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Blue Ocean strategy and its Impact on achieving competitive advantage Case Study of Yassir Transportation service

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Dedication

This work is dedicated …
To my parents, Ahmad and karima who have raised me to be the person I am today.
I would like to thank them for the unconditional love, support, guidance and prayers that they have always given me

To my beloved sisters, Nour, Radhia and Meriem for their encouragement, support, and their endless love

To all my teachers
To all my friends for being around me, and for all the memories we shared together.

Finally, to all those forgotten who helped me to finish this work
To you dear readers …

Yasmine

Acknowledgment

Praise be to Allah, wherewith all the blessings
of goodness
I welcome the opportunity of achieving this work to express
my deepest thanks.
I would like to thank profoundly my co-supervisor
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For his valuable advice, guidance, and time in this this research.
Without his assistance, the present study would not
have been Completed.
In addition, I would like to extend my sincere appreciation
To my honorable board of
Examiners.
I wish to address my most sincere thanks to all those who
have been my teachers
Throughout my university studies.
I am deeply grateful to all people who were participants
in this study
Finally, my warmest gratitude goes to my parents
and my friends for their care,
encouragement,
and support.

Abstract

This study explores the effects of implementing the Blue Ocean strategy on Yassir company's ability to achieve a competitive advantage. The research focus on the four dimensions of the Blue Ocean strategy: Eliminate, Reduce, Raise, and create.it assesses their impact on different aspects of Competitive advantage, including Quality, Cost, Flexibility, Delivery(speed), and innovation.

To gather data, a descriptive analytical approach was adopted and a questionnaire specifically designed for the study was administered to a sample of 43 employees from Yassir transportation service.

The collected responses were then subjected to factor analysis and regression analysis to examine the Relationships between the Blue Ocean Strategy and competitive advantage.

In addition, to the quantitative analysis, the study sheds light on the significance of factors Such as organizational culture, leadership support, and market research in the successful Implementation of the Blue Ocean strategy.

The innovative culture nurtured within Yassir company, coupled with strong leadership support, has played a pivotal role in driving the strategy's effectiveness.

The findings of this study offer valuable practical recommendations for other organizations looking to leverage the power of the Blue Ocean strategy and attain a sustainable competitive advantage in their respective markets.

Keywords: Blue Ocean strategy, Yassir transportation service,
competitive advantage, Red Ocean strategy

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GENERAL INTRODUCTION

In the midst of economic globalization and its interactions, the idea of entrepreneurship within companies has garnered significant attention from managers and leaders. This focus extends beyond understanding entrepreneurship developing effective strategies for success in various organizational contexts. This increased interest can be attributed not only to the understanding of entrepreneurship but also to the ability to develop appropriate strategies that encourage growth in entrepreneurial businesses. Researchers and scholars have shown great interest in this field due to the substantial growth achieved by major economies.

Entrepreneurship involves creating and managing new organizations to capitalize on innovative and unique opportunities. External entrepreneurship refers to establishing entirely new organizations, while internal entrepreneurship takes place within existing organizations through new business ventures or strategic re-planning (Kuratko & Audretsch, 2020:111). Organizational leadership has become a vital means for existing organizations to continuously discover and invest in opportunities, leading to a new state of existence. This shift is particularly relevant today as organizations seek to foster innovation and navigate a highly competitive, rapidly changing global environment (Hisrich, 2021:80).

In today's fiercely competitive business environment, organizations face the ongoing challenge of attaining and sustaining a competitive advantage. Traditional strategies often focus on outperforming rivals within existing markets, leading to intense competition, price wars, and diminishing profits. However, the Blue Ocean Strategy, developed by W. Chan Kim and Renée Mauborgne, presents a novel approach that aims to create uncontested market spaces, known as "blue oceans," in order to achieve a competitive advantage (Kim & Mauborgne, 2005:66).

The Blue Ocean Strategy advocates for organizations to shift their focus from battling competitors to exploring untapped market opportunities. By identifying and creating new market segments, companies can differentiate themselves and offer unique value propositions to customers. This strategy not only enables companies to escape the red ocean of intense competition but also opens new avenues for growth and profitability (Osterwalder & Pigneur, 2010:11)

With the aforementioned technological advancements and the proliferation of modern applications, the transportation sector in Algeria has witnessed the entry of technology-driven solutions. Algerian youth have demonstrated creativity and innovation by developing taxi trading applications. Yassir, as a pioneering institution in the field of transportation in Algeria, has successfully established its presence not only within Algeria

but also in other Maghreb countries. The founders aspire to expand into international markets (Yassir, 2022).

This master's thesis aims to explore the concept of the Blue Ocean Strategy and its impact on achieving a competitive advantage. The study will investigate the various dimensions and elements of the Blue Ocean Strategy, analyzing its theoretical foundations and practical applications. By examining real-world case studies and empirical research, this thesis will provide a comprehensive understanding of how the Blue Ocean Strategy can shape an organization's competitive position. This master's thesis will provide valuable insights into the theoretical foundations and practical implications of the Blue Ocean Strategy in shaping competitive advantage.

Study Methodology

This study used a quantitative approach that focused on the statistical data as a tool for saving time and resources. A visual test is used as an instrument for collecting data about the main independent variables (Eliminate, Reduce, Raise, Create) and the dependent variable (Quality, Cost, flexibility(speed), Innovation, Delivery). The study sample consists of 43 Medean participants. This sample was selected intentionally (taxi drivers).

Study structure

The structure of the present study is built as follows. The first chapter discusses existing academic knowledge, concepts, and tools on the subject matter used to design the research including red ocean strategy, Blue ocean strategy and competitive advantage .

The second chapter discusses and justifies the methodology chosen for the research , describes the research findings and discussion the research findings and their implications, It includes data analysis using frequencies, percentages, and correlation tests

Study questions

Under this study, the following sub-questions can be extended:

1. What is the extent of the impact of the dimensions of the Blue Ocean Strategy (exclusion, reduction, increase, innovation) on competitive advantage within Yessir transportation service, and is this impact statistically significant at a significance level of $\alpha = 0.05$?
2. Are there any statistically significant differences, at a significance level of $\alpha = 0.05$, in the Blue Ocean Strategy variable (exclusion, reduction, increase, innovation) within Yessir transport based on personal characteristics such as gender, age, educational level, and experience?
3. Are there any statistically significant differences, at a significance level of $\alpha = 0.05$, in the competitive advantage variable (quality, cost, flexibility, delivery speed, innovation) within Yessir transport based on personal characteristics such as gender, age, educational level, and experience?

Study hypotheses

To achieve the study purpose and answer the study questions, researchers suggested the following hypotheses:

1. There is a significant impact of the dimensions of the Blue Ocean Strategy (exclusion, reduction, increase, innovation) on competitive advantage within Yessir transportation service.
2. There are statistically significant differences in the Blue Ocean Strategy variable (exclusion, reduction, increase, innovation) within Yessir transport based on personal characteristics such as gender, age, educational level, and experience.
3. There are statistically significant differences in the competitive advantage variable (quality, cost, flexibility, delivery speed, innovation) within Yessir transport based on personal characteristics such as gender, age, educational level, and experience.

Objectives of the study

The purpose of this research is to develop the following objectives:

1. To assess the level of awareness and adoption of the Blue Ocean Strategy among Algerian economic institutions and evaluate the extent of its application in their business strategies.
2. To examine the impact of the Blue Ocean Strategy on achieving a competitive advantage in the transportation sector within the Algerian context, with a focus on Yassir transportation service as a case study.
3. To identify the key dimensions of the Blue Ocean Strategy (exclusion, reduction, increase, innovation) that significantly contribute to the competitive advantage of organizations in the transportation sector in Algeria.
4. To analyze the role of personal characteristics (gender, age, educational level, and experience) in shaping the adoption and effectiveness of the Blue Ocean Strategy within Yassir and other transport service providers in Algeria.
5. To explore the challenges and barriers faced by Algerian economic institutions in implementing the Blue Ocean Strategy and propose recommendations for improving its adoption and effectiveness.

Previous studies

In a study conducted by **Ghazi Abdul Latif al Bayati and Abbas Mohammed Hussein**, titled "**Alignment between the Blue Ocean Strategy and the strategies of entry and exit from the market and their impact on achieving competitive advantage: a Sample Survey study**," the researchers aimed to examine the alignment between the Blue Ocean Strategy and strategies of market entry and exit. The study focused on the feasibility of applying the Blue Ocean Strategy in the banking industry. The findings revealed that the Blue Ocean Strategy showed alignment with early entry and exit strategies, but it was found to be incompatible with other market entry and exit strategies due to its non-competitive nature.

Khalid Mohammed Salim Abu Hasan conducted a study titled "**The role of the Blue Ocean Strategy in improving competitive performance: a field study applied to Palestinian ICT sector companies."** The study aimed to assess the impact of the Blue Ocean Strategy on the competitive performance of ICT sector companies in Palestine. The objectives were to identify the level of interest in the Blue Ocean Strategy among Palestinian ICT sector companies and to establish the relationship between the strategy and competitive performance. The study's findings indicated that the Blue Ocean Strategy played a crucial role in enhancing the competitive performance of ICT institutions in Palestine, showing a positive relationship and impact. The study also identified a lack of bodies responsible for managing creativity and innovation among employees in these companies, along with limited efforts to promote employee expertise development and foster increased innovation and creativity.

CHAPTER ONE LITERATURE REVIEW OF Blue Ocean Strategy and Competitive Advantage

Introduction of the 1st chapter

This chapter focuses on the concept of the blue ocean strategy in business and marketing management. The term "blue ocean" refers to unexplored market spaces, while the red ocean represents fierce competition. This chapter provides an overview of the blue ocean strategy, its definition, key features, and types. Additionally, it explores how the strategy can contribute to competitive advantage. Understanding the blue ocean strategy's significance sets the stage for further discussions in subsequent chapters.

1Strategy

Strategy has become the central focus in management literature and the business world for the past few decades. (Khairuzzaman & Ismail 2011:86) Many organizations began to adopt the concept of strategy into their business after World War 2. The main theme of strategy during that period Was based on sales forecast and operational budgets in relation to coping with rapidly growing economies and rising customer demands. (Ng & Kwang Sing, 2011:34) The use of strategy has literally changed the map of the world and caused the rise and fall of many nations and its people. The unique combination of wisdom, science and craft has made strategy creation and its application a universally sought-after skill. A look back at where it all began and how it developed from its military origins provides the foundation for a more thorough grasp of what often seems ungraspable. (Horwath 2006:1)

1.1 Definition of Strategy

Strategy is (στρατηγia) (stratégia) in Greek. The original meaning of this word in Greek means supreme commander of the troops. (Nithisathian et al. 2020:39) “sometimes meaning ruse, sometimes the “art of generalship”, especially in the definition of the East Romans (Byzantines)”. (J. Baylis, C. Gray, 2018:2). Strategy is a word with many meanings and all of them are relevant and useful to those who are charged with setting strategy for their corporations, businesses, or organizations (Nickols, 2008:7).

