How Multi National Companies (MNCs) Implement Cost Strategies at Airline and Retail-Supermarket Industry in Albania

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Abstract: - This research paper analyzes how MNCs implement their cost strategies in airline and retail-supermarket industry. The authors have introduced a new theoretical model based on literature review and primary research by considering macro, intermediate and micro factors, for companies that implement cost leadership strategy. The research project was focused on qualitative research through sixty interviews in four different companies, as the main research objective was to analyze in depth on how and why companies implement cost strategies in service sector.

Key-Words: - cost leadership, business strategy, strategy in service sector, airline strategy, retail strategy, cost leadership of MNCs

1 Introduction

The opening up of Eastern European markets and the integration process for Balkan countries has brought a radical changes in service industry and therefore it is interesting to research what kind of policies they implement to remain competitive in market. In such a dynamic market in service sector
the low cost model on airline and retail are changing from year to year due to changes on costs (rise and fall of oil price), regulatory laws from EU to domestic countries and increase in competition. The results of research regarding the importance of cost leadership strategy have been mixed. Some have found that hybrid strategies are more effective (Gopalakrishna and Subramanian, 2001) while others support the concentrate on one specific strategy (Green et al, 1993, Porter 1985, Thornhill and White 2007, Peteraf and Reed, 2008). The main gap in literature is that it is ambiguous the value of a cost-leadership strategy in emerging markets like Eastern Europe. Majority of cost leadership strategies are focused mainly in manufacturing companies leaving plenty of gaps for further analysis in service sector. Can the cost leadership strategy be successfully implemented in service sector?

Also, researchers’ often fail to discuss new emerging industries such as Albania. In general the research should addresses all these gaps in the literature by moving beyond a issues of a specific industry and connecting, through an investigation of cost leadership strategies to emerging markets such as Albania. Analyzing the strategy process is therefore needed to better understand how companies implement their cost leadership strategy in service sector.

2 Problem Formulation

Researchers have paid more attention to strategy formulation rather then strategy implementation even thought all strategies mainly fail as result of implementation process. According to Kazmi (2008), in today’s business managers face very complex tasks and they need to know what steps to follow, what is the sequence of those steps, why they are necessary for business, and what are the critical factors for success. It is therefore needed a new framework in strategy implementation filed as a roadmap for future managers to better understand the whole process and achieve their objectives.

According to Goll, Johnson, Rasheed (2008) changes that take place as the industry transitions from the regulated era to the post regulation era remain mainly unexplored. The deregulation is one of the most significant environmental factors that influence on implementation. We then want to analyze the role of the environment in implementation process from the regulation to deregulation era for cost leadership strategy.
There is still confusion between “hybrid strategies” and generic strategies as there is no clear cut if companies implement only cost or differentiation or if they implement both methods in different time periods. There are not many implementation frameworks, which illustrate how key implementation variables interact with each other to make implementation process possible. Also what is most important is the fact that they fail to present the reality of strategy implementation process in new business environment, which has different rules and procedures in comparison with other markets.

This is the case of Eastern European countries such as Albania where there is a need for a new business model in strategy implementation process especially in service sector, which is the main engine of economy.

2.1 External conditions required for cost strategy

According to Porter (1980) there are some external conditions that are required for cost leadership strategy. As a start the target customers need to be as wide as it can in industry, so the demand could be marked broader, not segmenting only in niche markets. In addition (Murray, 1988) stated that the client demand for products and services need to be price sensitive. To meet this wide and considerable demand, significant resources are required to better serve the clients not only with affordable price but also in every point of sales. The high cost of investment will act as barrier of entry and it will prevent small companies to follow a cost leadership strategy (Wright, 1987).

2.2 Internal conditions required for cost strategy

Companies who implement low cost strategies tend to have low cost policies in every aspect of strategy where every staff member is fully committed to their requirements (Malburg, 2000). The companies follow this way by reducing any activity that does not create a cost advantage and they delegate such responsibilities to companies that are more efficient towards saving costs (Malburg, 2000).

According to Hyatt (2001), companies that want to lead by saving cost they need to have a large market share, and they should focus in many areas such as: mass production or services, mass distribution, economic of scale, technology, product/service design, utilization of resources, and good access of raw
materials or staff members (Hyatt, 2001, Venus, 2001, Porter, 1980, Porter, 2004). Peteraf and Reed, (2008) research on cost saving analysis from airline sector in US market suggested that technology is one of the most important factor that reduce costs, increase efficiency and diminish negative effects of environmental changes. In this case the term technology means all administrative practices and procedures by which inputs are transformed into service output (Peteraf and Reed, 2008, p110).

