground**), the VCF was applied to all selected solutions and filtered according to the rank. On the fifth phase (**Operate**), the final solutions were presented to the KDM that validate and prioritize them.

Learning Objectives

Depending on the course in which the case study is used, the learning objectives may be different, but some of them are highlighted below:

- Allow students to better understand each phase of the Value Creation Wheel: from the initial problem, through the solutions and filters gathering until the final decision;

- Explore the importance of the VCW framework to structure decision-making process, while allowing flexibility and customization;

- Highlight the VCW as a methodology to solve paradoxes as the paradoxes of choice.

Discussion questions

a) Which VCW features added distinctive value to DreamShaper during the VCW cycle?

b) Do you consider that the final solutions are solid and have the potential to increase company's competitiveness? How should the KDM decide, considering company mission?

c) The 2 different sets of solutions require the company to develop an effective implementation. Please, structure the implementation of the solutions based on 3 Ms analysis.

d) Please use the Business Model Canvas to create a proposal for the business model for final solution 2. (Read: Greenwald, Ted. 2012).

Recommended readings

- Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

- Schwartz, Barry. 2004. "The paradox of choice - why more is less", New York: *Harper Collins Publishers.*

- Greenwald, Ted. 2012. "Contributor Business Model Canvas: A Simple Tool for Designing Innovative Business Models". *Forbes.*

Discussion questions

a)   Which VCW features added distinctive value to Dreamshaper during the VCW cycle?

This question aims to highlight the importance of the VCW features: a flexible tool that contributes to solving the paradox of choice and that involves various stakeholders in the creation process. Nowadays, companies have difficulties to cope with a highly dynamic business environment and do not have a structured, but at the same time, flexible decision-

making process. The VCW methodology allowed Dreamshaper to formalize its decision-making process given that its features allow companies to perform transversal, flexible, and dynamic decision-making approach. (Lages, 2016). Besides, in a world full of possibilities and choice, decision-making processes must be well structured to be efficient and effective. Freedom of choice can create tensions and demotivation (Schwartz, 2004) when decision-making processes are not formal since according to Lages (2016) teams and people require systematized approaches. Furthermore, the Value Creation Wheel allowed the organization to open its creation process to the outside of the organization, involving several external stakeholders. More precisely, it allowed the company to consider the ideas and filters of its target market since several students, professors and past users of the platform were part of the VCW cycle.

b) Do you consider that the final solutions are solid and have the potential to increase company's competitiveness? How should the KDM decide, considering company mission?
In this question, students are expected to have strategic thinking and assess if the solutions are grounded with industry knowledge and if they in accordance with DreamShaper mission. An example of answer can be: The KDM should implement the two final solutions suggested since they result from a grounded exercise of Value Creation that considered several important stakeholders as professors and students, which is in accordance with the mission of Dreamshaper that states that the company's mission is "to enable professors to do a better job educating (…) don't want to replace teachers or throw the entire education system out the window". Furthermore, the solutions proposed consider the recent trends in e-learning and development in the education sector. In a growing market, DreamShaper presents solutions that are based on microlearning and video-based learning that according to Euromonitor and Elearning Industry reports for 2017 are considered some of the most effective methods in the in Elearning industry to motivate students. Moreover, the KDM is clear in phase 5 when

considers that the company cannot stop innovate its product – "It is not possible to turn-off the creation machine, in this competitive market, the product must evolve".

c) The 2 different sets of solutions require the company to develop an effective implementation plan. Please, structure it based on 3 Ms analysis.

In this question, students are expected to get familiarized with the 3 M's framework as a tool to plan the implementation phase. It allows to synthesize information about three vital factors concerning implementation – Men: related to workforce required, Minute: implementation calendar and Money: estimation of costs and revenues. Regarding men, three profiles required are suggested and synergies are identified. For the money, the costs and revenues to be estimated are considered and for a minute an implementation calendar is suggested.

Figure 4 – The 3M's Framework

Men	
1ª Final Solution: Reinforce educational component	
Content Manager	**Synergies Required**
Responsibilities: Educational content creation: responsible for research and gathering information about the different industries and tax systems; Explanatory videos creation; Establish synergies with marketing manager for video creation and with software creation **Qualifications:** Business background and teaching experience. (Mandatory); Knowledge about video editing and related skills.	Ux- Develop the user Experience considering users' emotions and attitudes. **Tech** - Execute the content created by the content manager.
2ª Final Solution: Tool to shape Future Career	
Content Manager	**Synergies Required**
Responsibilities: Technical support to content creation based on mental and behavioural expertise for content design. **Qualification:** Psychologic background. Teaching experience (Preferred)	Ux - Develop the user Experience considering users' emotions and attitudes. **Tech** - Execute the content created by the content manager
Researcher **Responsibilities:** Content searcher and creator. **Qualification:** Teaching experience. Psychologic background (Preferred)	

Minute												
		2018				2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1ª Solution: Strengthening of educational component												
Recruitment	■	■										
Implementation: development			▓	▓								
Information Update							▓					▓
2ª Solution: Future path shaping tool												
Recruitment		■	■									
Implementation: development				▓	▓	▓						
Information Update								▓				▓

Money	
Revenues to be estimated: Incremental sales to schools and institutions.	**Costs to be estimated:** Incremental salaries; Sinergy costs; Studies access.

Source: Conducted by the VCW team.

d)   Please use the Business Model Canvas to create a proposal for the business model for final solution 2. (Read: Greenwald, Ted. 2012)

Students are expected to use the Business Model Canvas to final solution number two to better structure the idea considering several dimensions that are needed for the solution's implementation. Several value creation models focus on the value creation exercise but do not give attention to value capturing and implementation. The Value Creation Wheel as a met framework allows the integration of several tools and frameworks as it is the case of the Business Model Canvas. As explained in Business Model Canvas: A Simple Tool for Designing Innovative Business Models article, the Business Model Canvas has into account the partners, activities, resources, preposition, customer relationships, channels, and customer segments. Furthermore, it allows the company to better predict the costs and revenues of the project.

Figure 5 – Business Model Canvas applied to final idea 2

Key partners	Key Activities	Value Preposition	Customer Relationship	Customer segments
- Public and private schools; - Public institutions; - Foundations; - Governments and municipalities; - Universities.	- Content creation; - Sales; - Synergies with Ux and Tech **Key Resources** - Sales team; - Networking with schools and educational - Institutions; - Research in career shaping education; - Experience from content manager.	- The offering aims to allow students to better choice career paths in the critical moment (high school); - The platform is composed by activities that allow students to know themselves and present career options.	- Contact intensive relationship with schools and institutions; **Channels** - Direct selling to schools and institutions; - Online communication channels: Skype, social networks blog.	- Focus on high schools: students are defining their future – critical moment.
Costs - Development cost: researcher, content manager salaries and synergy' costs with UX and Tech; - Access to studies and research; - Selling costs to institutions.			**Revenue** - Partnerships with institutions, foundations, governments and municipalities; - Sales to schools; - Public funding.	

Source: Conducted by the VCW team

Exhibits

Exhibit 1 - The Value Creation Wheel applied: TIAGO (Tap, Induce, Analyse, Ground and Operate).
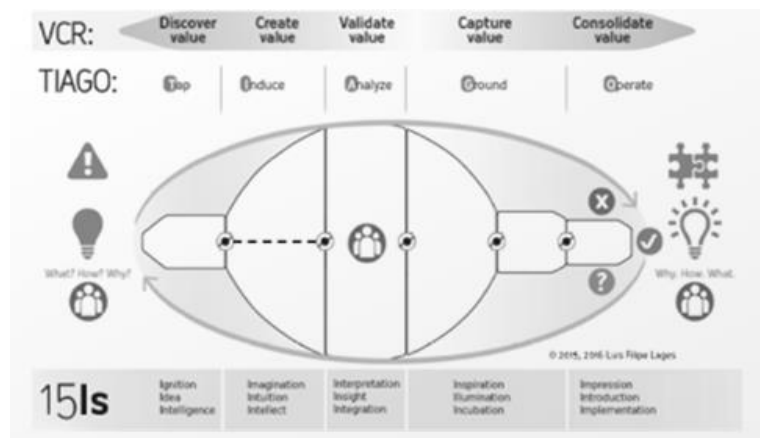
Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

Exhibit 2 - DreamShaper online platform overlook (2017).
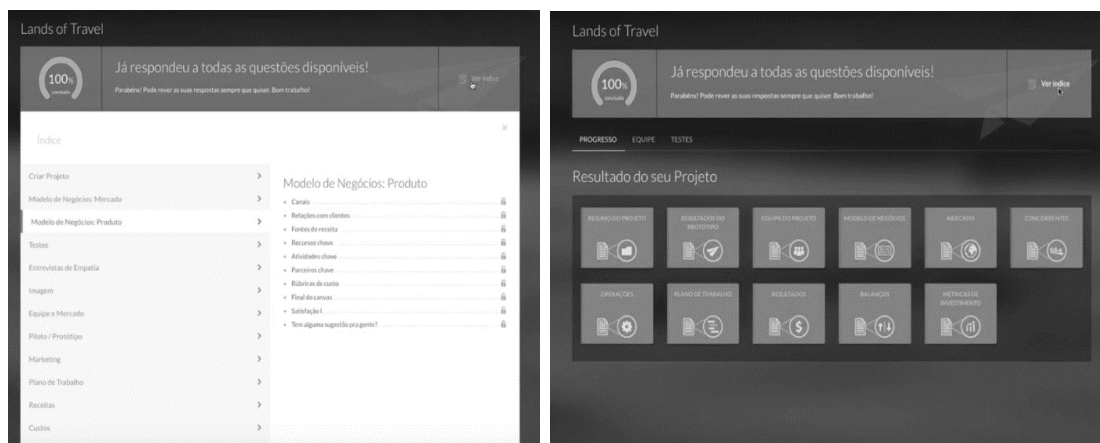
Source: DreamShaper website. 2017

Exhibit 3 - Poker Method
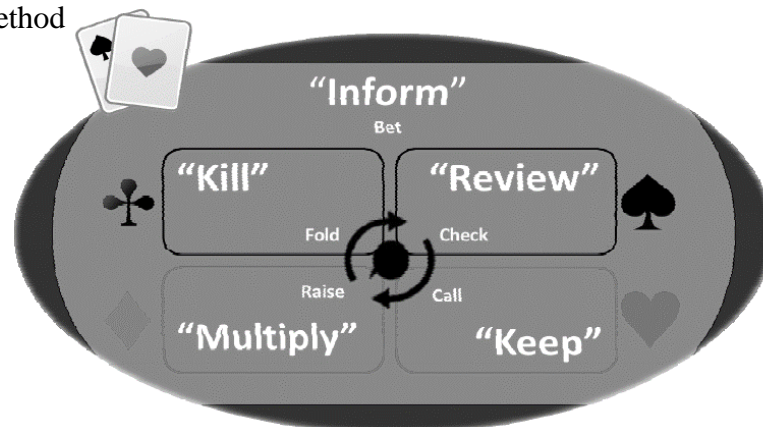
Source: Lages, L. F. (2015). How to grow, create and capture value in domestic and international markets? Nova SBE working paper #599

Exhibit 4 - Trends in the education sector in 2017. Adapted from *"Current trends in the Global Education Sector"*

Current trends in education sector	
Personalized learning	Students are requiring greater flexibility.
Microlearning	Large lessons are split up into several smaller videos.
High-velocity training	Training includes learning through problem-solving and discovery
Curriculum combined with social needs	For instance, providing therapeutic needs of children from low-income families or children
Growing applicability of Ed Tech solutions	Technology enables better communication channels between teachers and students.

Source: Euromonitor Internacional (2017).