Strategy is the combination of mission, vision, people and structure. It is the pattern that integrates company's major goals, policies and sequential actions into a solid whole. People and structure are two main elements that drive the organization. And the firmware that imprinted inside people and structure is (culture). Culture can facilitate the firm to achieve (or avoiding) from reaching their goals and their visions. (Nithisathian et al. 2020:11)

Strategy can be defined as a blueprint or game plan that shapes the long-term direction, business objectives, and market position of the company to facilitate the management to allocate the available resources to conduct various value activities to attract customers and compete successfully in the marketplace. (Ng & Kwang Sing 2011:8)

1.2 A chronology of Recent definitions of strategy

1.3

Table 1 Chronology of recent definitions of strategy

THe_Historical_Development_of_the_startegy (EFFREY,1980:220-221)

Date	Contributor and source	Definition
1947	von Neumann & Morgenstem, Theory of Games and Economic Behavior [pp.79-84]	Strategy is a series of actions by firm that are decided on according to the particular situation.
1954	Drucker, The Practice of Management [p.17]	Strategy is analyzing the present situation and changing it if necessary. incorporated in this is finding out what one's resources are or what they should be.
1962	Chandler, Strategy and structure: Chapters in the History of American industrial Enterprise [p.13]	Strategy is the determinator of the basic long- term goals of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals.
1965	Ansoff, Corporate Strategy: An Analytic Approach to growth and Expansion[pp.118-121]	Strategy is a rule for making decisions determined by products market scope growth Vector competitive advantage and synergy.
1968	Cannon. Business Strategy and policy [p.9]	Strategies are the directional action decision which are required competitively to achieve the company's purpose.
1969	Learned. Christenson. Andrews. Guth. Business Policy: Text and cases [p.15]	Strategy is pattern of objectives, purpose, or goals and major policies and plans for achieving these goals, stated in such a way as to define what business the company is in or is to be in and the kind of company it is or it's to be.

1971	Newman & Logan, Strategy, Policy, and Central management [p.70]	STRATEGIES are forward- looking plans that anticipate change and initiate action to take advantage of opportunities that are integrated Into the concepts of mission of the company.
1972	Schendel & hatten, Business policy or strategic management, Academy of Management Proceedings [p.4]	strategy is defined as the basic goals and objective of the organization, the major programs of action chosen to reach these goals and objectives, and the major pattern of resource allocation used to relate the organization to its environment.
1973	Uyterhoeven, Ackerman, & Rosenblum, Strategy and Organization: Text and cases in General management[pp.9-10]	Strategy provides both direction and cohesion to the enterprise and is composed of several steps: strategic profile, strategic forecast, resource audit, strategic alternative explored, tests for consistency and, finally strategic choice.
1974	Ackoff, Redesigning the Future [p.29]	Strategy is concerned with long-range objectives and ways of pursuing them that affect the system as a whole.
1975	Paine & Naumes, Strategy and policy Formation: An integrative Approach [p.7]	Strategies are specific major action or patron of action for that attainment of the firm's objective
1975	McCarthy, Minichiello, & Curran, Business Policy and strategy: Concepts and Readings [p.19]	strategy is an analysis of the environment and selection of economic alternatives that will match the corporate resources and objectives at a risk commensurate with the profit and viability which the alternatives offer.
1976	Glueck, Business policy: Strategy Formation and management action,2nd ed. [p.3]	strategy is a unified, comprehensive, and integrated plan designed to assure that the basic objectives of the enterprise are achieved.
1977	McNichols, Policy Making and executive Action, 5th ed. [p.9]	Strategy is embedded in policy formulation: it comprises a series of decisions reflecting the determination of basic business objectives and the utilization of skills and resources to attain these goals.

Summarizing the authors' definitions of the term "strategy", it is possible to note, that the main features of strategy and its formation are:

- Strategy is a carefully designed plan of future actions aimed at achieving the targeted results.
- Strategy is associated with a risk due to the dynamic changes of the external environment.
- Strategy formation includes resource allocation.
- Strategy formation is preceded by the scanning of external and internal environment of a company.
- Strategy formation refers to the choice of priority directions of functioning for a long-term period.

Strategy is a dynamic blueprint or game plan that integrates an organization's goals, policies, and actions. It shapes long-term direction, market position, and resource allocation to achieve competitive success and attract customers in the marketplace.

1.4 Strategy management

Sari defines strategy management as a process or series of decision-making activities that are basic and comprehensive, accompanied by a determination of how to implement them made by top management and implemented by all levels within an organization to achieve its goals. (Sari et al., 2023:383)

Mira defines Management strategy as an art in formulate, implement, and evaluate something decisions cross functional that makes an organization reach goal. (Mira et al. 2022;152) Mira mentioned that in management strategy there is the three processes include:

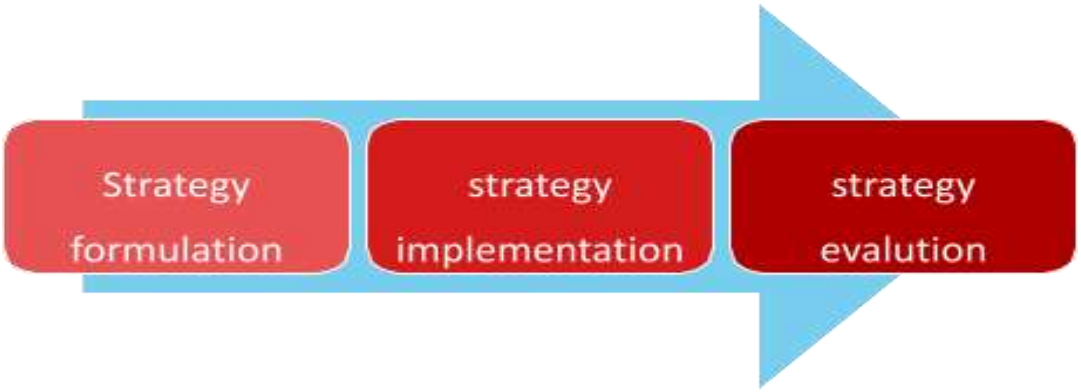


Figure 1: Stages of strategic Management. (Mira et al. 2022;152)

1.3.1 Formulation (formulation) Strategy

The first stage of strategic management is strategic formulation which involves assessing existing strategies, organization, and environment to develop new strategies and strategic plans to enhance future competitive advantage. (Thongsookularn .2019:420)

1.3.2 Implementation strategy

Strategy implementation is the process by which an organization translates its chosen strategy into action plans and activities, which will steer the organization in the direction set out in the strategy and enable the organization to achieve its strategic objectives. (CHK., n.d:1)

1.3.3 Evaluation Strategy

Stage end in management strategy, where manager very need it for knowing when strategy certain no work with well, evaluate strategy is Thing main in get something information. (Pebriani et al. 2022:152)

Strategic management is the process by which top management establishes and carries out the goals and initiates new opportunities of an organization, utilizing its unique resources to differentiate itself from its competitors by meeting the needs of its targeted customers. In achieving these goals, an organization seeks to most efficiently create and deliver products or services by eliminating unnecessary processes within its operating systems, adding value at each step in those processes, and responding to a continuously changing external environment of competitors to meet evolving customer needs. (Verl Anderson & Cam Caldwell.,2017:2)

Strategic management is the continuous process of creating, implementing and evaluating decisions that enable an organization to achieve its objectives. (GÜREL 2017:1)

1.5 Business Strategy

Strategy business is something plan a strategy that happened at a level intended division of how to build and strengthen the position product and service company to compete in industry nor a market-served division of these. (Pebriani et al. 2022:152)

Strategy business is formulated around the customer perspective and aims for leadership and differentiation in both product and pricing policies. The business-level strategy defines which customer segments and needs will be addressed, and how the customer need will be satisfied. (Sammut-Bonnici, 2015)

1.6 Strategy Planning

"Strategic planning" concerns the general directions of an organization as well as its mission, target objectives, values and management philosophy, the products and services it will be offering, and the means it intends to use to achieve its objectives in the coming years. (Daniel. n.d.:1)

1.7 Strategy thinking

Strategic thinking is identifying, imagining and understanding possible and plausible alternative futures for your organization, and using the knowledge gained to strengthen your thinking about your potential options to position your organization effectively in the external environment in the future, to make better informed and more robust decisions about action to take today. (Conway 2014:4)

'Strategic Thinking' is the process by which an organization's direction givers can rise above the daily managerial processes and crises to gain different perspectives of the internal and external dynamics causing change in their environment and thereby giving more effective direction to their organization. Such perspectives should be both future-oriented and historically understood. Strategic thinkers must have the skills of looking both forwards and backwards while knowing where their organization is now, so that wise risks can be taken by the direction-givers to achieve their organization's purpose, or political will, while avoiding having to repeat the mistakes of the past. (Davies and Davies 2004:14)

1.8 Corporate strategy

Corporate strategy is the selection and development of the markets (or industries) in which a firm competes. Therefore, corporate strategy deals with what industries (or markets) a firm seeks to compete in. Business level strategies (low cost, differentiation, and focus) that were discussed last chapter are HOW a firm competes in a single market or industry. Therefore, corporate strategy and business strategy describe very different issues be careful not to confuse them. (Corporate Strategy., 2003:1)

1.9 Strategic leadership

Strategy leadership is best considered as the strategic element within the broader leadership paradigm. (Davies and Davies.,2004:14)

Most definitions have a common theme of leading a group towards a goal. Leaders play an important role in achieving organizational goals by creating a climate that would influence employee attitudes, motivation, and behavior. "A leader is one who knows the way, goes the way and shows the way". (Mjaku and c. 2020:915)

Strategic leadership gives a vision for the success of a company. It also creates strategic thinking to generate future growth. Strategic leadership develops a multiplicity of appropriate strategies depending on the context to create value. (The evolution of strategic thinking n.d:16)

1.10 Social Business Model

Qastharin defines business model as the rationale of how an organization creates, delivers, and captures value. By using the term of organization, Osterwalder, Pigneur & Tucci does not exclude organizations that is not normally associated with business in business model, such as non-profit organizations, charities, public sector entities and for-profit social ventures. ((Qastharin., 2015:2)

Social Business Model Canvas (SBMC) is a technique used for describing the business model social visually, and is a tool used for analyzing nor create a business model for moving company in the field social (Pebriani et al. 2022:153)

1.11 SWOT

SWOT is an acronym that stands for Strengths, Weaknesses, Opportunities, & Threats. (Gomer and Hille n.d:1). SWOT analysis is one method to describe the conditions and evaluate a problem, project or business concept based on internal (inside) and external (external) factors, namely Strengths, Weaknesses, Opportunities and Threats. This method is most often used in business evaluation methods to find strategies to be carried out. SWOT analysis only describes the situation that occurs not as a problem solver

(Merjani.,2022:167) it is a tool used for strategic planning and strategic management in organizations. It can be used effectively to build organizational strategy and competitive strategy. ((GÜREL 2017:995) This framework facilitates the assessment of internal capabilities and resources which are under the control of the organization and of external factors which are not under organizational control. (Performing-SWOT-analysis n.d:1) The more clearly the understanding of strengths and weaknesses, the more the possibility that organization will be positioned to match strength with available opportunities. (Samuel .2021:6)



Figure 2: Swot analysis Source:(Merjani, Ningrum, and Sumarya n.d.)