If we refer more specifically the service sector, the low cost advantages could come from new process innovations, better learning curve, new service design, less time/costs, and fully reengineering activities based on economics of scale (Richard and Marilyn, 2004). Companies are willing to have less income since high incomes are achieved by having a large market share. Lower prices increase the demand for goods and services and as result it will increases the market shares (Helms et al., 1997). This acts as a barrier for other competitors who want to enter the market, as it needs large amount of capital and investments.

However, according to Cross (1999), such strategy reduces the customer loyalty and if the company lowers prices too much it may lose revenues. Also, Richard and Marilyn (2004) supports that the cost leadership is implemented when the business product or service is done more efficiently than its competitors, and if this is not the case, any reduction in price will lead to a price war and lower profit margins. Ormanidhi and Stringa (2008) support the use of Porter’s model to evaluate firms’ competitive behavior because they value it as well structured, clear feasible and convenient approach for the firm’s competitive advantage analysis. Porter (1985) stated that only one firm in an industry could be the cost leader, and if the difference between a company and competitors is not clear it could risk its profit levels. In such circumstances, Porter (1996) suggests that the companies should target a specific segment of the market to shift the “game” on its own field. They can decide on a particular customer group, product or service range, geographical division. The main aim is to increase the market share by targeting niche segments that are not attractive by larger competitors.

By doing so the company is always striving for new opportunities to expand the business and to make it even more difficult for other companies to compete in new segments, as it requires extra investment costs and greater risk. A clear example of a company who has continually focused in different segments for low cost strategies is EasyJet who has introduced the low cost strategy not only in airline,
but also in travel industry as a whole.

In conclusion, we can see that the literature review shows that the strategy implementation concept is still in its early stage. No conceptual or empirical research has been undertaken to underline a clear distinctions between deferent’s types of firms in implementing strategies in terms of cost leadership. Furthermore, previous studies have not put forward any research implications on implementing strategies in service sector in emerging countries such as Albania. It is important, linking the framework with the cost leadership.

The literature review also implies that each implementation approach should have specific proposition on how these factors should be designed and employed. It is therefore needed to look at the uniqueness of each variable and how it is used in such process, so it can gives us further insight into cost leadership implementation. This will create the basics to recognize and evaluate which implementation method offers the most applicable and practical suggestions to develop and implement strategic decisions in MNCs.

### 3 Problem Solution

There should be a fit between the key implementation variables if the implementation process is to be achieved. Based on the review of the strategy implementation frameworks and their implications, eight key implementation variables have been indentified and these variable are grouped into three categories: macro level, intermediate level, and micro level.

<table>
<thead>
<tr>
<th>External Factors</th>
<th>Internal Factors</th>
<th>Implementation Policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>-Market Environment</td>
<td>-Cut Operational Costs to increase efficiency</td>
<td>-Leadership Role</td>
</tr>
<tr>
<td>-Wide Customer Group</td>
<td>-Increase Technology Util.</td>
<td>-Middle Manager Role</td>
</tr>
<tr>
<td>-Target Price Sensitive Clients</td>
<td>-Establish Eco. of Scale</td>
<td>-Value for Money Philosophy</td>
</tr>
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</table>

⇒ Implementing Cost Leadership Strategy
3.1 Explanation of the Model

According to Nasir and Altinbasak (2009) managing external and internal factors is very complex job and controlling those factors requiring a multidimensional approach. Within our study we aim to propose more simplified model by understanding both external and internal factors that determine the implementation process of cost leadership strategy in service sector.

So, the Cost Leadership Implementation proposed model raises and identifies a critical strategic issue that needs the management attention. The model balances the external and internal factors that influence on implementing cost leadership strategy and it draws attention for companies how fully implement such strategy. The variables in this framework are not measured separately because the variables in one group can influence the other group variable and therefore it has influence on the outcome of the whole process. Therefore, such approach is suggested to be very effective as all factors are concentrated only on the impact that it has on implementing cost leadership strategy. It is also important that the nature and interactions of all implementation variables affect the process variables and consequently the outcome result.