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Case Study 3: "Liga Portugal: Reformulation of the competitive model, strategy and positioning of the 2nd tier League, Ledman Liga Pro, using the Value Creation Wheel"

Abstract

One of the major goals of Liga Portugal was to rethink and reformulate the competitive model, strategy, and positioning of the football competitions. Ledman LigaPro, the 2nd league, was their main concern, as it was the competition which showed more problems and more room for improvement. To tackle these challenges, the VCW was proposed and applied throughout the project, yielding several strategies to Liga's key decision makers. The Board considered the VCW, successful since it produced more outputs than those expected. Likewise, they were highly motivated to implement those solutions and to incorporate the methodology into the company's next steps.

Keywords

Value Co-Creation, Value Creation Wheel, Football Industry, Strategy

Case Study 3: "Liga Portugal: Reformulation of the competitive model, strategy, and positioning of the 2nd tier League, Ledman Liga Pro, using the Value Creation Wheel"

In July 2015, Pedro Proença was appointed the President of Liga Portugal (see **Appendix** 3.1), an independent institution that organizes the professional football competitions. His first action was to analyze the company, its competitions, and its annual performance. During the assessment, Liga concluded that the competition that was having the biggest complications was the 2nd league, which was incurring losses and at the risk of having to be excluded and discontinued. Hence, Proença defines as a major concern its reformulation. The challenge was to set the competition on the right path, focus, and positioning. Once the VCW (**Exhibit 1**), was defined to Proença, he promptly agreed with its use, being confident and motivated, that this approach would bring more results than traditional ones. Similarly, it would show internal and external stakeholders, the will that Liga had to involve novel approaches. Consequently, this project ought to help Liga reach the very best solution that could turn the tide for the 2nd League.

Liga's Background, Structure, New Positioning Statement and its Competitions

Established in 1978, Liga, is responsible for three competitions, Liga NOS, Ledman LigaPro and Taça CTT, composed of 35 clubs and 40 teams. Within its mission, Liga aims to guarantee excellence in its organization, ensuring commercial revenues. Their revenues come from the sponsors, the clubs, the B teams, the betting platform, Placard and from commercial rights. Their costs involve referees, delegates, security, balls, pitches, and equipment. Moreover, by levering on its values, accuracy, talent, professionalism, and aggregation, Liga strives to change the current paradigm through the creation of a more profitable business model, ought to draw a stronger media interest, attracting more investors and projecting the brand at a national and international level. In its structure, Liga's President is joined by his executive directors and by eight clubs. His first actions unveiled a new positioning, under the slogan of "Football with

Talent", declaring that "we exist to serve the professional football". As for the competitions, Liga NOS is the 1st league, having 18 clubs and 34 rounds. Likewise, Taça CTT is the league cup, where 33 clubs from the 1st and 2nd league play, having as the semi-finals/final a one-week event, the Final Four. Regarding Ledman LigaPro, it involves 20 clubs, including 5 reserve teams, the "B" teams from Porto, Benfica, Sporting, Braga and Vitória SC. In 2017/18, 2 clubs will be promoted to the 1st league and 4 demoted to the 3rd league, resulting in a further reduction on the number of teams (22 in 2016/17), from 20 to 18 in 2018/19 (see **Appendix 3.2** and **3.3**).

Kick-off Meeting with Liga's President and with the Executive Directors

The kick-off meeting occurred in June 2017. It started with an in-depth presentation of the VCW, followed by the presentation of the proposed deadlines, a debate around the research purpose/problem definition, the company's goals and expectations and finally, the presentation of the selected key stakeholders to be interviewed. Moreover, several Liga's presentations were disclosed, giving a concise overview and context of its actual position. Similarly, Liga gave valuable contributions that helped, not only in identifying the problem but also, in building and validating the project research question. By the same token, Liga shared its history, how and where they operate, its objectives and challenges and ultimately, their intents towards the project as well as the topics which they would like to see explored. Afterwards, they focused on the 2nd league, describing its core aspects, focusing on exhibiting the performance of several indicators that were jeopardizing the competition and its sustainability. Given that, they expressed their desire to rethink and reformulate this competition with the objective of building a more vibrant and dynamic one, together with rectifying its economic losses. As a matter of fact, up to the moment, Liga was lacking direction and had limited time and resources to focus on building a set of strategies. So far, Liga had only assembled few slides describing the bad performance of some variables, such as the stadiums' level of attendance and the ticket pricing.

For this reason, when the VCW was presented, it made a huge impact and impression in Liga's staff. According to them, it was "a different way of making something happening, highlighting the importance of involving the highest number of internal and external shareholders and techniques, like the brainstorming/brainwriting, that would generate ideas".

VCW Phase 1 - Discover Value (Tap): Understanding the firm, its market, and challenge

The CEA analysis (see **Appendix** 3.4), which separates variables that are caused from those that are effects, was used, grouping small questions into a bigger one. Thus, the research question defined was **"How can Liga increase both the competitiveness and attractiveness of Ledman LigaPro?",** including six subtopics, three related to marketing, stadium attendance, TV coverage and sponsors and three related to the competition, number of teams, the B teams and the competition format. Nevertheless, one could run a VCW cycle for each individual subtopic. Since, they are largely connected, it was better to consider just one VCW.

Defining the Market and Evaluating Liga's Position on it

Data collection and analysis were used to see Liga's position. Primary data was collected through personal, mailed and telephonic interviews and direct observation (stadium visits, events, and games). Secondary data, included Liga's internal records, football websites such as Zerozero and Transfermarkt, articles, papers and market research companies (see **Appendix 3.5**). Furthermore, Football, a sport that began as family/friends' activity, is one of the highest paid industries, known for its high revenues and wages. According to Deloitte, the European football market revenues reached €25 billion in 2015/16, a 13% rise when compared to 2014/15 (see **Appendix 3.6**). This growth was driven by TV broadcast rights of the top leagues. In Portugal, according to Euromonitor, sports category is growing notably due to the rising interest in a healthy lifestyle. Similarly, Football dominates the Portuguese consumer preference, both

in the number of players and supporters. Thus, directly, Liga has no competition as there is no other player, apart from the Portuguese Football Federation, who organizes the Portuguese Cup and the amateur competitions. Indirectly, one can consider others sports as competitors. However, in Portugal, football is lived at its highest, is consistently the leading sport, the "King of Sports". According to Transfermarkt, professional football, attracted more than 4 million spectators in 2016/17, being its popularity boosted in 2016, when Portugal won the 2016 UEFA Euro.

Defining Ledman LigaPro Context and Describing its Evolution

To define the 2nd league context, tools like the PESTLE, SWOT and TOWS were used (see **Appendix 3.7, 3.8** and **3.9**), comprising the factors that interact with Liga's business. All topics identified were not exclusive to the 2nd league so that one can have a 360º view of Liga. That being said, the major outputs retrieved from these tools were incorporated throughout the work. Furthermore, when analyzing the clubs' geographic distribution (see **Appendix 3.10**), it is perceived that the major part of them are centralized in the North, having many an important local/national tradition and expression. Regarding its success flows (see **Appendix 3.11**), this league provides several players to the Portuguese national teams, sub 21/20/19. Besides that, in 2016/17, from the 711 players in the 1st league, 60% have played in the 2nd. Likewise, from the analysis (see **Appendix 3.12**) when compared to 1st, the 2nd league is the most dynamic in terms of how many times, on average, clubs, go out/enter the Top 5 and in terms of how many times, on average, clubs change position within the Top 5. Furthermore, according to Transfermarkt, in 2017/18, the competitions' total average age was 24.3, being 55% of the players, Portuguese (see **Appendix 3.13**). Moreover, in 2016/17, the stadium occupancy rate was only 21,8% (18% in 2015/16). Its spectators' average was around 1083 (901 in 2015/16), having 60% (13/22) of the clubs, an average under the total one. Likewise, for the average attendance per day and time,

one retrieve that, Liga has to take into account the relevance of one day to that club/region and that some days of the week work better for some teams (see **Appendix 3.14**). Likewise, there are variables like the climate, the club playing, side city events, affecting the attendance of one club/day/hour, which the researcher cannot control. In addition, the last 2 seasons' average ticket price was low-priced, 6,83€, when compared to other leagues (See **Appendix 3.15**). During the research, people claimed that "football is expensive". Moreover, in 2016/17, out of the 462 games played, 27.3% (126 games) were broadcasted on television, 60 were on Sunday, 37 on Saturday and 29 during the week. In 2015/16 and 2014/15, only 21.6% (119) and 19.9% (110) games were broadcasted. This increase is due to Porto, Benfica and Sporting, who hold now, their own TV channel, covering their B team home games (see **Appendix 3.16**). In terms of media return, Liga uses a performance indicator, AVE, advertising value equivalency, the equivalent advertising cost in minutes and space within the media. According to a CISION report on the 2nd league (excluding the B's), its media return experienced an annual increase of 22%, having reached 220€M in 2016/17 (See **Appendix 3.17**). Lastly, for the benchmark (See **Appendix 3.18**), nine 2nd leagues were chosen, as a way to collect best practices. Given that, their number of teams varies from 10 to 22, being mostly composed by 20. Their competitive model, is homogeneous, having a promotion/relegation playoff, involving two or more teams. Contrarily, Portugal has a simple format, having no promotion playoff. For instance, playoffs highly increase the attendance of the participants, with many reaching full capacity.

VCW Phase 2 – Induce: Create Value by Gathering Solutions and Filters

This phase objective, was to generate the highest number of ideas/criteria, leveraging on the inputs generated by all sorts of stakeholders, namely, the Laggards, Lead users, the Divergent Thinkers, Sceptics, Devil & Angel advocates and others. Here, all inputs were considered, as the focus was on the quantity rather than its quality. Besides, this phase was divided into two

parts: 2a, Induce Solutions and 2b, Induce Filters. In 2a, the aim was to collect and generate as many ideas as possible from the stakeholders, whereas, in 2b, the goal was to gather the greatest number of filters, i.e. the criteria to apply in the selection of ideas retrieved from other stages. In addition, multiple approaches were used, including brainstorming and brainwriting, face-to-face in-depth interviews, workshops and networking activities (see **Appendix 3.19**). Hence, three brainstorming and brainwriting were organized. The first two sessions took place at Nova School of Business and Economics. They included each, 10 individuals, 9 females and 11 males, comprising students and workers/athletes. Its arranged agenda, began with a briefing about the VCW, Liga and, its 2nd league, hence acknowledging each participant. Afterwards, there was brainwriting divided into two parts, the first about solutions and the second about filters. To do so, each group answered 10 questions. (see **Appendix 3.20**). The Participants were divided into two groups of 5, sat at two tables. Later, there was a brainstorming, leading to the creation and modification of inputs. Attending were football lovers, with greater knowledge on it and people that lack interest on football. Also, there were divergent thinkers, professionals/amateurs of other sports. The third session, involved an audience known for being creative and without filters, the Children. Aged from 9 to 10, 27 children were selected. The intent was to see how is football seen in their eyes. To do so, the VCW's children's edition was used. Accordingly, most of the children suggested changes to the core of the game, meanwhile, others suggested the use of technology and artificial intelligence in the sport, e.g. 3D glasses, Virtual Reality, that would increase the intensity of how an individual watch a game. Furthermore, about 31 interviews were conducted to comprehend the industry, its challenges and the perspective of its players. Subsequently, their feedback and contributions were integrated and used as a major source of input for the pool of ideas/filters. Those stakeholders included Liga, players, referees, clubs, coaches, TV channels, newspapers, press, sponsors, athletes, governments, the players' union and supporters (see **Appendix 3.21**). Thus, from all

the activities, 68 solutions and 49 filters were collected. For a clear understanding, the inputs that were, complements, duplicated or vastly out-of-topic were grouped, changed or removed. As such, the inputs were grouped into two categories: Competition, with 23 solutions and 17 filters and Marketing, with 41 solutions and 32 filters (see **Appendix 3.22**).