1.10.1 Strengths (strength)

Strength is the characteristic that adds value to something and makes it more special than others. Strength means that something is more advantageous when compared to something else. (GÜREL 2017:997).

1.10.2 Weakness (weakness)

Weakness refers to not having the form and competency necessary for something. Weakness means that something is more disadvantageous when compared to something else. In this regard, weakness is a characteristic that is negative and unfavorable. (GÜREL 2017:997)

1.10.3 Opportunities (opportunity)

Opportunity means a situation or condition suitable for an activity. Opportunity is an advantage and the driving force for an activity to take place. For this reason, it has a positive and favorable characteristic. (GÜREL 2017:998)

1.10.4 Threats (threat)

Threat is a situation or condition that jeopardizes the actualization of an activity. It refers to a disadvantageous situation. For this reason, it has a negative characteristic that should be avoided. (GÜREL 2017:998)

1.12 Porter's five forces

The five forces model of competitive advantage proposed by Michael Porter posits a compelling view on how a firm can achieve competitive advantage in a particular industry by leveraging on five imperative forces of the industry.(Goyal and Goyal 2020:149).The five forces framework is an influential and straightforward tool for the identification of certain powers in line with a particular business situation by using the outside-in perspective. The framework distinguishes five forces in the microenvironment that drive competition and jeopardize an organization's ability to make a profit. The origin of the Porter's five forces framework is based on the industrial economics or industrial organizational approach.(Bruijl 2018:1)The five forces are comprised of factors that could affect the positioning of a firm in a particular industry, this includes The Bargaining power of Buyers; The Bargaining power of Sellers; The Threat of Substitutes; The Threat of Potential Entrants and The Threat of Existing Competition.

The relative importance of a threat depends on industry to industry. (Goyal and Goyal 2020:149)

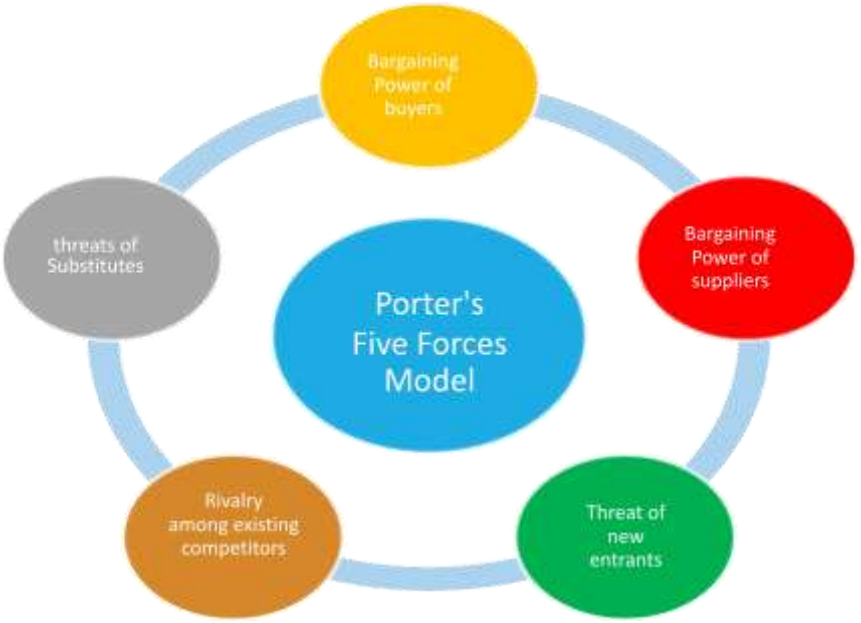


Figure 3: Porter's five forces model. Source: (Goyal and Goyal 2020:149-150)

1.11.1 The threat of entry

Porter (1985) states that "new entrants to an industry bring new capacity, and the desire to gain market share that puts pressure on prices, costs and the rate of investment necessary to compete". However, the threat of entry will largely depend on how high entry barriers are and how many organizations are in the industry.(Bruijl 2018:2).Furthermore, the threat of new entrants has a negative impact on the industry's profitability because when the threat is high and barriers are low, incumbents must either increase investments or hold down prices to discourage new entrants. Porter defines entry barriers as "advantages that incumbents have relative to new entrants". There are seven sources of entry barriers: supply-side economies of scale, product differentiation, retaliation against new entrants, capital requirements, cost disadvantages, access to distribution channels, and governmental and legal barriers. (Hermez and Jahankhah .2021:26)

1.11.2 The threat of substitutes

The threat of substitutes is high when there is an attractive price-performance trade-off, or when the buyer has lower switching costs. This may seem fairly easy to remove but is quite complicated, as many-a-times, firms are not aware of all their potential substitutes. (Goyal and Goyal 2020:150) the threat of substitutes depends on buyers' propensity to substitute, the switching cost, and the price and performance of the substitutes. The customers' willingness to pay depends largely on the availability of substitutes. The absence of close substitutes and the complexity of a product make the customer insensitive to the price. (Hermez and Jahankhah.2021:26)

1.11.3 The power of supplier

Powerful suppliers can capture more value for themselves by charging higher prices, limiting quality or services, or shifting costs to industry participants. Powerful suppliers can squeeze the profitability out of an industry that is unable to pass on the cost in its prices, such as in the airline industry. Suppliers exhibit high power, when they are few in number, offer differentiated products, and can credibly threaten to integrate forward in the industry. A firm can tackle them by integrating backwards or by outsourcing their requirements. (Goyal and Goyal 2020:149)

1.11.4 The power of the buyer

The bargaining power of buyers is the ability of customers to put a firm under pressure and to play actors in the industry against each other. Buyers are vital for the survival of any firm and can capture more value by forcing down prices, requiring better quality and service, thus lowering the profitability in an industry. The power of buyers depends on several factors such as: buyer's size and concentration to firm concentration ratio, switching cost, buyer's information availability and if the product is differentiated or standardized. (Hermez and Jahankhah .2021:26)

1.11.5 Rivalry among existing competitors

Rivalry among existing competitors takes many familiar forms, including price discounting, new product introductions, advertising campaigns, and service improvements. High rivalry limits the profitability of an industry. The degree to which rivalry drives down an industry's profit potential depends, first, on the intensity with which companies compete and, second, on the basis on which they compete.3

1.13 Generic strategies

Porter has presented three generic strategies that help to cope with the five competitive forces and strengthen competitive advantage against the competition in the market; these strategies are: cost leadership, differentiation, and focus strategy.(Hermez and Jahankhah.2021:27) Every business should apply only one of those generic strategies, in case if a business fails with all three strategies this means that the business has no advantages Each of the generic strategies involves a different route to competitive advantage.(Ali and Anwar 2021:43)



Figure 4: porter's generic strategies.(Generic strategies, porter,1998:11)

1.12.1 Cost leadership

This strategy concentrates on low cost in terms of businesses' activities and could functionalized as low pricing, low input.(Ali and Anwar 2021:44) Cost leadership strategy requires aggressive construction of efficient-scale facilities, vigorous pursuit of cost from experience, tight cost and overhead control, avoidance of marginal customer accounts, and cost minimization in areas like R&D, service, sales force, advertising, and so on. A great deal of managerial attention to cost control is necessary to achieve these aims. Low-cost relative to competitors becomes the theme running through the entire strategy, though quality, service and other areas cannot be ignored. (Datta 2010:38)

1.12.2 Differentiation

This sort of strategy concentrates on product or service uniqueness, which provides consumer with valuable product. (Ali and Anwar 2021:44) Organizations that emphasize differentiation rely on product customization, enabling them to leverage the strong relations they have developed with their customers Differentiation strategies have a significant impact on a company's financial performance. (Mcclain .2007:45)

1.12.3 Focus strategy

The focus strategy involves exploring and accessing a niche market with a unique product or service. Executives can implement a focus strategy by taking precise measures that are directed toward a single service, product line, or customer base. (Mcclain.2007:45) In case of that differentiation strategy failed or cost leadership strategy failed also, then organization can adapt focus strategy. (Ali and Anwar 2021:44)

2. Red Ocean strategy

2.1 Definition

Scarlet or Red Ocean is an old, styled way of competing, namely in this environment businessmen try to win their rivals, instead of focus on consumer target. They compete with old ways, such as price games, service bonuses and so on. (F.A, 2022:33). (ROS) is a competition-based strategy that assumes that business operates in a highly competitive market. They aim to create advantages to compete and grab market share. The market" game" is a zero-sum game where the gain of a company is the loss of others. (Parsadi, 2022:12)

In the red oceans, industry boundaries are defined and accepted, and the competitive rules of the game are known. Here companies try to outperform their rivals to grab a greater share of existing demand. The dominant focus of strategy work over the past twenty-five years has been on competition-based red ocean strategies. As the market space of red oceans gets crowded, prospects for profits and growth are reduced. Products become commodities, and cutthroat competition turns the red ocean bloody. Hence, we use the term "red" oceans. (Chan Kim Renée Mauborgne et al., 2005:5)

The red ocean strategy is a competition-based strategy that assumes that businesses operate in a highly competitive market. They aim to create advantages to compete and grab market share. The market "game" is a zero-sum game where the gain of a company is the loss of others. The red ocean strategy helps operate in known and crowded markets. In this strategy, the organization's goal is to outperform the competition to maximize profits. (Red Ocean Strategy: Definition, Example, Pros & Cons - Parsadi n.d:30.)