3.2 Methodology

In our research, the cases come from airline, and supermarket-retail industry in Albania. This has enabled us to have substantial support to develop a valid business model for implementing cost leadership strategy. The research project was focused on qualitative research as the main research objectives was to analyze in depth on how and why companies implement cost strategies in service sector. According to (Yin, 2003) the qualitative approach is more informal way of study as the researcher want to observe the real situation of phenomenon and he/she should be closer related with research.

All sixty interviews have been organized with low, middle and senior positioned staff of the organization to see: how the low cost strategy is implemented from top to bottom of the organization, to better understand the actual situation of the companies; to see what kind of practices are followed
from the organization as the implementation processes is done from low and middle managers rather than top executives; to see whether the low positioned staff could handle new cost policies and to what extent could they follow them.

The sample was based from two companies in every industry because the strategy filed has its main roots in competition and it is logical to analyze how two companies respond to business environment and understand whether there are any similarities or differences.

The researcher was organized through using 15 interviews with each company, mainly senior mangers, middle managers and low position staff. For the purpose of the study the interview target was very ambition if we consider the fact we have 4 companies and 60 interviews in total (2 from airline industry and 2 from retail industry). So, the selection of main companies was based on following characteristics:

- Companies need to come from main service industries because the research question is based on this sector.
- The objective is researching 2 main industries in Albanian market

Yin (1994, p.46) suggested that to “provide a compelling support for the initial set of proposition”, 6 to 10 cases are required to satisfy the requirement of repetitive strategy. In the mean time Yin (1994, p.50) states that “the typical criteria regarding sample size are irrelevant” because the multiple case method is not related as the sample representation that we use in survey process.

The data analysis process requires writing descriptive statement based on serial recorded observation (Yin, 1994). According to Miles and Huberman (1994) three steps needs to be followed: Data Reduction, Data Display and Conclusion drawing. In our case we implemented Miles and Huberman model in following way:

*Data reduction* – we organized different interviews and evidences not only from three industries but also from different managerial levels. It was therefore important to collect the date from various sources and organized them in groups so that the final conclusions can be drawn and verified.

*Data display* – after we gained all different factors in groups have displayed the data in very compressed way through tables by dividing variables that have an influence on cost leadership strategy, so that conclusion was easily followed, (see Table 2 – Appendix 1).
3.3 Research Results

<table>
<thead>
<tr>
<th>Table 1: Research Findings for Retail Industry in Albania</th>
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<tbody>
<tr>
<td><strong>External Factors for Company A &amp; Company B</strong></td>
</tr>
<tr>
<td>• Economic Factor has a huge influence on the strategy implementation process.</td>
</tr>
<tr>
<td>• It increased the price of raw materials, it created exchange rate fluctuation and it reduced customer-buying power.</td>
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<tr>
<td>• Legal environment does not create the right environment to expand in the near future. This has created fragmented market and it is very difficult to expand.</td>
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<tr>
<td>• The competition between big retail stores was NOT considered as an important factor that influenced their cost leadership strategy.</td>
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<tr>
<th><strong>Internal Factors</strong></th>
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<tbody>
<tr>
<td>• <strong>Standardizing work processes</strong> is the first step that is needed before implementing the new IT technology.</td>
</tr>
<tr>
<td>• There is a need to create new department to <strong>coordinate</strong> and share their knowledge to better target the mass market during the expansion plan.</td>
</tr>
<tr>
<td>• To keep the minimum operational costs, there is huge need to implement the <strong>IT technology</strong> to standardize different working processes.</td>
</tr>
<tr>
<td>• If new companies <strong>target the mass market</strong> by offering similar products with higher prices (that the existing companies), they are very likely to fail. The only way where new companies could be successful in the mass market is by offering lower prices than existing players. The mass market represents low and medium income earners.</td>
</tr>
<tr>
<td>• <strong>Economies of Scale Concept</strong> is a very useful tool for implementing cost leadership strategy, but to a certain point. Companies cannot constantly use this concept. They need to see whether the economic of scale concept applies to the external and internal environment.</td>
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<table>
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<tr>
<th><strong>Implementation Policies</strong></th>
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<tbody>
<tr>
<td>• The CEO role is very important to create new direction, new culture and new vision.</td>
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<tr>
<td>• Over-centralization could harm the company in the long run.</td>
</tr>
<tr>
<td>• The Middle Managers are the ones that implement the strategy. Their role tends to vary in difficult times for businesses. But they are the ones that make things work.</td>
</tr>
<tr>
<td>• Cost Saving Culture is the most important element to implement the cost leadership strategy in the long run.</td>
</tr>
<tr>
<td>• Companies should centralize the decision making process in difficult times and gradually pass the authority towards the middle management.</td>
</tr>
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</table>
### Research findings for Airline Industry in Albania

