**ABSTRACT**

This paper studies the impact of Blue Ocean Strategy that offers users a framework for creating uncontested market space and diverts the views from the current competition to the creation of innovative value and demand. The main objective of the study is to examine the overall scenario of BOS and its impact on organizational performance. The study includes the history of this strategy, tools of blue ocean strategy, five step process, organizations who adopted the blue ocean strategy and the limitations of the blue ocean strategy. The findings of the study tries to show the ultimate results of applying the Blue Ocean Strategy. The results found that Blue Ocean Strategy positively affects the organization performance if applied in the organizations.