Red ocean strategy refers to the bloody water and to the traditional marketing strategy to compete with the competitors. It is demonstrated when many companies compete to achieve a competitive advantage in the existing market. These companies contest in the same marketplace to beat their opponents. Red ocean strategy influences the company to provide better service to buyers. It mainly focuses on the existing customers and buyers rather than creating new customers. So, they provide better services and products to attract customers.

2.2 Strategies to enter Red Ocean Market

Fahad mentioned that the red ocean strategy focuses on beating the competition and gaining financial gain by overcoming the competition and attracting new consumers. A company can use the following strategies before entering a red ocean market.

2.2.1 Creating a Disturbance

Before entering a red ocean market, a company can create a disturbance in the market. This disturbance helps them attract customers' attention.

2.2.2 Innovation

To enter a red ocean market and win, the company must create a specific demand for its product through innovation or creating a new product or service.

2.2.3. Providing Value

Providing value is an easy-to-win tactic in a red ocean strategy. If consumers get value for their money, they will be attracted. This helps the company grab the consumer base. ((Fahad.2022. n.d:21.)

*Answering the following questions helps businesses enter and win in red ocean market (*Fahad. 2022.nd:22):

What Is the Business's Winning Aspiration?

□ A winning aspiration is a far-sighted, externally focused statement that defines winning ambitiously. It describes who is winning and who is losing objectively.

Where Will the Business Play?

□ This question answers where a company will and will not compete. How Will the Business Win?

□ Offering better value than competitors is an easy way of winning. This requires delivering unique, specific, and defensible advantages that provide superior value.

What Capabilities Do Businesses Need?

□ Capabilities are the skills that businesses need to win in the market.

To adopt the red ocean strategy, the business must identify and utilize its capabilities to succeed in the red ocean markets.

2.3 Pros and cons of ROS

The table below will identify the pros and cons of red ocean strategy:

Cons of ROS	Pros of ROS
• A red ocean strategy focuses on outcompeting rivals, which can lead to a lack of differentiation among products and services. • A red ocean strategy can result in a "race to the bottom" in terms of pricing, quality, and innovation, which can impact profitability. • A focus on competition can lead to a lack of customer focus, which can result in missed opportunities and losing market share. • A red ocean strategy requires a significant investment of time, money, and resources to stay competitive. • A red ocean strategy can lead to a stagnant market with little room for growth or expansion.	• A red ocean strategy provides a clear understanding of the competition, their products, and their strategies. This helps businesses to analyze and improve their offering. • Competition can stimulate innovation and creativity, leading to new products and services that meet the needs of customers more effectively. • The presence of competitors can drive down prices, which can benefit customers. • A red ocean strategy can identify gaps in the market that have not been exploited by competitors. • A red ocean strategy can help businesses to improve their efficiency and reduce costs.

Table 2 : The pros and Cos of red ocean strategy (fahad.2022:3_4)

2.4 Characteristics of Red Ocean strategy

Red ocean strategies have the following characteristics:

- Focus on competing in an existing marketplace.
- Focus on beating the competition in the market.
- Focus on the value/cost trade-off.
- Focus on exploiting the existing demand in the market.
- Focus on performance by implementing better marketing, a lower cost base, etc.

(Parsadi, 2022 :10.)

3. Blue Ocean strategy

3.1. Cirque du soleil: brief history

Cirque du Soleil (French for Circus of the Sun) had evolved as one of the most famous live spectacles and success stories in the history of the entertainment industry. While Cirque du Soleil's various performances had transformed over the years, its traditional elements of imagination, artistic entertainment, spectacle, theatrical storytelling, visual extravaganza, and incredible physical skill had remained at the core of this entertainment giant. ((ISSAM GHAZZAWI, 2019:219)

What started as a troupe of street performers on the streets of Baie-Saint-Paul in Quebec, Canada who named themselves Les Échassiers de Baie-Saint-Paul (French for the Wading birds of Baie-Saint-Paul), has grown into a global entertainment business where its performances have been seen by over 100 million spectators in nearly 300 cities worldwide. The performers toured the Canadian province of Quebec in the 1980s as a performing theatre troupe. Les Échassiers encountered financial setbacks that were relieved in 1983 when the government of Quebec extended a grant to the troupe as part of its 450th anniversary celebrations of Jacques Cartier's discovery of Canada. In less than 30 years, the company had over 5,000 employees worldwide, including more than 1,000 artists and redefined the circus industry. The company has integrated street entertainment, eccentric costumes, and cabaret through worldly performers into artistic shows that have won the hearts of the millions of spectators worldwide. (Martinelli & Palladini, 2014:5), Steam calliopes, horse drawn wagons, exotic animals, elephants, troupes, and clowns paraded into town. Each of these built excitement and anticipation leading to the Big Top where the ringmaster skillfully bellowed "Ladies and Gentlemen, Children of all Ages. Welcome to the Greatest Show on Earth! The circus is about to begin!" Indeed, the circus has been a delight for many generations. Lifelong circus lover Ernest Hemingway claimed, "The circus is the only ageless delight that you can buy for money. Everything else is supposed to be bad for you. But the circus is good for you. It's the only spectacle I know that, while you watch it, gives the quality of a truly happy dream". For more than 200 years, Europe and the Americas have had a passion for the circus. As a spectacle, the circus was much more than vaudeville, medicine, minstrel, or variety shows; it was a menagerie of entertainment including elements of theater, ballet, music, opera, and art. (Ghazzawi, 2014:12)

Cirque du Soleil is an organization that is unwilling to compromise quality or artistic integrity; therefore, the company does not outsource any activity regarding the creation

and development of a particular show. They are responsible for funding, designing,

creating costumes, recruiting and training performers. These artists are drawn to Cirque du Soleil without the promise of having their own show, but with the possibility to be part of a multicultural, high quality and big scale production where they can set a career and have artistic guidance. (Morimura et al. 2011:32)

Cirque du Soleil succeeded because it realized that to win in the future, companies must stop competing. The only way to beat the competition is to stop trying to beat the competition. (W. Chan Kim and Renée Mauborgne.,2005:4)

3.2 Blue Ocean strategy definition

Blue oceans, in contrast, are defined by untapped market space, demand creation, and the opportunity for highly profitable growth. Although some blue oceans are created well beyond existing industry boundaries, most are created from within red oceans by expanding existing industry boundaries. In blue oceans, competition is irrelevant because the rules of the game are waiting to be set. The term "blue ocean" is an analogy to describe the wider potential of market space that is vast, deep, and not yet explored. (Chan Kim Renée Mauborgne et al., 2005:106)

Blue Ocean means healthy competitive environment. In this type you will focus on your consumer market and try to win them instead of using your all knowledge and resources to fight with other rivals. In the blue ocean there is competition too, but rules are different. You do not use any tricky way but try to get all opportunities and innovative sides of businesses to create yours. You will create everything considering your own opportunities and knowledge, as a result you will give it to consumers and try to make them "like" it. (F. A, 2022:2)

Blue Ocean, there is a concept named "Value innovation", which questions the traditional thought of the substituting relationship to Value-Cost. Value innovation occurs in a place, in which the company's measures and managerial decisions lead to both improving the cost structure and increasing the value available to the buyers. (Tabari et al., 2014:1612)

The blue ocean strategy enables companies to achieve their goals and apply their strategies. Through the latter strategy, customers are provided with value and good offers. In contrast to the red ocean strategy, the blue ocean strategy makes the competition irrelevant. It aims to achieve differentiation and low cost simultaneously. It also aims to create an uncontested marketplace that companies cannot compete in. In addition, it aims to break the value cost trade off. It aims at aligning the company's activities in accordance with the cost reduction strategy. That should be done to achieve differentiation. (Ali Al Qudah & Hashem, 2018:110)

The blue ocean strategy as industries that are not available in the markets, and it deals with the unknown market space that has not yet been discovered, the competitors have not reached to it and the competition game has not yet been established (Maswadeh, 2022:497)

Blue Ocean Strategy is identified as a market for a product or service in which it is minimal or no competition. This strategy is designed to find opportunities where very few businesses are in each sector, and there is no pricing pressure. In a business world where companies try to outperform their competitors through various advertising, pricing, and other tactics, a Blue Ocean strategy takes a different approach to market and survive. (Išoraitė & Alperytė, 2022:241)

Blue ocean strategy is the creation of a new market space with smaller or absolutely no participants by excelling on critical success factors of a market. Any market has its own specific critical success factors that are minimal requirements to meet to be able to operate in a chosen market or being able to compete with the existing competitors. (Mokhinur, 2022:450)

BOS is a theory which gives permission to think and invent innovation for their future business and help the company supporting by financial, economic segments. (Rahman & Choudhury.,2019:92)

BOS is defined as both offering unique customer value (through value innovation) and at the same time cost reduction. Although, one can argue that this is indeed a hybrid approach according to Porter's generic strategies, the catalytic difference is the creation of a new market. (Christodoulou & Langley, 2020:3)

Blue ocean strategy is a term in the science of strategic management that refers to a strategy to create new markets that have not been filled with intense competition. This is done by creating and reaching new demands that have not been considered by competitors. Blue ocean strategy is basically a strategy to conquer competitors by offering innovative product features, and so far, been ignored by competitors. (Sari et al., 2023:384)

The blue oceans stand for completely new and undiscovered markets and opportunities with new value creations, new customer bases and no competition. Demand is created, growth is profitable and rapid, competition is irrelevant, rules of the game are not set, wide deep potential of market space that is not yet explored, "blue ocean" = vast, deep, powerful, in terms of profitable growth, and infinite. (Kabukin., 2014:14)

Blue Ocean Strategy (BOS) is defined as a creative strive where the competitors explore, create and procure novel markets, rather than competing with one another enduring in the same market, by catering to new demands through the effective use of value innovation.