#### External Factors for Company E & Company C
- Monopolistic position of only one international airport has increased dramatically the operational costs.
- New legislation for Kuksi Airport means new opportunities for businesses to expand in cargo business.
- The industry is heavily regulated from internal and international watchdogs and companies need to constantly invest in maintenance parts.
- Fixed costs such as Environmental Tax are gradually increasing. Companies are forced to find new ways to cut costs.
- The increase of oil price has a huge negative impact on companies that have old airplanes.
- Companies need to upgrade their airplane from time to time to cut their operational costs.
- Liberalization of airline industry was the biggest external change that increased the competition and created new standard within the industry.
- Competition tends to be not fair for some airlines in terms of flight schedule.
- Customers are becoming price sensitive

#### Internal Factors
- Constantly upgrade the airplanes models to cut operational costs
- Offer basic catering service to keep the minimum level of costs
- Focus more on Dry lease contract rather than Wet lease contract
- Manage alone the international reservation system to cut costs
- Upgrade technological software to cut the reservation costs
- Utilize the existing airplanes by offering new cargo service
- Target the mass market with different marketing offer to gain from economic of scale concept

#### Implementation Policies
- Constant change of ownership years from one company to another, creates very unstable environment in all departments, therefore companies can not implement any given strategy.
• Centralizing whole management processes from CEOs tend to increase the working pressure towards Middle Management team.
• Centralization creates more efficiency when it is implemented in the right way.
• Middle Managers have a key role to implement the strategy.
• Coordination element is extremely important for the airline business and everyone needs to understand each other’s work. The teamwork between the CEO and Middle Management seems to be the right solution for coordination.
• Cost saving and Working Hard Culture is seen as a very important factor, which determines the implementation process of cost leadership strategy.

Source: Research Results from Interviews in Albania


The airline industry had a major change after the deregulation procedures in 1990s. Many new companies were competing with the market leader “A” that was the dominant player for many years by using hybrid strategy and company B (the follower) who implemented pure low cost strategy. The company “A” changed the ownership more then four times since 1992 as result of privatization where as company “B” had very dedicated staff with strong leadership and professional middle management team.

The change of ownership had a negative impact in company “A”, as each leadership was mainly focusing in operational activities rather then implementing a strategy that will guarantee long-term success. Even though the company was aiming the mass market with prices slightly above competitors the external environment such as rise of oil price had very negative impact (compared to company “B”) as they used to have three different old aircrafts that has high operational and maintenance costs. Whereas, company “B” who implemented pure Cost Leadership strategy negotiated to lease only from one company for 6 standard aircraft with bigger passenger capacity and lower operational costs. The
company had also one dedicated leadership team who was valued from bottom to top of the organization. They introduced new reservation system with updated technology, whereas the Company “A” introduced the first online reservation only in 2008.

The same situation is also in Retail Industry. The change of ownership at company “E” had very negative impact in organization. It was clear that the lack of control was evident. The new CEO made modest change at middle management level but introduced completely new expansion plan with very aggressive targets by doubling the stores from 4 to 8 within one year. The leadership believed that with the new expansion plan they could gain more economic of scale in negotiating contracts with suppliers by lowering the prices and as result dominating the market. However, the new expansion plan had huge problem with coordination of middle management. The new middle management team were having difficulties to implement the new IT system and they could not control the expansion process, as result in many stores the products were missing and they were kept by mistake in central warehouse. In this situation the company was having big problems with liquidity, as they could not achieve targeted sales and pay the suppliers on time. The whole expansion plan to achieve more barging power was questioned.

Also the company did not recruit professional team for expansion but relied the whole plan only at present team, which had lack of staff for such an ambitious plan and lack of control. Many middle management did not value the CEO role as the new strategy put the company in bad position and many of them were considering other job opportunities.