VCW Phase 3 - Validate Value (Analyse): Feedback from Liga's President and Directors

The next step was to assess and validate the inputs with Liga's Board, which would result in a small number of potential solutions/filters, agreed upon. To do so, on August 30, there was a meeting with the President, Pedro Proença, the Marketing & Communications Executive Director, Susana Rodas, the Competitions Executive Director, Helena Pires, the Competitions Assistant André Venâncio and the Liga's Consultant, Tiago Madureira. Firstly, its purpose was to acknowledge what were in the eyes of the Liga's Board, the best solutions and the most important filters, choosing those considered as qualifiers, i.e. criteria that needs to happen in the beginning for the project to progress. Secondly, the aim was to carefully assess and validate all the outcomes and ideas/filters generated in previous phases, together with those that would arise from the meeting. Consequently, the Board was encouraged to take a part in the Poker Method, built by Lages and Hartmann (Lages, 2015), (see **Appendix 3.23**), as a way to validate, review, multiply or neglect existing ideas/filters. Accordingly, the meeting began with an open innovation approach (brainstorming) regarding filters and solutions. For filters, the question was "what aspects have to be guaranteed for a football match to happen and to make someone attend or watch it". For solutions, the query was "how can one make a Ledman LigaPro match more attractive for people, TV channels and sponsors to be interested in it". Moreover, the next goal was to clean and shorten the extensive pool of inputs. To do so, the Board's intent guided by the Poker method was to criticize, judge and comment on the existing ideas along with, the creation of new ones, through the conception, adaptation and modification of the existing

inputs. Afterwards, Liga evaluated and ranked the filters fitting them according to their level of significance and applicability. The scale was "Low/Medium-Low/Medium/Medium-High/High" importance and the power to choose was equally split by the Liga's members, having each 20%. Therefore, filters were ranked giving the weighted average of everyone's decision. Likewise, with the ranking, feedback and contribution of the Liga's members, 21 solutions and 28 filters were spawn, where 10 were considered as qualifiers. Consequently, the board was surprised and amazed by the number of relevant solutions.

VCW Phase 4 – Ground Stage – Capture Value: Reaching into the Final solutions

When in the fourth phase, the Ground stage, the ambition was to narrow down the wide list of solutions that rose from previous stages, leveraging on the ranked filters. To do so, one applied the Value Creation Funnel (VCF), an "effective and efficient" technique used to carefully filter solutions, attaining the highest potential ones. Likewise, the VCF began with the final results from previous stages, thus initially it considered, 21 solutions and 28 filters, from which, 10 were qualifiers, while the other 18, were prudently applied to progressively reduce the number of ideas. As a matter of fact, the board ranked the 18 filters, originating 6 levels of filters, where some included two or more filters. Accordingly, the board believed that some filters were equally relevant, hence, grouping them into a whole layer of filters. After defining the 6 levels, the VCF started by applying each filter level to the 21 solutions. During the process, an open-minded approach was applied, since this stage ought not to be rigid and inflexible. Moreover, the ideas excluded from this VCW cycle, were nevertheless, kept in a database, to be used if a new VCW cycle is done or if a future project is initiated. The excluded solutions may not be the most suitable for this VCW, however, Liga may decide to change their strategy, to revaluate their level of filters, and so, those solutions may be useful. To conclude, the goal was to present concepts and prototypes for the final solutions. As such, the VCW reached 8 final solutions.

Figure 1 - Value Creation Funnel (VCF) applied to Liga Portugal
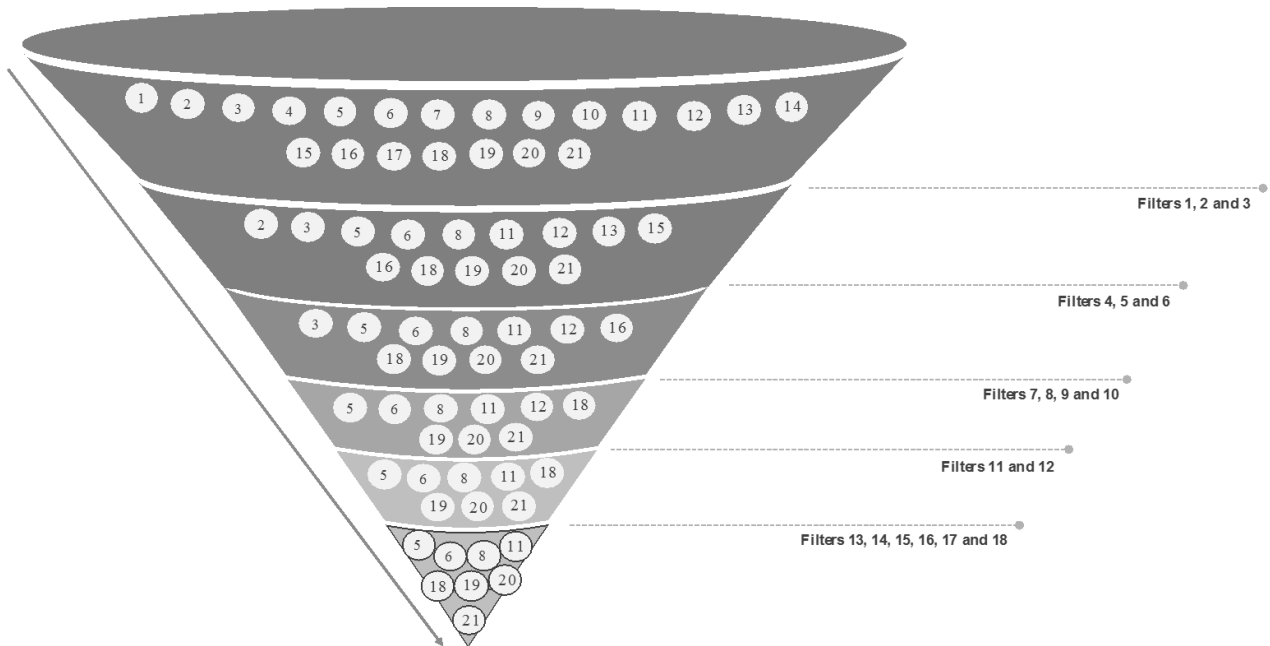
List of final solutions with the highest potential
1. Possibility of smaller teams being able to train with 1st league teams – invest on training and coaching the players
2. Impose fewer restrictions on the entry into professional competitions
3. Give more prizes or prizes that are more appetizing, in the competition
4. More legislation in the competition and its environment – reduce the extra game comments
5. Changes in the positioning statement, in the competitions identity and in its future objectives. Plus, measures in the competition, including, increasing the number of police/security in the stadiums and to set a minimum number of portuguese per team – valorisation of the portuguese players. Moreover, a fix price ticket should be introduced
6. Allow one more team of ledman ligapro, to have access to liga nos. Create a promotion play-off that gives access to the 1st league, involving one team (the 3rd place seed of the 2nd league) or involving more teams of the 2nd league). Plus, put together an event around the playoff
7. Play-off with university teams or university league as the official second tier league
8. Centralization of television rights in the future – fairer distribution, supporting smaller clubs
9. B teams can play one game (instead of the a team) in the 1st league
10. Disregard the results against the b teams in the league's classification
11. Limit the number of players that can play alternately for the a and b teams, and prohibit players aged over 23 to play for the b. Likewise, the last games of the b teams in each round of the season must be held in their a squad stadium. Thus, allowing the b players to experience the same environment as that of the a
12. Create a mini-competition for the b teams, e.g. Create a final four with them
13. Create more opportunities for the 2nd league teams, e.g. Play a game with those of the 1st
14. Apply financial fair play in the league
15. Liga portugal should make sure that, at least one game is broadcasted in the open signal channels – more visibility for the competition, its stakeholders and its sponsors.
16. Create a model for the 2nd league, similar to that of the districts division (national championship, 3rd tier league) – north and south divisions
17. The games of the b teams played before the a side when they both play at home
18. Promote partnerships with national and international clubs at the level of secondary players
19. More marketing activities around the games and the competition: - liga tv: channel owned by liga, having exclusive content and potentially, broadcast some games - games to include side businesses and activities, like food wagons, corporate/sponsors stands - half-time entertainment, like dance/gymnastics events, autographed ball auction - associate football with cultural events, music festivals - discounts on the transportation – partnerships with galp, bp, cp, or others - bundle ticket/family ticket – presence in online ticket platforms - social media – more videos and/or hashtags or more curious statistics of the games - leverage on the high number of tourist and erasmus students – link football with tourism - book with best practices: marketing, finance, strategy, stadium maintenance delivered to clubs
20. Social responsibility: arrange open door/free entrance games, where supporters can deliver goods instead of making a monetary payment, organize football matches between kids before the games of the main teams, make the kick-off of the matches with former/young football stars, associate football with social causes
21. Create case competitions or provide internships for university students, leveraging on them (e.g. Audio-visual degrees) to provide more support and improvement in the infrastructures of some clubs, where television broadcasts are non-existent or of poor quality

Ranked Filters (1-Most Important; 18-Least Important)

Filter 1. Alignment between Liga's strategy, vision and values and those of its sponsors or corporate partnerships

Filter 2. Assure Liga's strategy and growth goals

Filter 3. Alignment with the current regulation set by Liga

Filter 4. Preserve and/or improve the credibility and transparency of Liga Portugal and its competition

Filter 5. Willingness from Liga to be more active in their operations/decisions within the Portuguese football market

Filter 6. Absence of a specialised team and/or structure / Lack of know-how

Filter 7. Expected revenues for sponsors and Liga Portugal

Filter 8. Club's resistance towards changes in the competitions' format/model

Filter 9. Social responsibility

Filter 10. Expected time needed to implement a solution

Filter 11. Emphasis on the young talent, namely the home-grown players "jogadores da terra" – more identification between the club and its region

Filter 12. Keep pace with new innovative football' trends that will maximize the spectators' experience

Filter 13. Guarantee that sponsors have greater share and visibility, interacting more with the fans in the social media – More awareness and recognition

Filter 14. Need for local visibility, namely the smaller clubs located in villages

Filter 15. Word-of-month and peer influence

Filter 16. More interaction and more proximity between the players and the supporters

Filter 17. Sponsors' specific target audience is in line with Liga's target - The sponsor feels that is target audience is the same as the competition they are sponsoring

Filter 18. Willingness of the clubs to incorporate Liga's ideas

Source: Conducted by the VCW team

VCW Phase 5 – Operate: Consolidate Value by Developing & Implementing Strategies

Using the VCF tool, one reached the final solutions. In light of this, the aim of this phase is to be able to develop and implement those solutions. To do so, the Board must delineate the pathway of those ideas on the Go-Decision basis, deciding whether to Go, No-Go or Check (back to earlier stages). Likewise, the Board will have to debate over a model/3Ms framework (Men, Money and Minute), deciding if the solutions are practicable. Given this, the board, the Competitions Assistant, André Venâncio and Liga's Consultant, Tiago Madureira, attended a final meeting, delving into a presentation of the past stages and final solutions. Initially, their reaction was very encouraging since they considered all solutions, suitable to be implemented and above their expectations. Hence, Liga's intent was to Go with all, nevertheless, due to limited resources, people and time and due to external factors, Liga had to prioritize. Therefore, they decided to Go with six of the eight final ideas, as illustrated in **Figure 2**. Moreover, Idea 6 was slightly changed, as the Board could not agree, on having a fix price ticket.

Figure 2 – Panel of Final Solutions

1. Create case competitions or provide internships for university students, leveraging on them (e.g. Audio-visual degrees) to provide more support and improvement in the infrastructures of some clubs.
2. Allow one more team of Ledman Ligapro, to have access to Liga nos. Create a promotion play-off that gives access to the 1st league, involving one team (the 3rd place seed of the 2nd league) or involving more teams of the 2nd league). Plus, put together an event around the playoff
3. Limit the number of players that can play alternately for the a and b teams, and prohibit players aged over 23 to play for the b. Likewise, the last games of the b teams in each round of the season must be held in their a squad stadium. Thus, allowing the b players to experience the same environment as that of the a
4. More marketing activities around the games and the competition: - liga tv: channel owned by Liga, having exclusive content and potentially, broadcast some games   - games to include side businesses and activities, like food wagons, corporate/sponsors stands, offering tickets at schools, at institutions and or at public entities   - half-time entertainment, like dance/gymnastics events, autographed ball auction   - associate football with cultural events, music festivals   - discounts on the transportation – partnerships with galp, bp, cp, or others   - bundle ticket/family ticket – presence in online ticket platforms   - social media – more videos and/or hashtags or more curious statistics of the games   - leverage on the high number of tourist and Erasmus students – link football with tourism   - book with best practices: marketing, finance, strategy, stadium maintenance delivered to clubs
5. Social responsibility: arrange open door/free entrance games, where supporters can deliver goods instead of making a monetary payment, organize football matches between kids before the games of the main teams, make the kick-off of the matches with former/young football stars, associate football with social causes
6. Changes in the positioning statement, in the competitions identity and in its future objectives. Plus, measures in the competition, including, increasing the number of police/security in the stadiums and to set a minimum number of Portuguese per team – valorization of the Portuguese players.