(Professor of Commerce & Krishna, 2018:73)

BOS can be identified via the following characteristics:

1. Using management buzzword, which enables authority to claim, action, and responsibility displace,

2. Performance enhancer, meaning it can be used to increase organizational performance; andlastly

3. Having the interpretive room, where everyone tends to interpret the BOS in regard to their respective point of view. (Yunus, 2021:1)

The Blue Ocean Strategy focuses on strategic movement itself as the true source of innovation, at variance of the traditional strategic approach which focuses on the organization as a source of excellence, so the strategic movement in view of Blue Ocean Strategy represents the outstanding performance source, which includes activities and administrative decisions aimed at crystallizing that performance and developing a large business project, leading to create a new blue ocean, which has led to the emergence of new areas in the market, these areas have ability to generate innovation and new space in the market.(Hersh & Abusaleem, 2016:2)

Through the above, the researcher defines the blue ocean strategy as a generic combination of challenge, art, risk, creation, innovation, creativity, excellence, and imagination "to see what competitors can't see". BOS represents the clear water that aims to break the value-cost trade-off by offering a unique customer value and at the same time cost reduction and creating uncontested market space where the rule of the game is waiting to be set and make the competition irrelevant to achieve high profitable growth, outstanding performance, and differentiation.

3.4 Red Ocean strategy versus Blue Ocean strategy

Below summarizes the different features of market transfiguration and views on the competition, cost and value creation in the Red Ocean and the Blue Ocean development

Table 3 Red Ocean strategy vs blue ocean strategy

Red ocean strategy	Blue ocean strategy
Compete in existing market space	Create uncontested market space
Beat the competition	Make the competition irrelevant
Exploit existing demand	Create and capture new demand
Make the value-cost trade-off	Break the value-cost trade-off
Align the whole system of a firm's activities with its strategic choice of differentiation or low cost	Align the whole system of a firm's activities in pursuit of differentiation and low cost

Source: (Kim and Mauborgne ,2005:5)

The table above shows how two oceans are different, also how red ocean resembles the traditional competing strategy. Aim of the blue ocean strategy is simple. Avoiding from classic competition and creating high value with low prices, which led that company no old competitive environment because, the blue ocean strategy is based on value innovation. Value innovation is not a competitive advantage, but something that makes competition simply unnecessary due to the company reaching a whole new level. In contrast to the classical competitive approach, to use the strategy of innovation of value, it is not necessary to choose between low costs and high value. This strategy allows you to simultaneously create high value at low cost. The most advantage in the blue ocean is to get high level without extra or excessive expenditure on competition. (F. A 2022:2)

3.4 Analytical Tools and Frameworks

3.4.1 The Blue Ocean Paradox

The best way to describe the attractiveness of the blue oceans is to analyze the Blue Ocean Paradox, shown up by Kim and Mauborgne during a study in 2005. The result of the study showed that only 14% of all studied business launches were made within the Blue Ocean markets, but these 14% achieved 38% revenue impact and about 62% of profit impact. Compared to the majority of 86% business launches in red oceans, which were able to get 39% of the total profit impact (Kabukin n.d.:16). These statements can be also found in Figure 1 below:

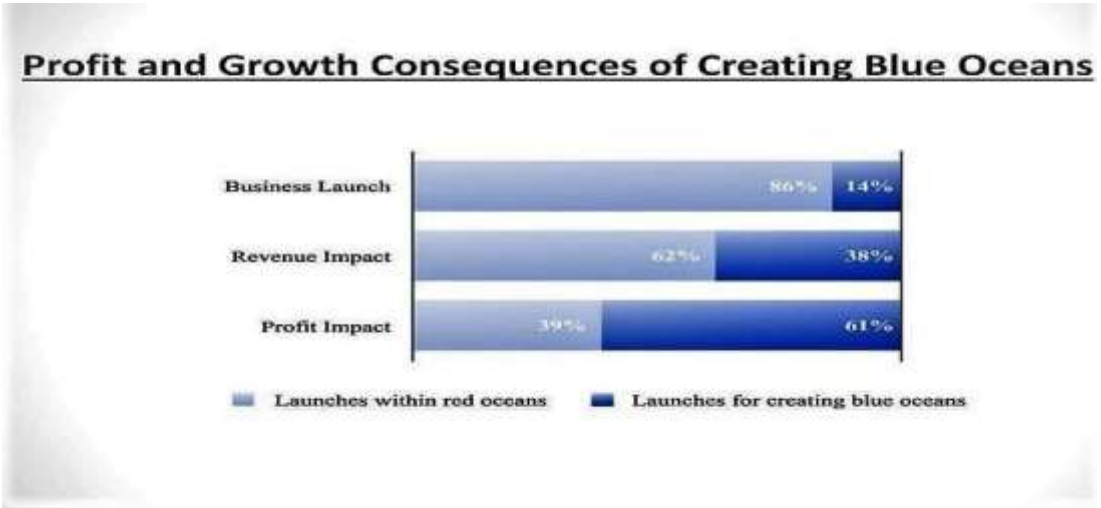


Figure 5: Profit and growth consequences of creating blue oceans.(Chan Kim, and Mauborgne. 2005:10)

This paradox seems to be very appealing, especially for businessmen, who are always looking for ways to increase their revenues and profits. Stress in their papers about the

Blue Ocean Strategy is perpetual that companies must stop competing. The reason for this is at the present technological stage the shrinking market spaces, and the supply is overtaking demand due to globalization. More and more companies join the existing markets, and the competition is made on minimizing cost basis with falling prices as a result but competing on price cannot be a long-term solution.

3.4.2 The Strategy Canvas

The strategy canvas is both a diagnostic and an action framework for building a compelling blue ocean strategy. It serves two purposes. First, it captures the current state of play in the known market space. This allows you to understand where the competition is currently investing, the factors the industry currently competes on in products, service, and delivery, and what customers receive from the existing competitive offerings on the market. (Barr. nd:3)

The strategy canvas has three things. First, it shows the strategic profile of an industry by depicting very clearly the factors (and the possible future factors) that affect competition among industry players. Second, it shows the strategic profile of current and potential competitors, identifying which factors they invest in strategically. Finally, it shows the company's strategic profile - or value curve -depicting how it invests in the factors of competition and how it might invest in them in the future. When a company's value curve zigzags, it signals that the company does not have a coherent strategy. (Tabari et al. 2014:1613)

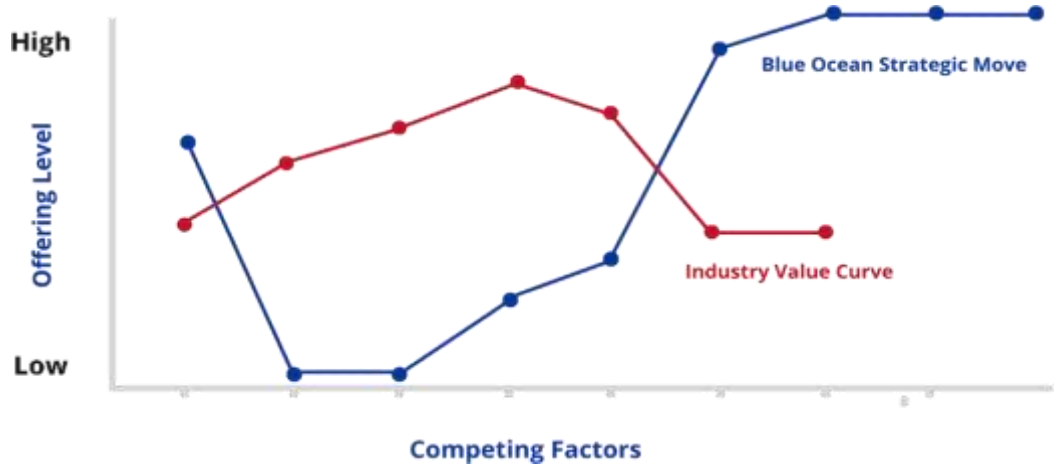


Figure 6: The strategy canvas.(w.chan kim and Reneé Mauborgne n.d.)

The horizontal axis on the strategy canvas captures the range of factors that an industry competes on and invests in, while the vertical axis captures the offering level that buyers receive across all of these key competing factors. (What is Blue Ocean Strategy n.d.)

3.4.3 BOS Framework (ERRC)

Kim and Mauborgne stated that eliminate, reduce, create, and raise are four measures to create value innovation for clients and organizations. Comparatively, in the current red ocean strategy (ROS) industry, the rivalry is concentrated. (Rahman and Choudhury.2019:53)

The four actions framework:

- Which of the factors that the industry takes for granted should be eliminated?
- Which factors should be reduced well below the industry's standard?
- Which factors should be raised well above the industry's standard?
- Which factors should be created that the industry never offered?

Barr stated that:

- The first question forces you to consider eliminating factors that companies in your industry have long competed on.
- The second question forces you to determine whether products or services have been over designed in the race to match and beat the competition. Here, companies over-serve customers, increasing their cost structure for no gain.
- The third question pushes you to uncover and eliminate the compromises your industry forces customers to make.
- The fourth question helps you to discover entirely new sources of value for buyers and to create new demand and shift the strategic pricing of the industry.
- When you apply the four actions framework to the strategy canvas of your industry, you get a revealing new look at old perceived truths. (Barr n.d:3.)

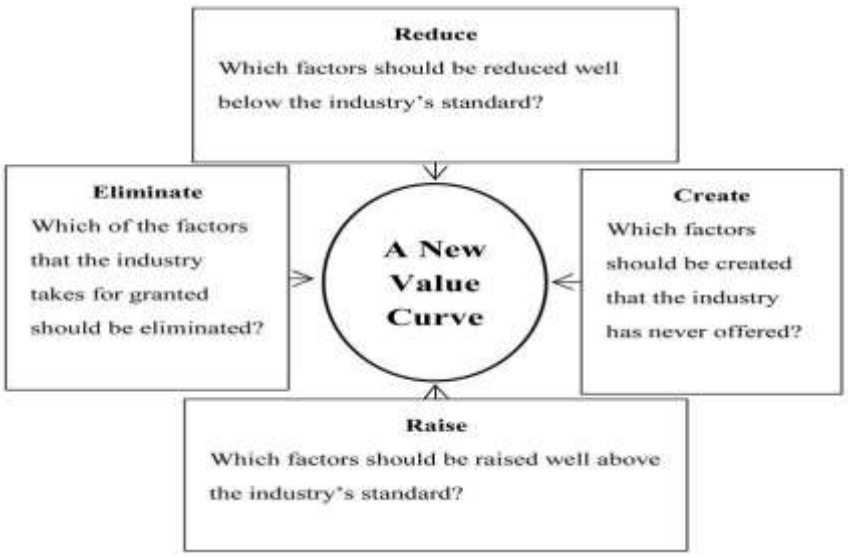


Figure 7: BOS framework.(Chan Kim Renée Mauborgne, 2005)

3.4.3.1 Eliminate: Scrap unnecessary features

This dimension is intended to exclude all activities, processes, products, and services that are not necessary for the operation of Production, marketing, and customer service, considering that the survival of these activities and operations contributes to inflating the final cost without a platform, thereby reducing the profits of the enterprise.(soumia.2023:33) .The organization should create new value and think carefully about excluding the factors around which organizations have competed in previous periods(Hassan, Salman, and Hawas .,2022:1491.).