Where as company “C” who was using pure differentiation strategy by targeting higher prices slightly above competitors was more stable. The company “C” was created from the beginning with new Global standards in retail and with experienced Middle Management team and good leadership. As result of these internal factors the company was doing very well by doubling the numbers of stores from 2 to 6 within two years. However, due to the economic crises the company “C” was huge negatively affected, as they tend to have more premium products. However, the company was expanded in very stable way with lots of trainings for Middle Management before they implemented the new management tools. Also, the negotiation with suppliers was done mainly by the central office abroad, which allowed them
to have huge barging power from the start. It was evident that the company was fully coordinated and the management of company was mainly run from foreign professional team and strong leadership.

3.4 Summary of Results

The research results shows that companies which implement any new strategy (cost leadership or differentiation strategy) needs to have strong leadership with professional middle management team to control the whole process and implementing stable change. It is clearly evident that changes of ownership plays a major role in implementation process and the leadership control and is seen as the most important management tool in Albanian market. This was the case of company “A”, “B” and “E”. This is also linked with the culture, as the country was under communism regime for fifty years and things are mainly done if the initiatives are taken from the top of the organization. Regarding the Cost Leadership strategy it is apparent that each company, which follows this way, needs to target mass market by targeting price sensitive clients with low offers. This is done by standardizing the whole processes with the latest IT technology to increase operational efficiently and as result lowering the service costs. In order to achieve this the company needs to have very dedicated leadership and middle management team, which focuses only on efficiency and implements the value for money philosophy within the organization.

Only if such steps are followed as we presented in our model, the company can expand gradually, establish economic of scale concept, negotiation better contracts with suppliers, better offer with clients, and stable environment within organization.

This was the case at company A, B in airline industry and company E, C in retail supermarket industry. In all companies senior and middle management control mechanism was the most important factor to implement any expansion plan especially with low cost strategy where the need of cutting cost is the paramount decision. Also companies that did not have efficient IT system such as company A and E tend to struggle and complicate the whole coordination procedures. Where as company B and C that implemented new IT system were more controlled and coordinated in all services that they provide. This was also part of extensive training that they had within company.
So, centralization of information and big investment in standardization of services helps the companies to establish the economic of scale concept by offering lower prices towards mass market. This is mainly done through strong control of leadership and professional middle management team.

4 Conclusion

If we follow the conceptual model that we proposed it seems that the External factors such as Legal Environment tend to be the main one. In all two industries the governmental regulation in airline and retail tend to have huge influence on competition. As they are the main engines of economy the government tend to gradually liberalize them and introduce a new competition from time to time and companies are forced to change the cost leadership strategy from time to time. The legal environment mainly focuses on competition and it has huge influence on mobile and airline industry and less on retail industry.

Whereas the economy crises tend to have negative effect mainly for retail industry where the price of row materials has dramatically increased and costumers tend to buy more basic food products. However, the bad economic condition does not seem to have a negative effect on airline industry where all companies tend to be satisfied. In both these industries the competition seems to be the main factor rather then economic crisis.

The main internal factor for all companies that implemented cost leadership strategy was technology. The advanced technology was the key solution: for standardized ordering process in retail industry and for reservation system / airplane model in airline industry.

Nevertheless, companies must have standardized working process where all departments have clear lines of responsibilities. But due to market dynamics it is very important that companies operate in open environment where everyone constantly communicates with each other to resolve different types problem. So, coordination and standardization of working process are very important factors for implementation of cost leadership strategy.
The economies of scale concept is very useful for all companies who are targeting the mass market and many companies have to follow it, once they decide to compete based on cost leadership strategy. But, when the competition increases other external factors start to change and it is very likely that such concept needs to find a new equilibrium level.

Regarding the implementation policies from managerial level, middle management team seems to be the key organizational chain, which implements any strategy in business. In all three industries middle managers where responsible for implementation process, whereas the CEO and other executives were responsible to create a strategy and keep company objectives at the right level.

However, the CEO role is very important during the change strategy phase and they tend to have more central role when the company is going through difficult times. In a broader context the organizational structure needs to be flexible and simple to overcome different business environment. Cross-functional teams are important to overcome different challenges. Another factor that was not included on conceptual model is the culture. In all companies cost saving culture seems to be the key factor, which guides the decisions of all employees. In addition the country culture seems to remain the main barrier for international companies to implement same standards like in other international markets. It is therefore needed constant training for middle mangers to shift their culture towards westernised standards to deeply implement the cost leadership strategy.