Source: Conducted by the VCW team

Moreover, they decided No-Go on the Idea 8 and 18 of the VCF. To Liga, Idea 8, centralization of the TV rights (see **Appendix 3.24**), was one of the best. However, due to previous unsuccessful tries and disproval from some clubs, it's not feasible now. Still, Liga will try to implement it in the future. Regarding Idea 18, partnerships with national/international clubs for loans, Liga thought it was as good, unfortunately, it's much dependent on the clubs, which have already on-going exclusive partnerships with other clubs, being Liga unsuccessful to do so.

Next Steps – Which Directions should Liga Portugal follow?

Furthermore, it was time to rank and prioritize the six solutions. Following the 2nd league's poor attendance and low exposure in the TV, Liga agreed that the priority was to create a connection with the spectators, along with the creation of reasons for a TV channel to broadcast its games or to talk about it. Hence, Idea 4, 5, 6 (see **Appendix 3.25** and **3.26**), were the most vital for the short-run, as an important step to connect people to football. For instance, most of the participants in the brainstorming, spoke about Liga having its own TV channel, in which they could have exclusive content and broadcast games. Likewise, on October 2017, Liga announced the launch of the project Liga TV, which in its first stage, will be available in social networks. Accordingly, this ought to close the gap between football and the people, as well as the clubs, who will get more exposure. In the future, the intention will be to work with TV operators. Moreover, Liga noticed that most of the ideas meant the creation of a show/event where a football game is just part of it and not its whole. Hence, Liga agreed that Idea 4, which involved games to include side businesses, to be associated with events, and to have more interaction on social media, was crucial. For instance, during October, Liga started sharing statistics on their social media, generating more interaction with the fans. In addition, another idea that rose discussion was the ticketing system. In the League's Cup, tickets are available in online platforms such as Blueticket, Ticketline and others, being it positively seen by people.

Therefore, Liga decided that it would be a beneficial to have its games also available in there. In fact, people could purchase, individual tickets, and bundle/family tickets, turning its environment more familiar, key input received in brainstorming. Moreover, encouraged by the VCW Kids results, Liga was motivated to pursue strategies like offering tickets at schools, together with allowing kids to play a deeper role in the games, allowing kids matches before the main games. Although some argue that, this would jeopardize the grass of the pitch, others argue that as they are kids, smaller and lighter, their impact on the pitch would be rather minimal. Regarding the last input of Idea 4, Liga liked having a best practices book delivered to the clubs, since it would tackle the lack of resources and knowledge in technical fields like marketing, finance, strategy and so on, that most of the clubs have. For instance, clubs would be oriented on how to manage a social media, how to bring more people and how to preserve their pitch. It would be the 2nd league's White Book, transmitting transparency and equality.

Moreover, in Idea 5, Liga recognized the significance of social responsibility, nominating Ana Ribeiro, who played a vital role in this work, as the new manager of this area. Likewise, several actions are in place, as in October, Liga joined the fight against breast cancer, partnering with Liga Portuguesa Contra o Cancro. Regarding Idea 6, Liga reasoned that safety was a major issue, taking efforts to make people feel safer when in a game. Also, Idea 6 contemplated changes in the 2nd league's positioning and identity, a topic that raised a lot of discussion within Liga's staff. Today, its positioning was about transforming the league into a factory that would "feed" the major leagues. However, one can interpret that the players are just "products" to be sold. In fact, the proposed approach was to make the competition an academy of young talents, capable of contributing, in a decisive manner, to their clubs and national teams. Besides this, and since the 2nd League values promote talent, fair-play, effort, integrity, respect, training, teamwork and show, there was the need to add a value(s) that would highlight its transparency, as it is being jeopardized by match-fixing and corruption rumors. Thus, Liga agreed it would

be good to add, transparency and competitiveness to the heart of their values. What's more, the board liked the last part of the Idea 6, a minimum number of Portuguese per team. However, it is harder to implement, as clubs do already have in their squads, numerous vital foreign players. Furthermore, regarding Idea 1, 2 and 3 (see **Appendix 3.27** and **3.28**), the board assumed they could have an enormous impact. Starting with Idea I, the board perceived it, as a great way to bring new knowledge from those who have it or are getting it, the university students. As such, Liga considered that, by creating case competitions or internships, it would create a win-win situation. Henceforth, this would allow several VCW cycles. Concerning Idea 2, it was considered one of the best, raising an enormous interest. Hence, the board agreed that one more team of the 2nd league should have the chance to be promoted. This promotion play-off could involve two teams, the 3rd place seed of the 2nd league against the 16th position of Liga NOS, or it could involve more teams. Similarly, from the benchmarking, one found that in Europe, the major 2nd leagues include a promotion play-off, with several, having an entire event. For Liga, this could bring many more people to the stadiums while making the competition more dynamic and attractive for sponsors and for TV channels, being it a perfect and unique opportunity for an occasion, aimed at promoting the competition, its players/coaches and the sponsors. The playoff's final could be played in a neutral stadium/region. Lastly, Idea 3 was discussed. For instance, B teams allowed younger players or players that were not playing in the A, to remain competitive and in-shape. However, they are criticized as they can rotate the players freely. Thus, a B team in some games could be younger and less experienced, and in other, it could have players from the A squad. Consequently, Liga liked the idea of limiting the number of players that can rotate. Also, they want to explore the idea of prohibiting players aged over 23 to play for the B teams. Besides, they think that, by having the last games of the B teams in each round of the season held in their main squad stadium, the B players would experience the same atmosphere as that of the A.

Synopsis

This case aims to explore Liga's Portugal challenge: "how can one increase both the competitiveness and attractiveness of the 2nd league", by applying the Value Creation Wheel (VCW), as Liga revealed their wish to reformulate this competition. Moreover, the case begins with a synopsis on Liga's history, its competitions, and its objectives. Afterwards, the case jumps to the application of the VCW. In its first phase, **Tap,** the goal was to **Discover Value** by defining the situation, and context of the 2nd league. The second phase, **Induce,** looked into the **Creation of Value,** by collecting ideas and filters while using approaches that involved all sorts of stakeholders. In the Third phase, **Analyse**, the intent was to **Validate the Value**. To do so, there was a meeting with Liga's Board, to select the highest potential ideas, and to decide and classify the filters that ought to be used on the Value Creation Funnel (VCF). In the fourth phase, **Ground**, the goal was to **Capture Value**. Therefore, the VCF was assembled, and 8 final solutions were considered as the ones with the highest potential. Ultimately, in the fifth phase, **Operate**, the board had to **Consolidate the Value**, by appraising and agreeing on the Go-Decision basis, choosing whether to Go, No-Go or Check on the final solutions. The case ends with a debate over the results achieved with the VCW, along with a conversation around the implementation, prioritization and monitoring of the ideas, where the decision was to Go.

Learning Objectives

Designed to encourage deliberation in a wide range of courses, the case study is appropriate to be taught in courses like, Value Creation, Strategy, New Product Development, Marketing, Strategic Consulting, Brand/Innovation & Change Management and Research Methods at the Masters, MBA and Executive education programs. Therefore, depending on the course and on the level at which it will be taught, the objectives will vary, including the subsequent:

- To recognize the VCW as a meta-framework which analyses and solves real-life challenges;

- To highlight the importance of Value Co-Creation and combined effort, by apprehending the collective knowledge, needs and contributions of internal and external stakeholders;

- To learn how to identify, assess, select ideas using the VCW to solve the paradox of choice;

- To practice data analysis, idea generation techniques, like the brainstorming and brainwriting and how to structure and implement ideas in a complex business environment;

- To apprehend the importance of working, from the beginning, with the Key Decision Makers.

Suggested Literature

- Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

Argument and Analysis of the Case Questions

1. To what degree did Liga benefit from the VCW and its outcome? Is there likely to be a relationship between the theory supporting Value Creation/Co-Creation concepts and the conclusions retrieved from the application of the VCW to Liga?

Traditionally, value creation was about the firm, its product and its prices. Today, the consumer journey has advanced, and the economy of scale has transitioned into an economy of choice (Whitney, 2015; Nussbaum, 2004). Hence, value creation shifted to an intent, where the core focus is on the product innovation and on guaranteeing a unique experience for the consumer, one that cannot be found elsewhere. According to Prahalad and Ramaswamy (2004: 5), "as value shifts to experiences, the market is becoming a forum for conversation and interactions between consumers, consumers communities and firms". Therefore, today one has to consider the co-creation of value from the highly educated, knowledgeable and energetic consumers. Likewise, throughout the project, the intent was to create the maximum value not only for Liga

but also for all its stakeholders. Quickly, one perceived that it would be impossible to satisfy everyone's demands, therefore, the focused was on bringing Pareto Improvements, an action or a set of actions done, that harms no one and helps at least one stakeholder. To do so, the Board showed the intent of working together with its stakeholders considering their inputs as beneficial. Accordingly, the VCW application to Liga, involved numerous stakeholders, from Liga Portugal staff to players, referees, clubs, coaches, TV channels, newspapers, online press, sponsors, athletes, and so on. As a result, this project tried to guarantee that every main stakeholder participated in the elaboration of a growth strategy for the 2nd league. Similarly, being a meta-framework, this VCW integrated several theories, tools or approaches, such as the CEA Analysis, SWOT/TOWS, 3M's, VCF, and so on, only possible due to the VCW's agility and flexibility. Besides, independently of the VCW's phase, the ambition was always to create and complement novel or existing solutions. Accordingly, VCW simplified the process of Idea and filters generation, done without any barriers and/or judgment, independently of the ideas' quality. In this process, multiple approaches took place, from brainstorming and brainwriting to several face-to-face interviews. What's more, to bring a different perspective, there was also, a brainstorming with children, conducted through the VCW Kids. Thus, allowing for a different streamline of ideas, from an audience, known being free of filters. As a result of all of this, the VCW spawned many solutions and filters, being many a novelty and extremely relevant in Liga's Eyes, challenging its business model, its revenue streams and its competition. Besides this, the VCW allowed Liga to assess and define its competitive advantage, by taking a deeper look into their operations and capabilities. Additionally, the Value Creation Funnel, allowed for the discovery of implementable solutions, on which Liga's Board had to decide on the Go/No-Go decision. Liga considered many solutions as feasible. However, as resources are limited, Liga had to choose the ones with the most added value.

Future wise, Liga showed its intent to promote value co-creation, including VCW cycles. For instance, whenever Liga needs to define a strategy, the application of the VCW is expected.

2. To what extent can Liga allocate enough resources to implement the numerous recommended solutions? Use the 3M's Framework: Men, Money, Minute.

By leveraging on the 3M's, a framework that evaluates the key resources of a company, one considered the existing ideas feasible. For Men, the strategy is the creation of a task force, capable of coordinating the project, team managing and giving support. As for Money and Minute, one described the expected revenue streams and costs, measurable with additional studies and a chronology is presented.