3.4.3.2 Reduce: Cut back on other needed features

Soumia mentioned that it expresses the set of factors that the enterprise should reduce, due to which it is below the average Industry, or that product services are excessively outstripped in the race to match the competitors won here, where the enterprise is overspending on customers and its cost structure is increasing without profit.(soumia.2023:33). An organization that seeks to create a blue ocean should seriously consider the activities that it overestimated in various areas, such as product design, that contributed to the increase in costs. (Hassan, Salman, and Hawas .2022:1491)

3.4.3.3 Raise: Increase traditionally low features

Raise factors are those that raise gauging parameters of a project well above industry standards by coming up with the strategy of design. Using this strategy ergonomics is taken into consideration especially for older generations, keeping in mind the medical conditions of the individuals by usage of anti-slipping tiles in the bathroom, keeping the switchboard in a certain elevation so that not much effort is wasted in operating the same, and such other subtle modifications. (Chatterjee. 2017:15)

3.4.3.4 Create: Identify new dimensions to compete on

The organization's implementation of the previous stages allows it to discover entirely new sources of customer value, to create new demand and to modify the strategies followed. (Hassan, Salman, and Hawas .2022:1491.). Soumia mentioned that it Helps you discover completely new sources of value for buyers and create new demand and the strategic pricing transformation of this industry, through the introduction of new factors in the industry aimed at creating Demand and value creation. (Soumia.,2023:33_34)

Bajor state that:

- The goal of the “eliminate” factor is to cut costs used for competition and which are impact less.
- The goal of the “reduce” factor is to limit the product and services to those which

are “successful”. Companies do not need to focus on products which are not working and costing money just to have a larger ranger.

- The goal of the “raise” factor is to understand what the customers’ standards are and go upon them to make them more than just satisfied.
- The goal of the “create” factor is to find what will create a new demand/market.

These entire factors combine will lead a company to create a blue ocean (Bjorn,.2011:30.).

3.4.4 Value innovation

The term of “innovation “refers to major or minor changes in mentality, objects, processes or services. The phenomenon of “innovation “, as new ways is known to create value and is as life - saving blood which boiled in the veins of organizations that are looking to grow and survive and develop of their products and services. Innovation has a vital role for gaining competitive advantage and the company's long - term success. (Alam and Islam 2017) innovation can be defined as a new way of doing things that is commercialized. (The sustainability of the blue ocean strategy n.d.) Value innovation is the cornerstone of blue ocean strategy. The authors call it value innovation because instead of focusing on beating the competition, you focus on making the competition irrelevant by creating a leap in value for buyers and your company, thereby opening up new and uncontested market space.(Barr n.d.)value innovation is achieved only when the whole system of utility, price, and cost is aligned..(What is Blue Ocean Strategy | n.d.) Value innovation is achieved using two economic laws of increasing marginal utility and decreasing marginal cost that confirm the perfect integration of high utility with low cost. (Alam and Islam 2017:6)



Figure 8: The value innovation .(w. chan kim and Reneé Mauborgne n.d.)

Buyer value is lifted by raising and creating elements the industry has never offered.

Cost savings are made by eliminating and reducing the factors an industry competes on.

Value innovation places equal emphasis on value and innovation. Value without innovation tends to focus on value creation on an incremental scale, something that improves value but is not sufficient to make you stand out in the marketplace.

Innovation without value tends to be technology-driven, market-pioneering, or futuristic, often shooting beyond what buyers are ready to accept and pay for. Value innovation defies one of the most accepted dogmas of competition-based strategy: the value-cost trade-off. It is conventionally believed that companies can create greater value to customers at a higher cost or create reasonable value at a lower cost. (What is Blue Ocean Strategy n.d.)

3.4.5 LEADERSHIP CANVAS

Leadership Canvas is a central, analytic tool of Blue Ocean Leadership. It gives managers a concrete, visual framework to draw a clear picture of the current leadership reality at various levels in an organization and to understand the way employees experience leadership and where leadership may be falling short. It allows them to develop a new, effective blue ocean leadership profile that releases unrealized talent and energy of employees and lifts individual and organizational performance. (What is Blue Ocean Strategy n.d.)

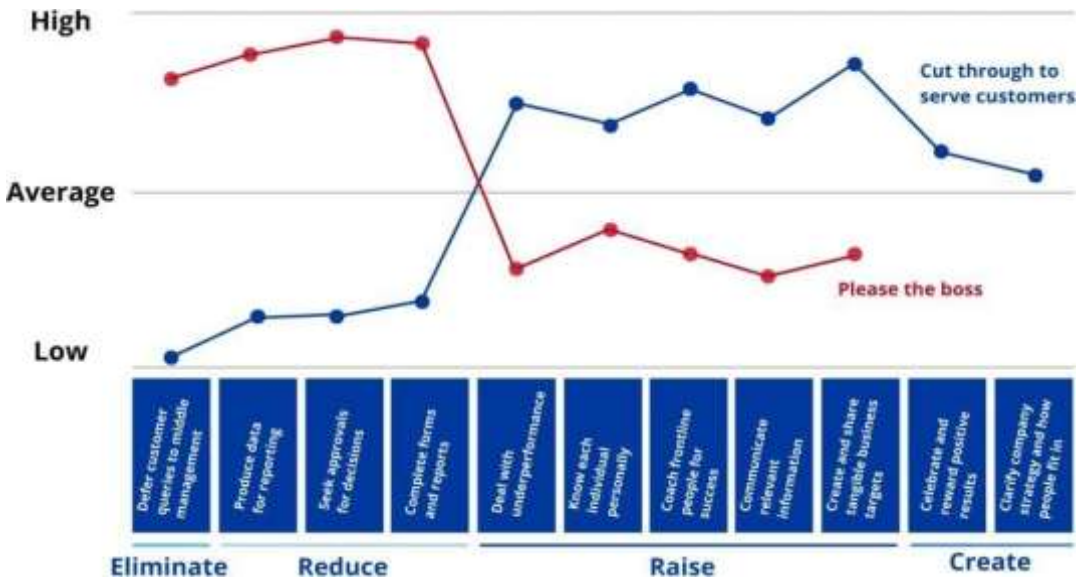


Figure 9: Leadership canvas. (w.chan kim and Reneé Mauborgne n.d.)

Start by listing key leadership acts and activities along the horizontal axis and plotting leaders' investment of time and effort in each activity across the vertical axis. The big picture will give you keen insight into your current leadership reality and unlock your creativity to develop a new effective leadership profile for the future. To help leaders focus on what really matters, the tool requires 10 to 15 key leadership acts and activities to be listed across the horizontal axis. The cap of 10 to 15 prevents the canvas from becoming a statement of everything and nothing. (What is Blue Ocean Strategy n.d.)

3.5 The six Principles of Blue Ocean Strategy



Figure 10: The six principles of blue ocean strategy .(w. Chan Kim and Reneé Mauborgne n.d.)

3.5.1 Formulation principles

3.5.1.1 Reconstruct market boundaries

The first principle of blue ocean strategy is to reconstruct market boundaries to break from the competition and create blue oceans. This principle addresses the search risk many companies struggle with. The challenge is to successfully identify, out of the haystack of possibilities that exist, commercially compelling blue ocean opportunities. (Barr n.d.:5) Hersh and Abusaleem mentioned that this principle identifies the paths by which managers can systematically create uncontested market space across diverse industry domains, hence attenuating search risk. Using a Six Paths framework, it teaches companies how to make

the competition irrelevant by looking across the six conventional boundaries of competition to open commercially important blue oceans. (Hersh & Abusaleem, 2016:4)

Aly mentioned that it redefines the market boundaries out of competition and addresses the risks faced by companies to determine the strategy that the company will implement through six tracks:

- Follow-up similar organizations and try to be the best within it.
- Follow-up industries by focusing on strategic groups such as cars (luxury - economic - family).
- Focus on the desires and needs of the consumer group.
- Identify the range of products and services in similar industries.
- Approval of the career and emotional orientation of the sector.
- Track time changes and competitive threats. (Aly, n.d.2019:160)



Figure 11: Reconstruct market boundaries.:w.chan Kim and Reneé Mauborgne n.d.)

Papazov stated that each of these six paths has its own characteristics and can be described as follows:

- **3.5.1.1.1 *The first path:* Look Across Alternative Industries**

Looking across alternative industries (products). The focus is placed on analyzing alternative products and services and namely those, which have different functions and forms but are subject to the same goal. (Papazov and Mihaylova. 2016:106) Products or services that have different forms but offer the same functionality or core utility are often substitutes for each other. On the other hand, alternatives include products or services that have different functions and forms but the same purpose (Barr n.d:5.)

- **3.5.1.1.2 *The second path:* Look Across Strategic Groups Within Industries**

The analysis is oriented towards a group of companies in the same industry, which follow the same strategy. Some similarities can stem from the cost side of the way the companies are performing. (Papazov and Mihaylova 2016:106)

Strategic groups can generally be ranked in a rough hierarchical order built on two dimensions: price and performance. Each jump in price tends to bring a corresponding jump in some dimensions of performance. Most companies focus on improving their competitive position within a strategic group. The key to creating a blue ocean across existing strategic groups are to break out of this narrow tunnel vision by understanding which factors determine customers' decisions to trade up or down from one group to another. (Barr n.d:5)

- **3.5.1.1.3 *The third path:* Look Across the Chain of Buyers**

The chain of buyers includes not only the direct purchasers, but also those who can influence the consumer choice decisions. Clients for a medicine constitute a good example: they are direct purchasers in the drug stores, but their decisions are influenced by doctors. (Papazov and Mihaylova. 2016:106) Many industries afford similar opportunities to create blue oceans. By questioning conventional definitions of who can and should be the target buyer, companies can often see fundamentally new ways to unlock value. (Barr n.d:5)

- **3.5.1.1.4 *The fourth path*: Look Across Complementary Product and Service Offerings**

The idea is to bear in mind that products and services have potential untapped value. In this connection, SMEs must explore what happens before, during, and after the use of their products or services. (Papazov and Mihaylova 2016:106) Few products and services are used in a vacuum. In most cases, other products and services affect their value. But in most industries, rivals converge within the bounds of their industry's product and service offerings (Barr n.d:5)

- ***3.5.1.1.5 The fifth path:* Look Across Functional or Emotional Appeal to Buyers**

Looking across functional or emotional appeal to buyers. In the effort to create a functional and emotional appeal for their products, companies often find new market space. Emotionally oriented companies offer usually features that increase cost without improving functionality. Removal of these extras could create a simpler, inexpensive, and lower-cost product. (Papazov and Mihaylova 2016:106)

- ***3.5.1.1.6 The sixth path*: Look Across Time**

Most companies adapt incrementally and somewhat passively as events unfold. They pace their own actions to keep up with the development of the trends they are tracking. But key insightsinto blue ocean strategy rarely come from projecting the trend itself. Instead, they arise from business insights into how the trend will change value to customers and impact the company's business model. By looking across time—from the value a market delivers today to the value it might

deliver

tomorrow— managers can actively shape their future and lay claim to a new blue ocean. Three principles are critical to assessing trends across time. To form the basis of a blue ocean strategy, these trends must be decisive to your business, they must be irreversible, and they must have a clear trajectory. (Barr n.d:7.)

