

Competitive advantage

[Business](#), [Marketing](#)



Barnes & Noble is the industry leader in the book industry. The company generated \$7.13 billion in sales in (Barnesandnobleinc, . The organization holds various competitive advantages over a small bookstore. As a public company whose stocks are traded in the New York Stock Exchange Barnes & Noble has greater access to capital than small bookstores. The firm has the ability to raise capital through the sale of stocks and bonds. The company also has a superior marketing and advertising budget which has enabled Barnes & Noble the ability to build brand value. Barnes & Noble has the greatest product variety in the industry in both books and e-books. Due to the size of the company the firm is in a better position to offer lower prices. The company is able to lower costs in its purchases because the company achieves economies of scale.

Small scale bookstores have to become more proactive in their operational and marketing efforts in order to compete with Barnes & Nobles. A way for a small bookstore to differentiate itself is by providing superior customer service. Special services such as ordering any book the customer wants even if the company does not make its normal profit is an effective way to increase customer retention. Another way to boost the business of a small bookstore is by designing a good website that offers the entire inventory of books available at the store. The use of cellular advertising is one of the hottest marketing channels of today.

References

Barnesandnobleinc. com (2012). 2012 Annual Report: Barnes & Noble . Retrieved May 16, 2013 from http://www.barnesandnobleinc.com/for_investors/annual_reports/2012_bn_annual_report.pdf