Figure 3 – The 3M's Framework

|	Department	Nº Resources	Responsibilities
Men	**Task – Force**	2 to 3 People	Project Coordination; Time and Team Management; Operations Support; Manage Expectations
	Competitions	Director	Team Management; Performance evaluation; Contact with the task-force; Coaching and Guidance
		3 to 4 People	Report and team follow-up to the Director/Manager; Guidance and Coaching (e.g. for University students or Assistants); Developing and implementing strategies (Play-off, Regulation Changes, among others); Constant benchmark; Sharing Knowledge
	Marketing and Communications	Director	Define and Manage the Marketing and communications plan and strategy; Seek out and establish partnerships with sponsors or corporate partners; Seek feedback from the current sponsors, into doing combined marketing activities and promotions
		3 to 4 People	Organize events (e.g. Play-off); Implement the established marketing strategy: social media, Liga TV management and half-time entertainment; Market Research; Look for conjoint marketing activities; Ensure the contact with clubs and with sponsors; Customer Relationship Management.
	Finance	1 to 2 People	Budgeting Control; Financial management; Support and constant contact with the other teams
	Social Responsibility	Manager	Arrange Events/Initiatives; Promote the communications with the clubs into participating in social activities; Create partnerships with Associations, Schools and/or Public Entities
Money	**Estimated Revenues**		Revenues from sales and services in the segment; Revenues from the current and potentially new sponsors/Business Partners and from Placard; Gains from a higher fee imposed to the B teams; Reduce costs to generate strategies, leveraging on University Students; Higher Revenues from the TV Channels.
	Estimated Costs		Higher investment and posterior costs in Marketing and Communications; Cost of goods sold and services; Higher expenses with prizes; Security and Police force; Web service, social media and technological platforms infrastructure and its maintenance; Travel; Internship eventual expenses
Minute	1. **Kick Off – Evaluation, Validation and Planning** • Definition of the starting point, deadlines and the KPI's • Analyse existing information and secondary data collected 2. **Research and Market Benchmark** • Research within secondary data and Benchmark with other leagues • Incorporate feedback from the stakeholder's appraisal 3. **First Stage of Idea Implementation** •Introduction and implementation of Liga TV •Increase in the Social Media interaction – More statistics, contests, videos Introduction of a Social Responsibility Department •Revision of the competition positioning, objectives and identity •Measures towards an increase in the security and safety in the stadium 4. **Second Stage of Idea Implementation** •Games to include side business and activities, like food wagons corporate/sponsors •Offer tickets at schools, institutions and/or public entities •Leverage on tourism and Erasmus students 5. **Third Stage of Idea Implementation** •Incorporation of a promotion play-off - Put together an event •Incorporate changes in the regulation of the B teams •Discounts on the transportation – Partnerships with Galp, BP, CP •Bundle ticket/Family ticket – Presence in online ticket platforms •Book with best practices – includes Marketing, Strategy, Finance •Create case competition or provide internships to university students		

Source: Conducted by the VCW team

3. In what way could the VCW support Liga and bring added value in the future?

Liga considered that the VCW could be applied to any problem or doubt they might have. As such and following the recommendations and the knowledge gained from this research, one considers that Liga should apply different VCW cycles, addressing multiple different research questions. Moreover, from the feedback received in the brainstorming/brainwriting and in the numerous interviews, many of individuals suggested problems/questions/opportunities to which, according to them, Liga should spend time analyzing or at least, promoting debate around it. Consequently, there are several ways in which, the application of the VCW could support and bring benefit to Liga. As such, it can solve a problem, answer a question or produce feasible ideas/strategies. That being said, the VCW approach can be the answer to several research questions. For instance, one of the final solutions, regarding the creation of case competitions for University students, would allow Liga to conduct various VCW cycles, exploring the ideas/filters generated in it. Hence, Liga could do several editions, wherein one the research question could be similar to this project, and in the other, a totally different one.

Accordingly, from all the feedback obtained from the stakeholders, the following research questions aroused: **Competition:** "How can Liga increase both the competitiveness and attractiveness of Liga NOS? How should the other Liga's competitions interact with Liga NOS?"; **Human Capital: "**Which Human Resources Management approach would Liga undertake? How should the team be composed? Should there be a talent pool list? How do University Students perceive Liga's recruitment, should there be changes?"; **Marketing and Communications:** "What kind of marketing activities should Liga conduct? How could Liga attract more sponsors and improve its relationship with the current ones? Is there space for conjoint activities between Liga and its sponsors/business partners?".

Exhibits

Exhibit 1 - The Value Creation Wheel (VCW)
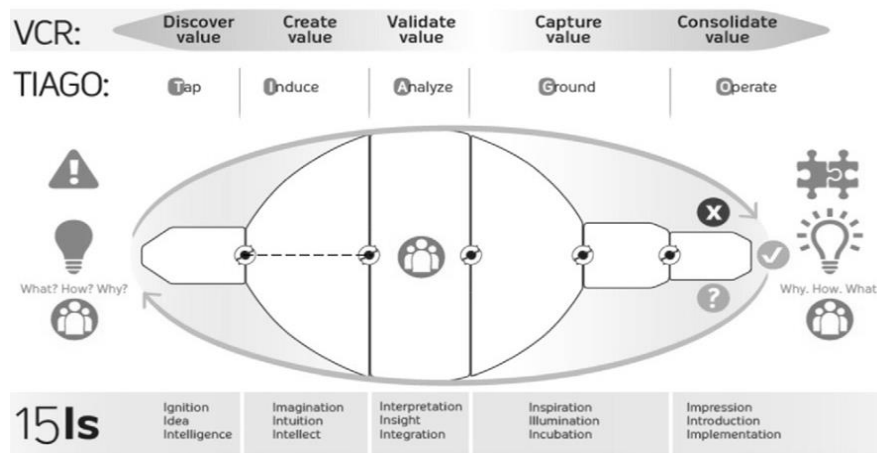
Source: Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

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Case Study 4: How to use the Value Creation Wheel to design a new positioning for Taça CTT?

Abstract

The competitiveness of Taça CTT has always been questioned in the Portuguese Football. Answering to the question "How to make Taça CTT more competitive?", Liga Portugal started a process of correctly positioning the Cup. The research confirmed that the competition lacks of attractiveness for adepts and clubs in two major aspects: its competitive format and its marketing. Developing the VCW phases, the ideas found suggest that the competitive format should be more equitable for all the clubs, and the reward more appealing; the fans wish more interaction with their idols and want football to be more familiar.

Case Study 4: How to use the Value Creation Wheel to design a new positioning for Taça CTT?

"It was created the concept of Winter Champion and the last week of January is dedicated to the Portuguese professional football.
Last year (2017) was the experimental one, this year we have to make it count!"

Pedro Proença, President of Liga Portugal

On May 2017, Susana Rodas, the Executive Marketing Director of Liga Portuguesa de Futebol Profissional (Liga Portugal), was reviewing some data regarding the attractiveness of Taça CTT in the Portuguese market. For the first time on that year, Liga Portugal had a final's week for this competition – the Final Four – and the results of that event were now available to be discussed. There was no doubt about the success of the event, even though Liga Portugal understood that there was still a lot of potential to be explored. Susana Rodas decided to reach the President of Liga Portugal, Pedro Proença, with the objective of contacting the VCW Team, to help them on conducting further research and designing a final plan for the competition, in the following months.

Liga Portugal and Taça CTT: Overview

Liga Portugal is an independent institution responsible for organizing the professional football competitions in Portugal. On an early stage, professional and amateur football was condensed in only one institution, Federação Portuguesa de Futebol (FPF), but about 25 years ago, it was decided to divide the responsibilities and create an independent organism that would focus only on professional football. From this process, Liga Portugal was born, currently representing 35 clubs and 40 teams (5 B teams).

Liga Portugal was then responsible for the 1st League and 2nd League, Liga NOS and Ledman LigaPro. The League Cup was only created in 2008, with the objective of being a new source

of revenue to clubs and independent rights for Liga Portugal. By being the youngest competition, it is also the one that has experienced major changes throughout the years. When Pedro Proença started his first mandate, the League Cup was near to be extinct, due to the lake of brand awareness and revenues that it was generating (See **Appendix 4.1**).

In 2017, a new strategic plan was put into practice for this competition. Taça CTT suffered a rebranding and some marketing actions were developed. On that year, the Cup was having for the first time a one week event, the Final Four, where football and entertainment were together to create a true experience for the supporters. Every year, the finals are located in a different city – in 2018, in Braga, the sports' capital.

In the beginning of June, Liga Portugal intended to start working on the strategic plan for the next season, which would be presented to professional clubs in the end of September. Knowing the lack of resources that the entity had, the Executive Committee decided to contact the VCW Team.

First Meeting: VCW applied to the Football Sector

On the first meeting with Liga Portugal, the Executive Committee exposed its intentions regarding the VCW Team work. Following the agenda of the meeting, it started with a succinct presentation about Liga Portugal and its challenges. Susana Rodas, Pedro Proença and Helena Pires expressed their wish of elaborating a strategic plan for Taça CTT in the next 4 months and asked the VCW Team to explain how the Value Creation Wheel could be helpful for the entity in that process.

After a brief description of the VCW and its phases, the Executive Committee decided to hire the Team, trusting on a methodology that relies on the maximum number of stakeholder's opinions and that does not exclude initial ideas, to guarantee that potential solutions are not eliminated before being evaluated by the key decision makers. The fact that the entity had found

it difficult in the past to obtain unbiased answers from its researches, was also a point in favor of the collaboration of an independent team.

Already understanding the challenge from an overall perspective, the Team would have to define a research question, before starting to study the market. By going down to the roots of the problem (See **Appendix 4.2**), the Executive Committee decided to move forward with the question "How to design a new positioning for Taça CTT?". As the problem was complex, it was divided into two main areas, Marketing and Competition, through the Cause and Effect Analysis, with the objective of covering the major issues that were preventing the League Cup to gain its space in the market.

With a clear research question defined, the Team started the implementation of the VCW and its 5 phases: 1 – Tap; 2 – Induce; 3 – Analyze; 4 – Ground; and 5 – Operate. Even though the phases are presented in a sequence it is important to remind that this is a circular and flexible model that allows for improvements in later stages (See **Exhibit 1**). The first phase of the VCW is described below, where the main objective is to discover value.

Phase 1 – Discover Value (Tap): Market Space and Challenge

To discover value, the Team started a primary and secondary market research. On a first stage, André Venâncio, from the competitions area of Liga Portugal, presented some of the research and previous strategic plans that he and his team have elaborated for Taça CTT, with some information regarding pricing, stadium attendance and competitive model. Susana Rodas also gave some insights regarding the marketing area and provided all the data collected and analyzed regarding the Final Four and the Cup in general.

Additional information regarding international benchmarking, players and teams was also consulted from sources as the website ZeroZero and the Transfermarket. Whenever LigaPortugal had the information, it should be primarily considered.

Regarding the Sector where Liga Portugal is operating, the Portuguese football market, a PESTEL analysis was conducted (See **Appendix 4.3**). The main aspects that arise from this analysis are the low revenue on TV rights and stadium attendances when compared with other European Leagues, even though the Portuguese market is now enjoying from a solidarity European fund of €4,1 million, due to the winning of the European Championship of 2016, by the National Team. Some aspects regarding technology are also highlighted, as the implementation of the video-árbitro. The on-line bets and its associated problems, match-fixing, are also mentioned as relevant for the sector.

Knowing the overall status of the Portuguese football market, it was time to understand the competitive model of Taça CTT, as it is complex and joins teams from the 1st and the 2nd league (See **Appendix 4.4**). The competitive model is designed to guarantee the presence of bigger clubs in the finals, in order to collect more revenues from stadium attendances and TV rights. The revenue is then divided among the clubs, according to their performances.

The geographic distribution of the clubs was also investigated, and the Team came to the conclusion that among the 35 clubs, 64% were located in the northern region of the country (See **Appendix 4.5**). Looking at the historical data, it is also easy to understand a hegemony among the winning teams, with Sport Lisboa e Benfica (SLB) winning 7/10 finals (See **Appendix 4.6**). It was also observed the change in the Cup's naming throughout the years, with signs of instability and huge dependence on the sponsors (See **Appendix 4.7**). Looking at the competition data, stadium attendances and TV broadcasts were analyzed (See **Appendixes 4.8**, **4.9** & **4.10**). The broadcasted matches have increased throughout the years, staying in 45% of matches broadcasted in the last season, but the stadium attendances reveal a very disturbing pattern, with only 7/35 clubs having attendances above the average, which indicates the disparity among clubs. Besides that, the average attendance increased 32% when compared with the previous year. Regarding price, it was made an analysis using the average prices per

game disclosed by the clubs. It was concluded that the average price is 8,3€, and only 9 clubs have prices above the average (See **Appendix 4.11**).