In conclusion the research showed that managing controllable and uncontrollable elements are very difficult in business strategy. The long-term direction of a company should enhance strategic flexibility by updating the IT system, better-standardized service through time-to-time and more training for middle manager to enhance the value for money philosophy in their day to day activity. As the economy environment become difficult, companies needs therefore to “upgrade” their competitive tools to better serve the market needs. Companies that follow cost leadership strategy in service sector should analyze the environment, target mass market, target price sensitive clients, then use control and coordination tools amongst leadership and middle managers combined with new IT facilities to standardize services and then gradually expand.
Companies must therefore strategically innovate, without losing touch of their existing resources and capabilities. In a world dominated by uncertainty and paradigmatic shifts, strategic flexibility must be an important factor of strategy implementation process. However, the main problem of strategy making in dynamic environment is to achieve adaptive innovation, whilst still achieving consistent and reliable execution of the strategy. It is therefore needed for companies that want to implement a cost leadership strategy they should implement policies that are appropriate for the organization, appropriate for the industry and appropriate for the market. When there is a good configuration between strategy and organizational capabilities it will be easier to achieve the desired outcome. Changes in the global economy have transformed strategy from being a one-off, inimitable event, to a dynamic, fluid and continual process.

**Research Limitations**

Although there are quasi-government agencies acting as an one stop shop for international companies offering different services, there is not a single government body responsible for providing accurate cost flow statistics for Airline and Retail-Supermarket companies, which makes it difficult to collect and analyze the information needed for this research. The research was mainly focusing in airline and retail industry, which represents a good part of service sector, but still it does not create a clear picture for all other businesses. Even thought there were fifteen interviews in each company from different management level they still do not represent all other companies. For future research it is needed not only case study analysis, which is based on primary interviews but also more empirical research to support the final conclusions.

Also, for more advanced research being carried out in the future, the researcher should have more resources to conduct detailed primary research with a wider group, to fully analyze implementation problems in different service industries. In this way the study would certainly have more weight, credibility and benefits. Combining the two approaches could possibly prove to be very useful in the future research.
### Appendix 1

Table 2: Implementing Strategy

<table>
<thead>
<tr>
<th></th>
<th>Airline Ind.</th>
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<th>Retail Supermarket Ind.</th>
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<tbody>
<tr>
<td></td>
<td>Comp.A</td>
<td>Comp.B</td>
<td>Comp.E</td>
<td>Comp.C</td>
</tr>
<tr>
<td>Q1</td>
<td>Mean 3.06</td>
<td>Mode 4</td>
<td>Mean 3.53</td>
<td>Mode 4</td>
</tr>
<tr>
<td>Q2</td>
<td>Mean 1.13</td>
<td>Mode 1</td>
<td>Mean 1.26</td>
<td>Mode 1.66</td>
</tr>
<tr>
<td>Q3</td>
<td>Mean 2.95</td>
<td>Mode 2</td>
<td>Mean 2.93</td>
<td>Mode 1.8</td>
</tr>
<tr>
<td>Q4</td>
<td>Mean 2.66</td>
<td>Mode 3</td>
<td>Mean 2.6</td>
<td>Mode 2.73</td>
</tr>
<tr>
<td>Q5</td>
<td>Mean 2.46</td>
<td>Mode 2</td>
<td>Mean 1.66</td>
<td>Mode 2.26</td>
</tr>
<tr>
<td>Q6</td>
<td>Mean 2.6</td>
<td>Mode 2</td>
<td>Mean 1.46</td>
<td>Mode 1.2</td>
</tr>
<tr>
<td>Q7</td>
<td>Mean 2.53</td>
<td>Mode 2</td>
<td>Mean 1.2</td>
<td>Mode 1.6</td>
</tr>
</tbody>
</table>

Source: Primary Research from Interviews

Q1) How does market environment factors influence your company to implement your strategy? (Q2) What is your target customer? (Q3) What is your target price? (Q4) What is the CEOs role in implementing your business strategy? (Q5) What is the role of Middle Manager in implementing business strategy? (Q6) How does the IT system increase the business efficiency? (Q7) How does the Economic of Scale concept reduce the operational costs?

Q1,Q4,Q5,Q6,Q7 – (1) Huge Positive Impact, (2) Moderate Positive Impact, (3) No Impact, (4) Negative Impact

Q2 - (1) Mass Market, (2) Niche Market | Q3 - (1) Above Competitor, (2) Same as Competitor, (3) Lower than Competitor, (4) Seasonal Offers


References:


