Marketing the beauty industry pest factors assignment

Art & Culture

In an Abstract industry as complicated as that of financial Applies the critical success factor intermediation, no simple formula can pre(SF) approach to identify the appropriate CIFS underlying three dolt winners and users from the surrounding types of strategy In the banking environment. Instead of guessing winners industry. The empirical results of and losers, we try to identify the principal this paper show that the various factors that determine a bank's success. Traceries adopted have a significant effect on factors determining Today's banking industry is characterized by success and that the mean intensifying global competition and rapid importance of CIFS varies among advancements in the liberalizing of the the various strategies. The result banking market. This Is specially true of of a factor analysis suggests four Twain's banking market, which has become composite CIFS: bank operation management ability, developing increasingly international and deregulated bank trademarks ability, bank in the asses.

In 1991, the government propitiating ability, and financial emulated the Promote Commercial Bank market management ability. Establishment Decree in order to open up the Further discussions and management Implications are also banking market further, and It Invited presented. Foreign Investors to participate In Twain's banking industry; these moves have made the banking market In Taiwan ore competitive. Under these circumstances, a bank has to put in much more than an ' ' average" performance by not trying to be all things to all people.

Management must emphasize the strengths that will give the bank competitive advantage, and these may be defined as the capabilities or circumstances which give it an edge over its rivals. Longer term, the success of a bank requires that Its competitive advantage be sustainable. CIFS and the firm’s competitive ability are the two mall components of the competitive advantage of a firm (Bamberger, 1989). Appropriately identifying ankhs’ CIFS can provide for banks a means of assessing and building up their competitive advantage. In this paper, CIFS are identified from the various business strategies adopted.

Because the quest for competitive advantage from International Journal of Bank CIFS is the essence of the business level, as Marketing 17/2 [1999] 83B?? 91 opposed to that of the corporate level, the # MAC university Press business strategy Is teen ten Touch AT attendees effective] tool. Business strategy Is an management tool and it obviously affects resource allocation and competitive advantage in an enterprise (Hoofer and Ascended, 1978). An appropriate strategy can lead a bank’s resources in the desired direction and can effectively enhance a bank’s competitive edge while intense competition is at play in the marketplace.

The sustainable execution of business strategies can affect the composition and formation of CIFS. It is for these reasons that we address the role of the marketing strategy, which has been adopted, when we report on the CIFS. The SF approach represents an accepted top-down methodology for corporate strategic planning, and while it identifies few success factors, it can highlight the key information acquirement of top management (Byers and Blame, 1994; Orchard, 1979). In addition, if the critical success factors are identified and controllable, management can take certain steps to improve its potential for success.

Prior research concerning CIFS has been undertaken in the banking industry. However, the specific strategy underlying bank success has not been detailed. This paper fills that void by combining a study of both CIFS and different types of adopted strategies. Note that we employ the ' ' industry-level" analysis approach, rather than the approach adopted in company-bevel studies, and stress the factors in the basic structure of the banking industry that significantly impact a bank's operational performance.

In sections two and three, we first review the related literature, and then discuss the strategy setting and the CIFS. Section four discusses the survey framework of the study. The empirical results are presented in section five, and the sixth section comprises final discussions and conclusions. 2. The critical success factors approach Orchard, in 1979, was first to define the concept of critical success factors. He defined [83]

Test-yeti Chin Critical success factors for various strategies in the banking industry International Journal of Bank Marketing 17/2 [1999] 83B?? 91 them as ' the limited number of areas in which results, if they are satisfactory, will ensure successful competitive performance for the organization". He indicated that SF is a useful approach for identifying management's information requirements because it can focus attention on areas where ' things must go right". Boonton and Smug (1984) also defined SF as the ' ' few things that must go well to ensure success for a manager or an organization".

They recognized the SF approach as an appropriate planning instrument. Lieder and Bruno (1984) identified the few critical success factors, often as few as six in a successful firm, while Summaries (1984) attempted to rank CIFS based on their relative importance. Martin (1990) then pointed out that CIFS combined with computers could effectively translate business strategy planning. Crag and Grant (1993) highlighted the contexts of competitive resources Ana Illustrated ten relations Detente competitive resources Ana critical success factors.

Kay et al. (1995) identified several CIFS applicable to insurance agency sales in high performance and low performance groups. With regard to the banking industry, Johnson and Johnson (1985) proposed that the width and depth of the product and service line, low operating costs, and a good bank reputation can be considered as the three critical success factors in a competitive market in the banking industry. Canals (1993) recognized that the concepts of value chain and bank configuration could be employed to develop a bank’s competitive advantage.

He identified four sources of a bank’s competitive advantage, namely: 1 manpower; 2 financial management; 3 asset base; and 4 intangible assets. Wiled and Singer (1993) singled out three critical success factors for banks and insurers, that is, lower cost, product differentiation, and financial strength. In our study, we highlight the role of business strategy when we identify CIFS in the banking industry. Our research results contribute to the current literature and provide some useful insights concerning the CIFS associated with bank management and business strategy. ND functional area strategies and found that there were obvious differences between the organizational structure, management function and competitive resource/advantage. Next, Lieder and Bruno (1984) identified competitive resources in four semi-conductor companies, which operated with different business strategies. They found that when the companies utilized different business strategies, it clearly affected their resource utilization and the business goals emphasized. David and Sheehan (1990) further stated that firms based the selection of their business strategy primarily on technological levels and financial situation.

They proposed that one could identify a firm's competitive advantages by its technological level and financial situation. Moreover, a set of business strategies is applicable to nominative firms' quest for a niche; this is described by Porter (1985). Porter (1985) suggested that business strategies could be categorized as: . Cost leadership; . Differentiation; . Specialization; and . Stuck in the middle. Miles and Snow (1985) also identified parallel business strategies in firms which will condition organizational development.

In their study, they categorized four types of business strategy, that is: 1 prospector; 2 analyzer; 3 defender; and 4 reactor. A prospector usually attempts to enter a new market and adjusts his/her products and services in a timely manner. An analyzer is identified as a cost saver and/or efficiency promoter, especially in risk and innovative businesses and is always the second company to enter a new market. A defender is an expert on managing an experienced task in a stable market, with stability and security as key principles.

Finally, a reactor is a contingency player and typically lacks a consistent strategy. This study uses Miles and Snow's (1985) four types of strategy as one of the ‘ ‘ best known” and most widely accepted models for bank growth and market analysis. In a study of various types of business strategy, Shortest and Jack (1990), McDaniel and Solaria (1990), and Seven (1991) illustrate business operations and refer to Miles and Snow’s (1985) descriptions of the four types of business strategy for organizational development. Table I presents the details of these four types of strategies.

As stated above, we find that if we conduct a SF study in the banking industry and obtain some applicable CIFS, consideration 3 1 en strategy setting Ana Much empirical research has attempted to verify the relationship between competitive advantages and business strategies. First, Shaker (1979) discussed corporate, business 84] Table I The four types of business strategy for banks 1 . Prospector A prospector always maintains a wide product line and market field and monitors his/her business environment as related to new market opportunities based on a macro point of view.

A prospector desires to become a first market opener, even when this market is uncertain and high-risk. Prospectors quickly respond to signals in the economic environment, usually resulting in renewed competition. Certainly, it cannot be guaranteed that the prospector will hold his competitive strengths in all the new markets that he/she enters 2. Analyzer An analyzer usually tries to hold stable and limited product and service items. Before he/she enters a new market, he/she makes a considered evaluation in advance. An analyzer can become an initiator of a new product or new service, but will try to lower costs or be more efficient.