It was also analyzed the flow of success of the implementation of the Final Four. According to the data disclosed by Liga Portugal, the return of the Final Four for the entity represented more than 30% of the total return of the competition, about €50 million (See **Appendix 4.12, 4.13** & **4.14**). Also representing more than 35% of the total return of the main sponsor.

A SWOT and TOWS analysis was also conducted to better understand the Weaknesses and Strengths of the League Cup, and its Threats and Opportunities. In the end, the Team tries to understand how Liga Portugal can design a strategy to overcome its problems and strengthen its positioning in the market (See **Appendix 4.15** and **Exhibit 2**).

Phase 2 – Create Value (Induce): Gathering Solutions and Filters

The second phase of the process consisted of gathering solutions and filters from the maximum number of stakeholders. To accomplish a complete final result, the VCW team designed a strategy, where it decided to reach all of the key stakeholders of the project (See **Appendixes 4.16** & **4.17).**

The research relied on 2 brainstorming/ brainwriting sessions, a braindrawing session with kids, and 31 in-depth interviews, as well as visits to stadiums and companies related to the League Cup. The Team has also attended the Kick-off of the 2017/2018 season, where it had the chance to contact with various stakeholders, and it also attended the launch of the new equipment of Futebol Clube do Porto (FCP), where it had the chance to observe the behavior of the "claque". The brainstorming/brainwriting sessions were conducted at Nova SBE, both with 10 people, with workers and students among the participants. Not all of them were football lovers – about 1/3 of the participants were not football fans and some of them were devil's advocates. The sessions started with a small briefing about the League Cup, were the competitive model and the main features were explained to the audience. After that, the participants were divided in

two tables of 5 people, where they could not talk to each other and had to answer to 5 questions for filters and solutions (marketing and competition), by writing their ideas on a piece of paper (See **Exhibit 3**). Each question had a limited time of answer, and the participants should pass to the next one as soon as they hear a whistle. After the brainwriting session, the ideas and filters were posted on the blackboard and discussed among the group, in a brainstorming session. Disruptive and very structured ideas arose from the exercise, some of them inspired in different sports and events experiences.

The braindrawing session with kids was held at a school where students where having Free Time Activities, during the summer vacations. 27 kids volunteered to participate in the activity, where initially they had to present themselves to the colleagues and afterward draw an answer to the question "What are the characteristics that you cannot miss in the football of the future?". The objective of the session was to find generic disruptive ideas for the future of the sport, in a group of people with few or without filters. The final ideas were very technology-oriented and suggested that the mix of the sport with entertainment was something valued by the kids.

The 31 in-depth interviews were held with various stakeholders, both internal and external. Internally, 8 people were interviewed, and the President was the first one (See **Appendix 4.18**). Externally, most of the main entities, between Clubs, Supporters, Partners, FPF, State and Press (See **Appendix 4.19**) collaborated with the research. The interviews were semi-open, allowing for the Team to understand the different perspectives around the subject, and collecting important statements that would mark the further development of the project.

Phase 3 – Validate Value (Analyse): Feedback from the Executive Committee

From the previous research, the Team reunited and refined a list of 76 filters and 83 solutions that were later analyzed in a meeting with the Executive Committee.

The meeting held on the 30th of August of 2017, with the presence of the President Pedro Proença, the Executive Marketing Director Susana Rodas, the Competitions Director Helena

Pires, the external consultant Tiago Madureira, and the Competitions Lisbon Responsible André Venâncio, was the moment to expose to the Executive Committee all the solutions and filters found, as well as give the feedback received during the research.

All of the filters and solutions were presented in a list, and the Liga Portugal members had to discuss among them which filters and solutions should be kept, killed, reviewed or multiplied, according to the Poker Method (See **Appendix 4.20**). For the filters, it should also be mentioned which ones were qualifiers and their ranking order. Finished the discussion, the Liga Portugal members also decided to have two filters to the final list, that they considered to be imperative, which were "stability (in the competitive model)" and "low initial investment".

To guarantee the transparency of results from the meeting, an equal ponderation of vote was distributed among the presents, 20%, inclusive to the President. Because there were 5 members of Liga Portugal in the meeting, there was no option of existing a tie.

Finished the meeting, Liga Portugal decided to approve 26 solutions with the highest potential, and to kill immediately 10 solutions, that were considered to be out of the range of action of the entity. The other solutions not considered as having the highest potential, were kept to be later analyzed and maybe put into practice. Regarding the filters, 11 were chosen to proceed with the analysis and already ranked for an order of importance.

Phase 4 – Capture Value (Ground): VCF

In the fourth phase, the Value Creation Funnel is the tool to be used. This framework allowed for a final selection of the 26 solutions, by filtering them according to the rank of filters defined by the Key Decision Makers.

Keeping the 11 filters selected previously, the VCW team designed a 5 stage VCF, once some of the filters were ranked with the same position and could be grouped - i.e. "convenience for the supporters" groups filters related with transports, schedules, meals, and experience (See **Figure 1**).

Figure 1 - Main Solutions and Ranked Filters

Main Marketing Solutions	Selected Filters (Ranked)
1- Liga TV	1- Stability of the Competition
2- Cashback Solutions	2- Security and Fairplay
3- Fan Interaction Zone	3- Low initial investment
4- Pack of Tickets for multiple games	4- High Return on Investment (Awareness and Money)
5- One sponsor for each stage of the competition	5- Convenience for the supporters
6- Merchandising	
7- Partnerships with social responsibility	
8- Online dynamism	
9- Supporters Tournament	
10- Online Ticketing	
11- Experience Packs	
12- Virtual Reality	
13- Advertising inside the stadium	
14- Develop dynamics in schools	
15- Online Pool in beginning of the game	
16- Bumper cars with the names of the teams in the finals	
17- Food on the stadium	

Main Competition Solutions
18- Qualification for the European Championship
19- No groups phase – only elimination
20- Semi-finals with two matches, instead of the current Final Four
21- Prizes per phase (monetary)
22- Split the cup between the northern and southern region
23- The winner of the previous year in the groups phase automatically
24- Create finals in the 4 phases
25- Shortening the duration of the League Cup
26- Matches on the stadiums of the European Championship of 2004

Source: Conducted by the VCW Tea

The VCF was designed starting by the most important to the least important filters, being the first ones the filters that screen the highest number of solutions. From the initial plot of solutions, 14 passed through the VCF analysis and were implemented in the final strategic plan. The solutions kept and developed were the numbers 1, 3, 6, 7, 8, 9, 10, 11, 13, 15, 17, 18, 21 and 23, as shown (See **Figure 2**).

Figure 2 - Value Creation Funnel
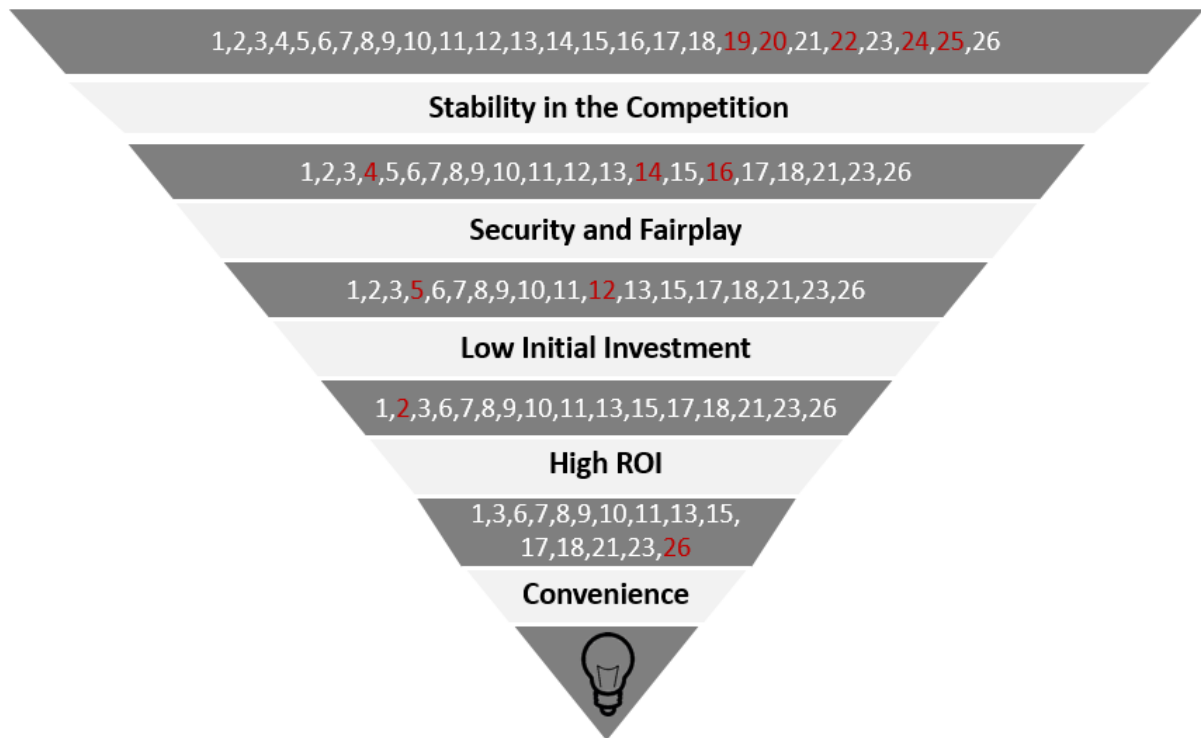
Source: Conducted by the VCW team

Phase 5 – Consolidate Value (Operate): The Final Solutions

After designating the final set of solutions to be applied, both in the marketing and competition areas, the VCW Team started to answer to the initial research question "How to design a new positioning for Taça CTT?", by rethinking all of the misalignments found during the research, and deeper developed in the Teaching Note (p.17) (See **Appendix 4.21**).

To design the new positioning statement, the VCW team analysed who were the main Clients of the League Cup, keeping the clubs as the main clients, but also considering the supporters; the Team also examined the main competitors, and while it defined Taça de Portugal as a direct competitor, the Team also considered other sports and musical events as important indirect competitors. The Team also studied the POP's and POD's of the League Cup when compared with its main competitors, and realised that in terms of notoriety, attractiveness, convenience and experience it was overall behind its competitors. To contradict these aspects, a new positioning statement was design, as may be seen in the Teaching Note (p.18) and a new concept

for Taça CTT was created – "A Taça das Oportunidades" – or the "Opportunities' Cup" (See **Exhibit 4**).

Regarding "Competition", the competitive model should be maintained for the season of 2017/2018. It is suggested the implementation of some incentives to the clubs: (See **Figure** 3)

Figure 3 - Adjustments to the Competitive Model

Prizes per Phase	Winner's Access to the Group Phase	Access to the European Competitions
There is a discredit by the smaller clubs in the competition, because they do not believe they have the chance to win: - **Monetary Prize for the 1st and 2nd phases, dependent on the results of the TV broadcasts** - The initiative would work as an incentive for the promotion of a good TV show	Currently, the only prizes are the trophy and the money. It is missing a sportive prize: - **The winner should be automatically qualified for the groups phase oh the next year's competition** - **(or)** It should be played an eliminatory round between the winner and the 4th place of the 1st league, for the spot	Taça CTT has low attractiveness for clubs, because it does not have any international impact: - **At first, the vacancy in the European Competitions should be ceded by Taça de Portugal, when not filled** - In a second stage, Taça CTT should negotiate an extra and permanent vacancy for the European Competitions

Source: Conducted by the VCW team

Proceeding with the new positioning of the League Cup, a marketing-mix with 7P's was developed, as shown in the Teaching Note (p.18), to respond to the solutions selected previously. Following the proposed initiatives, the VCW Team describes, in this case, the main solutions developed for the "Opportunities' Cup", in the attempt of finishing its defined KPI's (See **Appendix 4.22** & **4.23**).