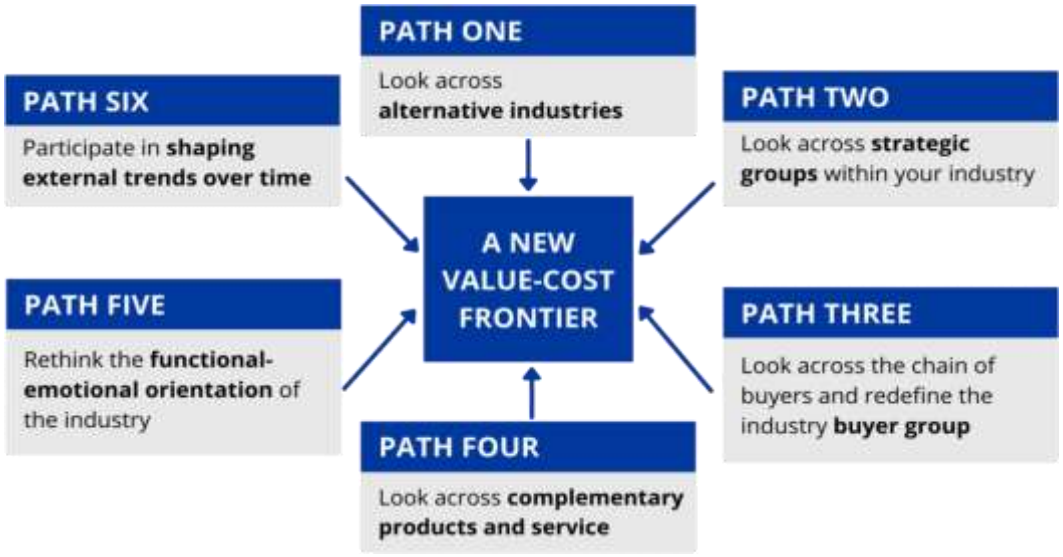


Figure 12: The six paths.(Chan Kim, and Mauborgne 2005b)

3.5.1.1.7 Conceiving New Market Space

The process of discovering and creating blue oceans is not about predicting or preempting industry trends. Rather, managers are engaged in a structured process of reordering market realities in a fundamentally new way. Through reconstructing market elements across industry and market boundaries, they will be able to free themselves from head-to-head competition in the red ocean. (Barr n.d:7)

3.5.1.2 Focus on the big picture, not the numbers

This principle, which addresses planning risk, presents an alternative to the existing strategic planning process, which is often criticized as a number-crunching exercise that keeps companies locked into making incremental improvements. Using a visualizing approach that drives managers to focus on the big picture, this principle proposes a four-step planning process for strategies that create and capture blue ocean opportunities. (Hersh & Abusaleem, 2016:4)

This means that companies focus on the full picture of current industry conditions and the existing competitive situation, rather than focusing on figures and operational data that may lead to the loss of the company's main objective between the large numbers and data. Managers must develop a corporate image by thinking out of the box out of competition and exploring opportunities. (Aly, n.d.2019:160)

The principle proposes a visual four step plan for creating and capturing blue oceans. The focusing on the big picture also can be seen as an alternative to the existing strategic planning process. (Kabukin n.d.:30)

3.5.1.2.1 Focus on the big picture

By building a company's strategic planning process around a strategy canvas, a company and its managers focus their main attention on the big picture rather than becoming immersed in numbers and jargon and getting caught up in operational details. Drawing a strategy canvas does three things. First, it shows the strategic profile of an industry by depicting very clearly the factors (and the possible future factors) that affect competition among industry players. Second, it shows the strategic profile of current and potential competitors, identifying which factors they invest in strategically. Finally, it shows the company's strategic profile—or value curve—depicting how it invests in the factors of competition and how it might invest in them in the future. (Barr n.d.:8)

3.5.1.2.2 Draw your strategy canvas

Bar mentioned that the process, which builds on the six paths of creating blue oceans and involves a lot of visual stimulation in order to unlock people's creativity, (Barr n.d:8.) has four major steps:

Table 4: Strategy canvas.(w.chan kim and Reneé Mauborgne .2005:84.)

1.visual Awakening	2. visual Exploration	3.visual strategy Fair	4.visual Communication
• Compare your business with your competitors by drawing your" as is" strategy canvas. • See where your strategy needs to change.	• Go into the field to explore the six paths to creating blue oceans. • Observe the distinctive advantages of alternative products and services.	• Draw your "to be strategy canvas based on insights from field observations. • Get feedback on alternative strategy canvases from customers, competitors' customers, and noncustomers. • Use feedback to build the	• Distribute your before-and-after strategic profiles on one page for easy comparison. • Support only those projects and operational moves that allow your company to close the gaps
	• See which factors you should eliminate, create or change.	• best "to be" future strategy.	• actualize the new strategy.

- *Step 1: Visual awakening*

Compare your own business with your competitors and see where your business

strategy needs to be changed. (Kabukin n.d:31.) The pictures can clearly reveal defects in the company's strategy and highlight contradictions, trying to draw the strategy canvases makes a stronger case for change than any argument based on numbers and words could do. This creates a strong desire in top management to seriously re-think the company's current strategy. (Barr n.d:8.)

- *Step 2: Visual exploration*

The next step is to send a team into the field, putting managers face-to-face with what they must make sense of: how people use or do not use their products or services. (Barr n.d:8) Explore the six paths to create blue oceans. Observe clear advantages of alternative products. Define which of the factors should be eliminated, created or changed. (Kabukin n.d.:31)

Bar mentioned that the company should never outsource its eyes. There is simply no substitute for seeing for yourself.

The first port of call should be the customers. But you should not stop there. You should also go after noncustomers. And when the customer is not the same as the user, you need to extend your observations to the users. You should not only talk to these people but also watch them in action. Identifying the array of complementary products and services that are consumed alongside your own may give your insight into bundling opportunities.

For each visual strategy, the teams also must write a compelling tagline that captures the essence of the strategy and speaks directly to buyers. (Barr n.d.:8_9)

- *Step 3: Visual strategy fair*

Create your unique business strategy based on field observations. Collect feedback on alternatives from customers, competitors' customers and non-customers. Benefit from the feedback to design the best future strategy for the company. (Kabukin n.d.:31)

- *Step 4: Visual communication*

Represent all created "best future strategies" each on not more than one page. Compare the strategies, chose the one that allows the company to close the gaps to actualize the new Blue Ocean Strategy. (Kabukin n.d:31.) After the future strategy is set, the last step is to communicate it in a way that can be easily understood by any employee.(Barr n.d.:9)

3.5.1.2.3 Visualizing Strategy at the Corporate Level

Visualizing strategy can also greatly inform the dialogue among individual business units and the corporate center in transforming a company from a red ocean to a blue ocean player. When business units present their strategy canvases to one another, they deepen their understanding of the other businesses in the corporate portfolio. Moreover, the

process also fosters the transfer of strategic best practices across units.(Barr n.d:9.)

3.5.1.2.3 Using the Pioneer-Migrator-Settler (PMS) Map

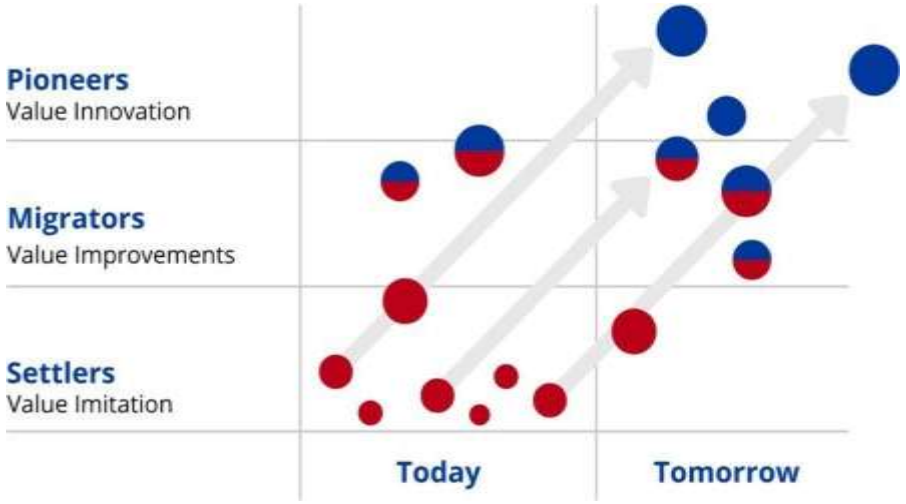


Figure 13: The pioneer Migrator-settler Map.:w. Chan kim and Reneé Mauborgne n.d.)

Visualizing strategy can also help managers responsible for corporate strategy predict and plan the company's future growth and profit. All the companies that created blue oceans in our study have been pioneers in their industries, not necessarily in developing new technologies but in pushing the value they offer customers to new frontiers.

Extending the pioneer metaphor can provide a useful way of talking about the growth potential of current and future businesses. (w. Chan kim and Reneé Mauborgne .2005:96) The potential of migrators lies somewhere in between. Such businesses extend the industry's curve by giving customers more for less, but they do not alter its basic shape. These businesses offer improved value, but not innovative value. These are businesses whose strategies fall on the margin between red oceans and blue oceans. (Barr n.d:10)

3.5.1.2.5 Overcoming the Limitations of Strategic Planning

Building the process around a picture address many of managers' discontents with existing strategic planning and yields much better results. Drawing a strategy canvas and a PMS map is not, of course, the only part of the strategic planning process. At some stage, numbers and documents must be compiled and discussed. But the details will fall into place more easily if managers start with the big picture of how to break away from the competition. The methods of visualizing strategy proposed here will put strategy back into strategic planning, and they will greatly improve your chances of creating a blue ocean.