Analyzers will be the second (or third) company to enter a field. An analyzer usually obtains market share by imitating a new product and through marketing; production and research departments play an important role in analyzers' business activities given this type of strategy A defender emphasizes his resources in experienced tasks in a stable raked. A defender tries to hold on to his/her niche in a relatively stable product line. He/ she usually provides higher quality service at a lower price in order to maintain market share and manages his/her business in the current, limited product line and service items.

A defender tends to ignore reforms in the industry and makes efforts on current development in a limited business field, rather than becoming a pioneer A reactor does not have a consistent business direction to follow. He/she does not try to maintain current competition status and is never willing to undertake business risk eke other competitors. A reactor usually lacks a consistent business strategy and that may be the reason why reactors seldom perform well. In general, a reactor does not have a clear strategy and always makes decisions under pressure from the environment 3.

Defender 4. Reactor Sources: Modified from McDaniel and Solaria (1987), Seven (1987) and Shortest and jack (1990) AT ten erects stemming Trot ten Dustless strategies Walt wanly Dank operate may be needed. In considering the business strategy, we need to consider whether different business strategies result in different CIFS. We then put forward two repositions, which need to be tested: 1 Business strategy is an important factor in establishing CIFS. 2 CIFS differ within banks when banks adopt different business strategies. Thus, the following hypothesis tests can be included: . N overall test (AY) based on the null hypothesis that there are no significant differences in the mean values of the composite CIFS for strategy groups; . An individual test (81) that there are no differences in the mean values of the specific SF for the strategy groups; . A pair-wise test (82) that there are no significant differences through all the possible airs of factors of CIFS and across three kinds of strategy. 4. The survey framework The target population for this cross-sectional survey consisted of 375 local bank managers in Taipei City.

Of these, nine-tenths (336) were domestic investor-owned banks and only one-tenth (39) were foreign inventoried banks. We used a questionnaire to collect the necessary data from bank branch managers. The questionnaire was persisted twice and incorporated changes as recommended by the respondents. Respondents were asked to indicate the importance of each of 25 items which could contribute to success on a five-point Liker scale ranging from very low” to ‘ very high” (Aria et al. , 1996). The Liker measurement examined the respondent’s perceptions of each item’s function and importance.

The questionnaire, and an official cover letter explaining the purpose of the study, were mailed in 1997. Of the 375 surveyed, the reply rate was 38. 1 per cent (143 respondents), which is typical of surveys of banks. Among the responses, 138 [85] were usable; this number constitutes the effective sample size for this study. The literature provides an applicable list of applicable success items and CIFS in the banking industry. Based on these studies, we collectively identify a total of 22 success items relevant to commercial banks.

Three items obtained from a pretest of the questionnaire used in this study are also attached (see Table II). The 25 success items are listed as in the questionnaire and the sources of the success items are presented in parentheses. In addition, a comprehensive description of the four types of strategy was given in the questionnaire and a self-reporting process was used to identify bank strategy. Of the 138 respondents who indicated their business strategy, 26 (18. 8 per cent) were prospectors, 74 (53. 6 per cent) were analyzers, 34 (24. Per cent) were defenders, and 4 (2. Per cent) were reactors. The mean business years was 9. 3 years for the 138 banks; the 26 prospector banks had 7. 4 business years, which was smaller than that of the analyzers (9. 8 business years) and that of the defenders (12. 9 Dustless years). I en prospectors are categorize as ten youngest Dank, Wendell ten defender banks are categorized the oldest, an arrangement which seems to fit with Miles and Snow's analysis. Note that only four of the respondents were reactors; therefore, we omit the reactor strategy in our empirical analysis and view this as a limitation of he study. 5.

Empirical results The results are presented as follows. First, the mean rating on variables of interest was computed. Second, a factor analysis of the 25 success items was conducted to identify composite CIFS. Third, to test whether the importance of the composite CIFS is different with specific attributes, we undertake a multivariate analysis of variance (NOVA) in the dimension of the various business strategies adopted. The result of this analysis is rather important for the commercial bank manager in guiding sales decisions and for the analyst in cross-checking results obtained in related studies.