Because the VCW is a dynamic framework, while the VCW team was designing the final positioning and the strategic plan associated to it, Liga Portugal decided to implement a new solution – the Football Pitch Contest – that would award the best football pitch of the season, with a monetary prize. The objective is to motivate the clubs to keep their stadiums in good conditions and to improve the quality of the show. Because this solution was respecting all the filters mentioned, the team added it to the plan. Focusing on the marketing aspects, some of the main solutions designed by the VCW team include:

- The development of "Liga TV", starting with an on-line channel that would demand for low initial investment, as Liga Portugal would be able to use the technology to record with low

edition requirements that it already has. The channel would transmit most of the League Cup matches (as it is the only competition from which Liga Portugal detains the TV rights), and would also have some thematic shows/ debates about the sport in Portugal and the world. On the long term, and if the centralization of the TV rights happens for the other competitions, the channel could be moved to TV and its content adapted to a major scale.

- The creation of the "Football and Family" Pack, in collaboration with Odisseia. The pack should contain various destinations in the country, for the supporters who wish to visit a city and watch a football match. The package should give access mainly to familiar activities, focusing on children. Liga Portugal would only be responsible for the management of the free spots in the stadiums and, for that, would have to create an integrated platform that would have access, in the real time, to the occupation of the stadiums. The pack would not be available for the Final Four event.

- Development of the Ticket "More Football" and "More Experience", both available for the Final Four and not refundable. The "More Football" ticket would include an access to the semi-final and final games. It would also include a place in the "The Legends Game" promoted by Liga Portugal, and an autograph from one of the main players. Its price would have a discount of 5%, when compared with the regular price of the tickets. The "More Experience" ticket would have access to the same games but would include a snack during the match, and discounts in public transports (CP) and a selection of local hotels. A last-minute ticket should be created, to occupy the free spots.

At the end of September, the final positioning statement and a strategic plan were presented to Liga Portugal. The Key Decision Makers decided to approve all the solutions in the plan and thanked the Team for the work develop. The intention is to create an innovation cycle and a strategic thinking inside the company, and they consider the VCW a useful help for further plans.

Teaching Note

Case Synopsis

The case describes the application of the Value Creation Wheel (VCW) at Liga Portuguesa de Futebol Profissional (Liga Portugal). The VCW team was consulted to elaborate a positioning for the next years of the most recent Portuguese football competition, as the entity understood the need of surpassing the lack of attractiveness and competitiveness in the cup, when compared with other Portuguese and International cups. After a succinct description of Liga Portugal and the challenges that it faces, the case proceeds with the application of the VCW's 5 phases.

In the first phase, **Tap**, it was collected secondary data about the sports market, particularly the Portuguese Football market, and the specificities of Liga Portugal were analyzed. In the second phase, **Induce**, it was designed a strategy to collect primary data among various stakeholders, from which it was possible to gather potential solutions to the problem, as well as filters. In the third phase, **Analyze**, meetings were conducted with the Executive Committee of the entity, in order to corroborate and perfect the ideas collected, as well as to select and rank the filters. Later on, these filters would be part of the Value Creation Funnel (VCF). In the fourth phase, **Ground**, by using the VCF, one selected the ideas with the highest potential. In the last phase, **Operate**, the final ideas were presented to the Executive Committee. Each idea was then evaluated on a Check, Go, or No-Go basis. As the Executive Committee decided to Go with all the ideas presented, the case is closed with their operationalization.

Learning Objectives

The case is planned to inspire the debate in courses as Value Creation, Innovation Management, Strategy, Marketing, Brand Management, Research Methods and Change Management, at the Masters, MBA and Executive education levels. Depending on the course, teaching purposes differ. Some of them are highlighted below:

4. To understand and apply the five phases of the VCW meta-framework;

5. To comprehend how the VCW is useful on solving the "paradox of choice";

6. To identify solutions with the highest potential for a specific problem or challenge;

7. To recognize the positive contribute of "devil's advocates" in research;

8. To highlight the importance of stakeholders' opinions in the elaboration of a company's strategy.

Discussion Questions

1. To what extent VCW vision brought added value to Liga Portugal and its League Cup? How is it connected with the theory of Value Creation?

2. What were the most relevant inputs of the extensive research conducted with the stakeholders and how do they lead to the new positioning and the new marketing-mix of the brand?

3. Which are the key resources that Liga Portugal needs to implement the approved solutions? Describe them by using the 3 M's Framework: Men, Money, Minute.

Recommended Readings

Lages, L. F. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*, 69(11), 4849-4855.

Ranjan, K. R. and Read, S. 2014. 'Value co-creation: concept and measurement', *Journal of the Academy of Marketing Science,* 44, 290-315.

Discussion Notes

1.   To what extent VCW vision brought added value to Liga Portugal and its League Cup? How is it connected with the theory of Value Creation?

The VCW presented itself as a meta-framework that allowed Liga Portugal to search for unbiased solutions among its stakeholders and surpass the paradox of choice (Lages, 2016). By having the collaboration of the VCW team, the entity was able to find value prepositions in outsiders and understand its weaknesses through various testimonials. Congregating both the ideas and filters brought from outside and the opinions of the stakeholders Liga Portugal was able to stimulate the discussion of these issues and find valid value prepositions that helped on forming the new positioning of Taça CTT.

The process was conducted by the VCW team that organized an extensive research with various stakeholders, from angel's to devil's advocates. The team developed in-depth interviews, brainstormings and brainwritings that led to the generation of a substantial number of ideas and filters that were all seen as valid in an early stage, to assure that potential solutions were not eliminated headlong and to guarantee the stimulation of creativity. The pool of ideas was afterward refined by the Team that presented a final set of solutions for the entity to select.

By discussing its current positioning and being stimulated by the stakeholders' opinions and ideas, Liga Portugal was encouraged by the VCW team to rethink its current path and consider disruptive solutions for the future. The process was also perfected by having outside resources collecting unbiased opinions, and facilitating and shortening the decision-making process. All the ideas generated in the process were preserved to be later revised, and possibly incorporated by the entity.

The project developed with Liga Portugal includes some of the topics discussed on the Literature Review of this thesis, particularly the Value Creation. The project was designed to generate value to the League Cup that never reached its full potential in terms of attractiveness

and awareness. To reach this objective, it was also applied the concept of Value Co-Creation, by using the intervention of as many as possible internal and external stakeholders, that made clear the value in use of this concept (Ranjan & Read, 2014). It was also left the desire of integrating the VCW framework inside the organization in a later stage that would perpetuate the work developed on this first cycle.

2.   What were the most relevant inputs of the extensive research conducted with the stakeholders and how do they lead to the new positioning and the new marketing-mix of the brand?

Being the newest competition in the Portuguese Football, Taça CTT has been the one expressing major changes throughout the years, reflecting the indecision of the Key Decision Makers of what its positioning should be. In fact, even though Liga Portugal presented many questions to the VCW team, it was understood, after an extensive research, that the major objective for the project would be to present a new positioning statement for the Cup, sustained by some marketing and strategic solutions.

The major conclusions from the research were that the League Cup has a misalignment between Brand Identity and Brand Image, by being perceived as a competition in favor of the bigger clubs; has week POD's and is not covering all the POP's, by not having an attractive competitive model; has Low Brand Recognition, with low awareness among supporters; and has a need to develop the Football Experience, for the supporters increasing demand.

With basis on the solutions and feedback provided by the stakeholders, the VCW team decided to design a new positioning statement that would give a response to the main findings, as defined:

"To clubs and supporters that look for a fair competition that creates opportunities **(Target),**

Taça CTT is a football competition that groups all of the Portuguese professional football clubs **(Frame of Reference)** in a competitive and high awareness Cup that provides the supporters with good football games but also good entertainment **(POPs)**.
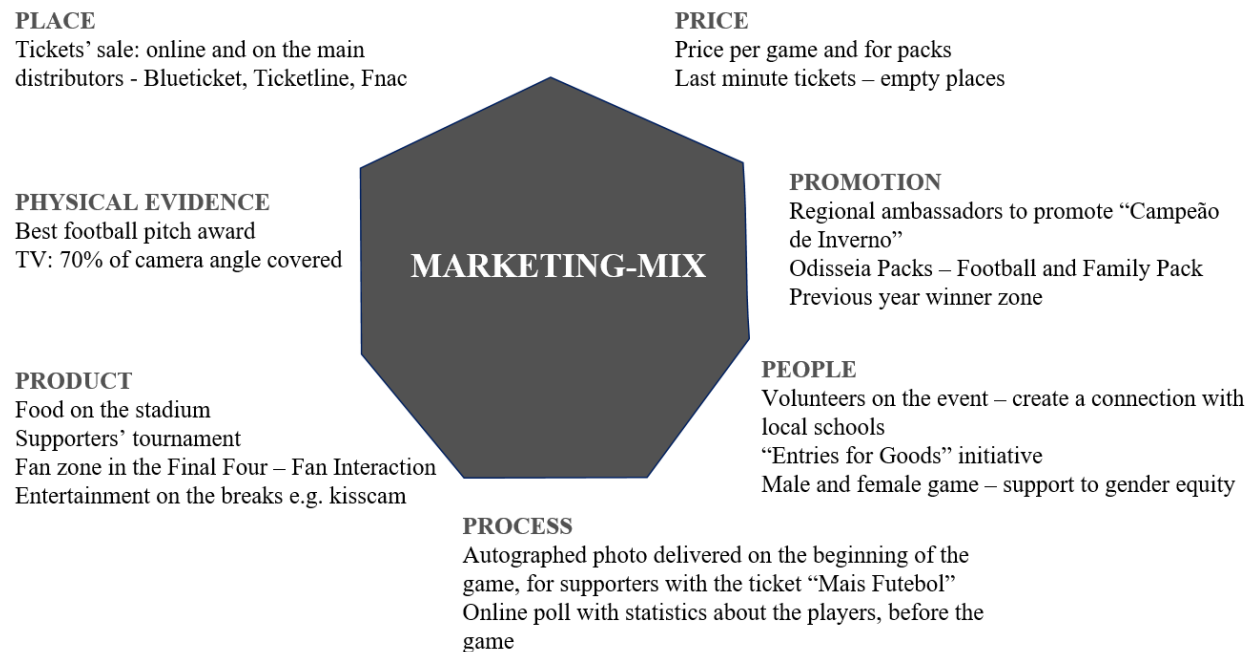
It is the only event in the country that associates football and entertainment, with a finals' week located in a different city every year, which gives the opportunity to the fans to see and interact with their idols **(PODs)**.

Because of: **(Reasons to Believe)**

1)   The knowledge and expertise of Liga Portugal as an organizer of football events;

2)   Liga Portugal exempt and suitable behavior;

3)   The regulatory role of Liga Portugal in the Portuguese professional football."

To follow through with the positioning statement defined, a new marketing strategy was designed, to cope with the main solutions selected. Because a service is being analyzed, the Team considered a 7P's marketing-mix:

Figure 1 - Marketing-Mix (7P's)

PLACE
Tickets' sale: online and on the main distributors - Blueticket, Ticketline, Fnac

PRICE
Price per game and for packs
Last minute tickets – empty places

PHYSICAL EVIDENCE
Best football pitch award
TV: 70% of camera angle covered

PROMOTION
Regional ambassadors to promote "Campeão de Inverno"
Odisseia Packs – Football and Family Pack
Previous year winner zone

PRODUCT
Food on the stadium
Supporters' tournament
Fan zone in the Final Four – Fan Interaction
Entertainment on the breaks e.g. kisscam

PEOPLE
Volunteers on the event – create a connection with local schools
"Entries for Goods" initiative
Male and female game – support to gender equity

PROCESS
Autographed photo delivered on the beginning of the game, for supporters with the ticket "Mais Futebol"
Online poll with statistics about the players, before the game

MARKETING-MIX

Source: Conducted by the VCW team

3.   Which are the key resources that Liga Portugal needs to implement the approved solutions? Describe them by using the 3 M's Framework: Men, Money, Minute.

The 3M's Framework was developed by the Team to scrutinize the resources that Liga Portugal would have to have to implement the solutions selected. Concerning Men, it is proposed that the existing resources in the entity would reserve some of its time to put into practice the solutions. For Money, further analysis is necessary, but there are presented some examples of costs and revenues. Regarding Minute, it is designed a timeline for the implementation of the solutions.
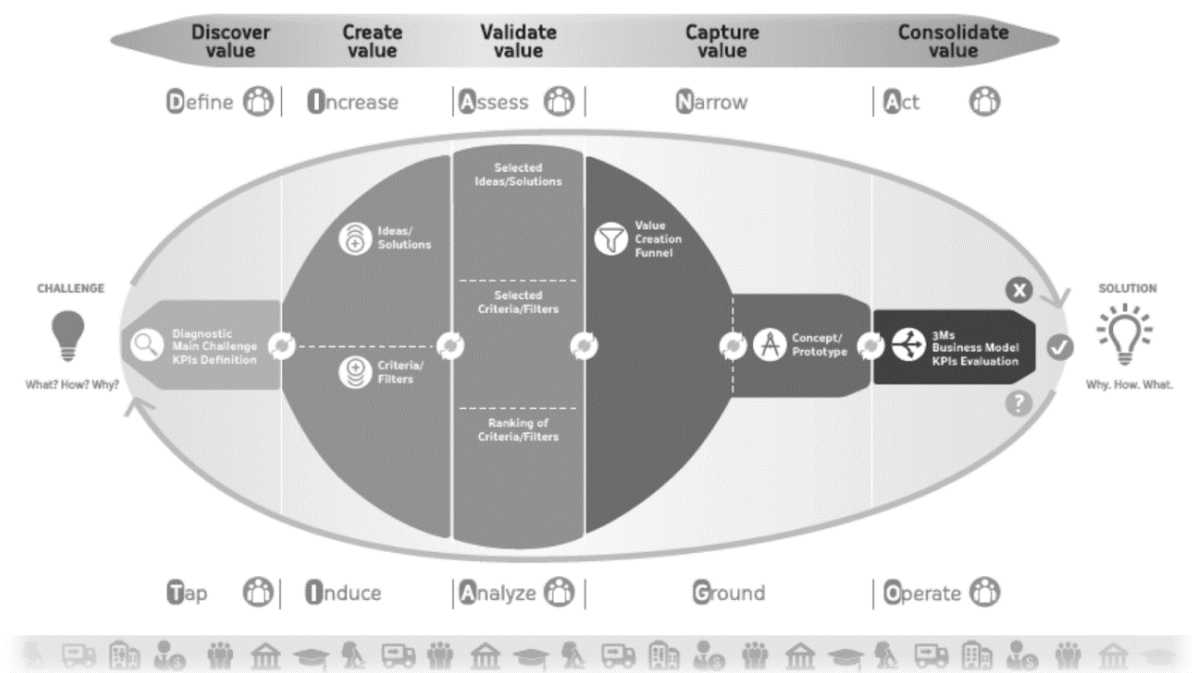
Figure 2 - The 3M's Framework
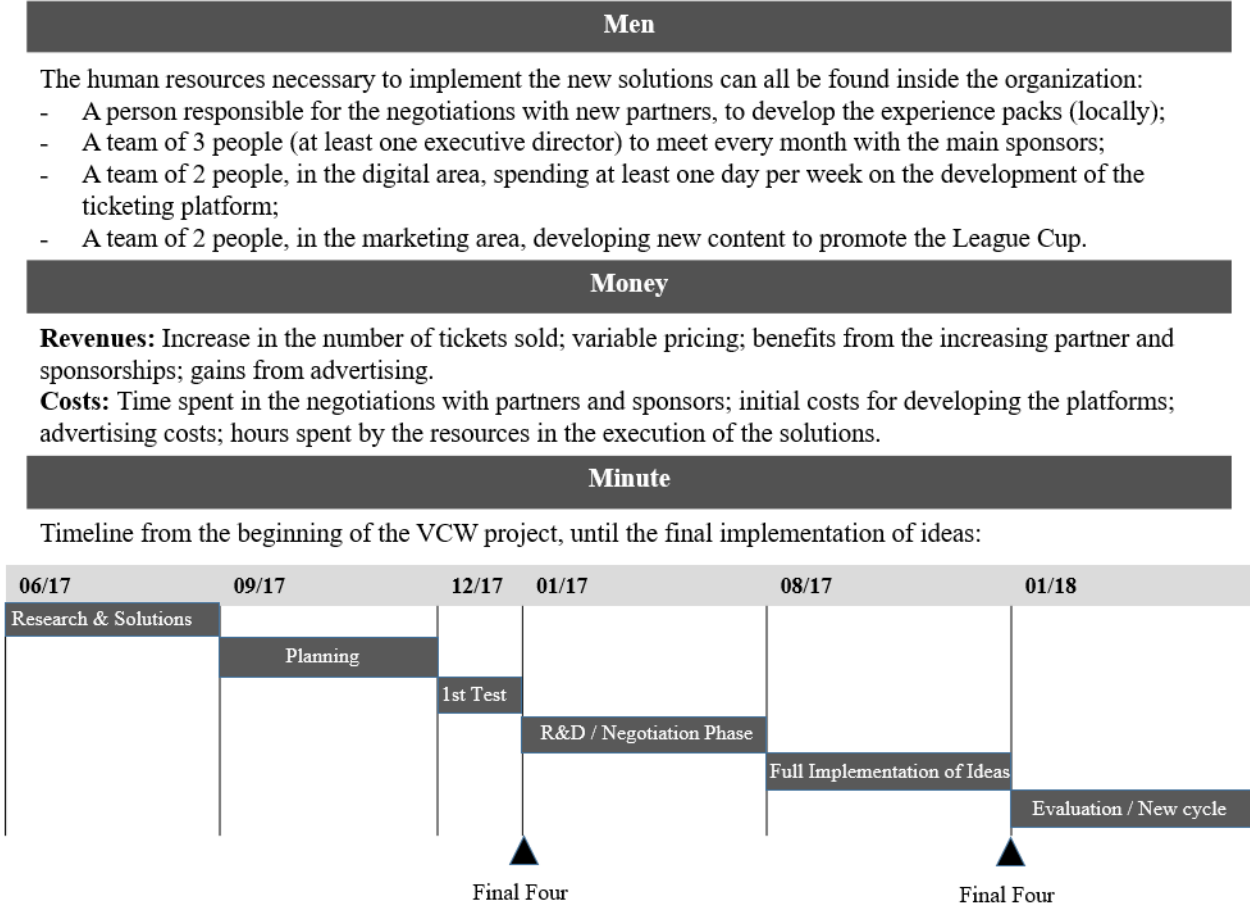
Source: Conducted by the VCW Team

The project and the solutions implemented were thought to be suitable for the already existing platform of resources of Liga Portugal, not demanding high initial investments.

Additional Exhibits

Exhibit 1 - The VCW Model

Source: Lages, L. (2016). VCW—Value Creation Wheel: Innovation, technology, business, and society. *Journal of Business Research*. 69(11), 4849-4855.

Exhibit 2 - TOWS Analysis

|	Opportunities	Threats
Strengths	1: Introduction of new technologies in Liga Portugal - InterLiga; Extra-Liga and E-Liga - facilitates the communication between different stakeholders and the necessary data processing 2: Introduction of stricter rules regarding match-fixing and creation of awareness campaigns to prevent it 3: Creation of partnership with Placard, in addition to the distribution of results already made - opportunity for sponsorship or joint campaign 4: Bring into the competition former players and international renowned players who have played in the League Cup - create more fan interaction 5: Create a strategic document that compares Taça CTT with other leagues and highlights its value to the sponsor	1: Constant adaptation and reflection on the competitive formats of the championship, in the sense of making it more egalitarian 2: Taça CTT would leverage on the centralization of the TV rights for the other competitions and could reach the international competitive level of other leagues 3: Development of a study that reflects the competitiveness of Taça CTT, with the collaboration of university students 4: Developing new ticketing practices, including packs with additional experiences, to capture the interest of fans
Weaknesses	1: The introduction of the Final Four has dramatically increased the competition's revenues and made it more attractive to future investors 2: Greater investment in social media and events, will promote a closer relationship with the fans and help them to stay loyal to the competition - Fan Interaction Zone in the Final Four 3: Improvement of the relationship with the sponsors through the implementation of a mixed team, operating according to the VCW model 4: To award a place in the European competitions to the winner of the League Cup, even if it implies a transition of the vacancy from Taça de Portugal	1: Ticketing mechanisms that facilitate the order of the supporters at the stadiums would increase security 2: Greater flexibility and support, both monetary and humanitarian, from the Portuguese League to other smaller clubs 3: Strict punishments (€ or points /disqualifications) to recent cases of corruption /non-compliance with rules and regulations 4: Maintaining the stability of the competitive format, introducing rewards /prizes at an early stage of the competition, to promote the interest of clubs and fans 5: Seek a solution that involves a greater number of sponsors or a sponsor with greater financial power, who can give the competition the necessary investment

Source: Conducted by the VCW Team

Exhibit 3 – Research: Brainwriting and Brainstorming Questions

Induce Filters	Induce Solutions
1. What are the critical aspects for the success of the competition?	1. How to increase the competitiveness of Taça CTT?
2. What are the fundamental aspects that make you attend to a football match?	2. How to increase the stadium attendance levels?
3. What makes a Cup attractive to you?	3. How to change the format of the competition to make it more competitive?
4. What are the motivations to sponsor Taça CTT?	4. How to make the competition more attractive to sponsors?
5. What are the critical factors for the success of Final Four?	5. How to improve the visibility of the final four?

Source: Conducted by the VCW Team

Exhibit 4 - The Opportunities' Cup
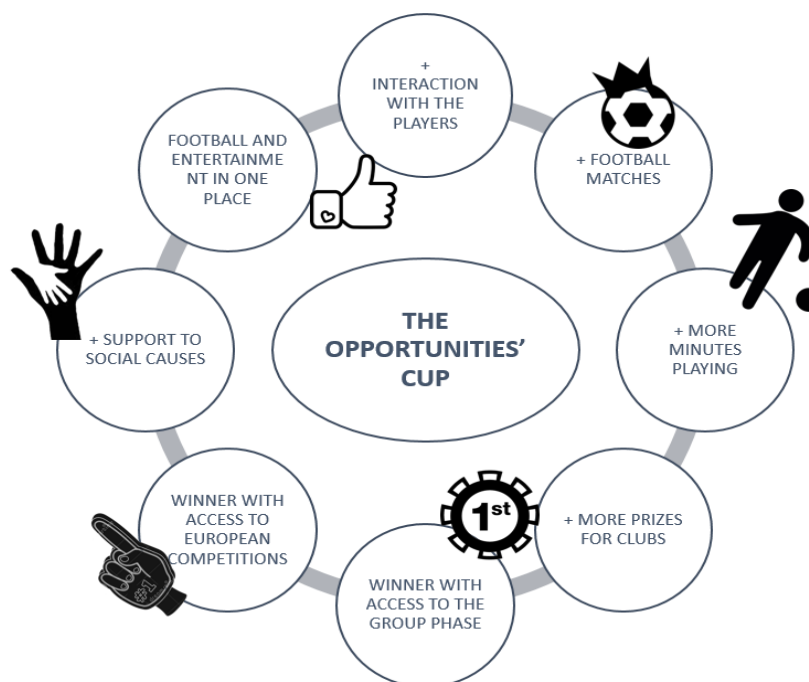
Source: Conducted by the VCW Team

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