(Barr n.d.:10)

3.5.1.3 Reach Beyond Existing Demand

To create the greatest market of new demand, managers must challenge the conventional practice of aiming for finer segmentation to better meet existing customer preferences, which often results increasingly small target markets. Instead, this principle, which addresses scale risk, states the importance of aggregating demand, not by focusing on the differences that separate customers but rather by building on the powerful commonalities across noncustomers. (Hersh & Abusaleem, 2016:4) This principle focuses on how to maximize the size of the blue ocean that has been created, thinking about products that meet the desires and needs of potential customers, to attract new customers who have not existed before. With a focus on differences in consumer needs through more precise market specialization and segmentation, to reach beyond current demand. (Aly,2019:160.)

3.5.1.3.1 The Three Tiers of Noncustomers

Although the universe of noncustomers typically offers big blue ocean opportunities, few companies have keen insight into who noncustomers are and how to unlock them. To convert this huge latent demand into real demand in the form of thriving new customers, companies need to deepen their understanding of the universe of noncustomers. (w.chan kim and Reneé Mauborgne .2005:103.) There are three tiers of noncustomers that can be transformed into customers. They differ in their relative distance from your market. (Barr n.d.:10)

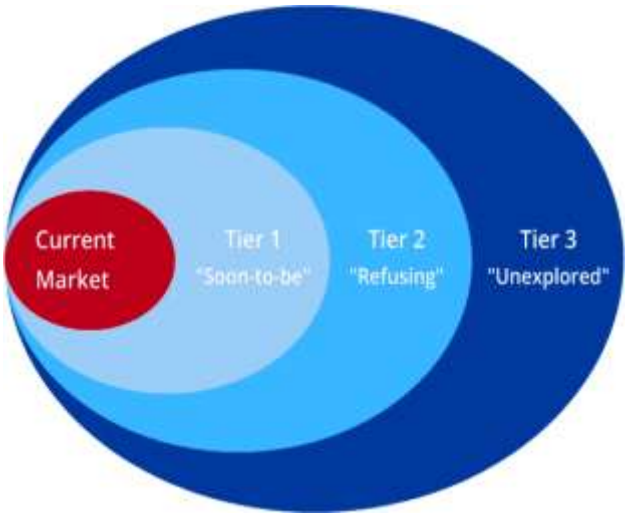


Figure 14: Represent the Three Tiers of noncustomers.(w.chan kim and Reneé Mauborgne .2005:104.)

The Three Tiers of Noncustomers

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First -Tier Noncustomers

These soon-to-be noncustomers are those who minimally use the current market offerings to get by as they search for something better. Upon finding any better alternative, they will eagerly jump ship. In this sense, they sit on the edge of the market. A market becomes stagnant and develops a growth problem as the number of soon-to-be noncustomers increases. Yet locked within these first-tier noncustomers is an ocean of untapped demand waiting to be released. (w.chan kim and Reneé Mauborgne .2005:106.)

Second-Tier Noncustomers

These are refusing noncustomers, people who either do not use or cannot afford to use the current market offerings because they find the offerings unacceptable or beyond their means. Their needs are either dealt with by other means or ignored. Harboring within refusing noncustomers, however, is an ocean of untapped demand waiting to be released. (Barr n.d:11.)

Third-Tier Noncustomers

The third tier of noncustomers is the farthest away from an industry's existing customers. Typically, these unexplored noncustomers have not been targeted or thought of as potential customers by any player in the industry. That's because their needs and the business opportunities associated with them have somehow always been assumed to belong to other markets. (w.chan kim and Reneé Mauborgne n2005:109.)

3.5.1.3.2 Go for the Biggest Catchment

There is no hard-and-fast rule to suggest which tier of noncustomers you should focus on and when. Because the scale of blue ocean opportunities that a specific tier of noncustomers can unlock varies across time and industries, you should focus on the tier that represents the biggest catchment at the time. But you should also explore whether there are overlapping commonalities across all three tiers of noncustomers. In that way, you can expand the scope of latent demand you can unleash. When that is the case, you should not focus on a specific tier but instead should look across tiers. The rule here is to

go for the largest catchment. (Barr n.d:11.)

3.5.1.4 Get the strategic sequence right

Get the strategic sequence right and build a strong business model could ensure the blue ocean idea becomes strategy operation, followed by gaining the profit. (Gustafsson n.d:17.) It relates to a solid business model that guarantees a good benefit by using the basic criteria within the context (customer benefit, price, cost, and adaptation). The starting point is the customer's benefit by finding a compelling reason to make most people accept the product or service and setting a price to attract a mass of target customers who pay with conviction for the product or service, thus creating a jump in the net worth of the buyer. (Hassan et al., 2022:1490.) After exploring the blue ocean potential, identify the target consumer sector. The organization must implement the strategies that have been identified in the right order to reach customer expectations and reduce potential risks (Aly, 2019:160.).



Figure 15: get the strategic sequence right,s source:(Chan Kim Renée Mauborgne, Chan Kim, and Mauborgne 2005b:118)

Bar mentioned that:

The starting point is buyer utility. Does your offering unlock exceptional utility? Is there a compelling reason for the mass of people to buy it? Absent this, there is no blue

ocean potential to begin with. Here there are only two options. Park the idea or rethink it until you reach an affirmative answer.

- When you clear the exceptional utility bar, you advance to the second step: setting the right strategic price. Remember, a company does not want to rely solely on price to create demand.
- The key question here is this: Is your offering priced to attract the mass of target buyers so that they have a compelling ability to pay for your offering? If it is not, they cannot buy it. Nor will the offering create irresistible market buzz.
- These first two steps address the revenue side of a company's business model. They ensure that you create a leap in net buyer value, where net buyer value equals the utility buyers receive minus the price, they pay for it.
- Securing the profit side brings us to the third element: cost. Can you produce your offering at the target cost and still earn a healthy profit margin? Can you profit at the strategic price—the price easily accessible to the mass of target buyers? You should not let costs drive prices. Nor should you scale down utility because high costs block your ability to profit at the strategic price. When the target cost cannot be met, you must either forgo the idea because the blue ocean won't be profitable, or you must innovate your business model to hit the target cost.
- The cost side of a company's business model ensures that it creates a leap in value for itself in the form of profit—that is, the price of the offering minus the cost of production. It is the combination of exceptional utility, strategic pricing, and target costing that allows companies to achieve value innovation—a leap in value for both buyers and companies.
- The last step is to address adoption hurdles. What are the adoption hurdles in rolling out your idea? Have you addressed this up front? The formulation of blue ocean strategy is complete only when you can address adoption hurdles in the beginning to ensure the successful actualization of your idea. Adoption hurdles include, for example, potential resistance to the idea by retailers or partners. Because blue ocean strategies represent a significant departure from red oceans, it is key to address adoption hurdles up front. (Barr n.d:12.)

3.5.1.4.1 Testing for Exceptional Utility

- The need to assess the buyer utility of your offering may seem self-evident. Yet many companies fail to deliver exceptional value because they are obsessed by the novelty of their product or service, especially if new technology plays a part in it. (w. Chan kim and Reneé Mauborgne .2005:120.)

3.5.1.4.2 The Six Stages of the Buyer Experience Cycle:

• A buyer's experience can usually be broken into a cycle of six stages, running sequentially from purchase to disposal. Each stage encompasses a wide variety of specific experiences. (w. Chan kim and Reneé Mauborgne .2005:122.)

3.5.1.4.3 The Six Utility Levers:

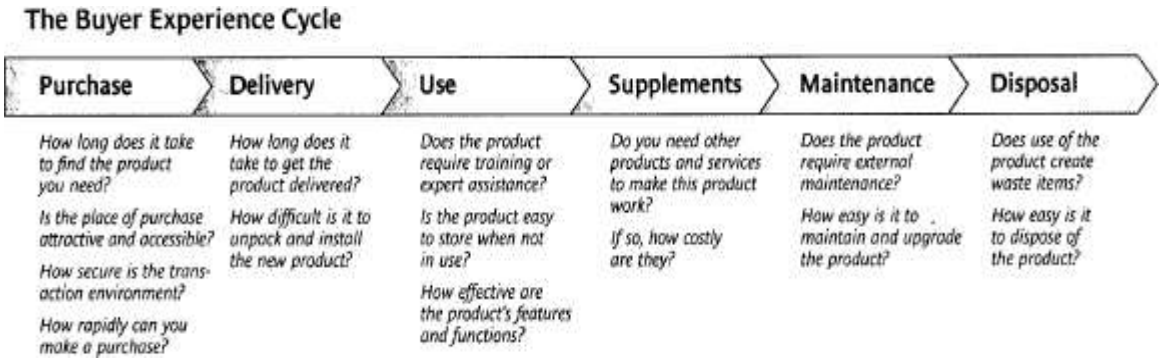


Figure 16: Represent the six utility levers, Source:(w. Chan kim and Reneé Mauborgne .2005:123.)

Cutting across the stages of the buyer's experience are what we call utility levers: the ways in which companies can unlock exceptional utility for buyers. Most of the levers are obvious. Simplicity, fun and image, and environmental friendliness need little explanation. Nor does the idea that a product might reduce a customer's financial, physical, or credibility risks. And a product or service offers convenience simply by being easy to obtain, use, or dispose of. The most used lever is that of customer productivity, in which an offering helps a customer do things faster or better. To test for exceptional utility, companies should check whether their offering has removed the greatest blocks to utility across the entire buyer experience cycle for customers and noncustomers. The greatest blocks to utility often represent the greatest and most pressing opportunities to unlock exceptional value. (w. Chan kim and Reneé Mauborgne .2005:122.)

3.5.1.4. Buyer Utility Map

The Buyer Utility Map helps to get managers thinking from a demand-side perspective. It outlines all the levers companies can pull to deliver exceptional utility to buyers as well as the various experiences buyers can have with a product or service. This mindset helps managers identify the full range of utility spaces that a product or service can potentially fill. (What is Blue Ocean Strategy n.d.)

It has two dimensions: The Buyer Experience Cycle (BEC) and the Utility levers.

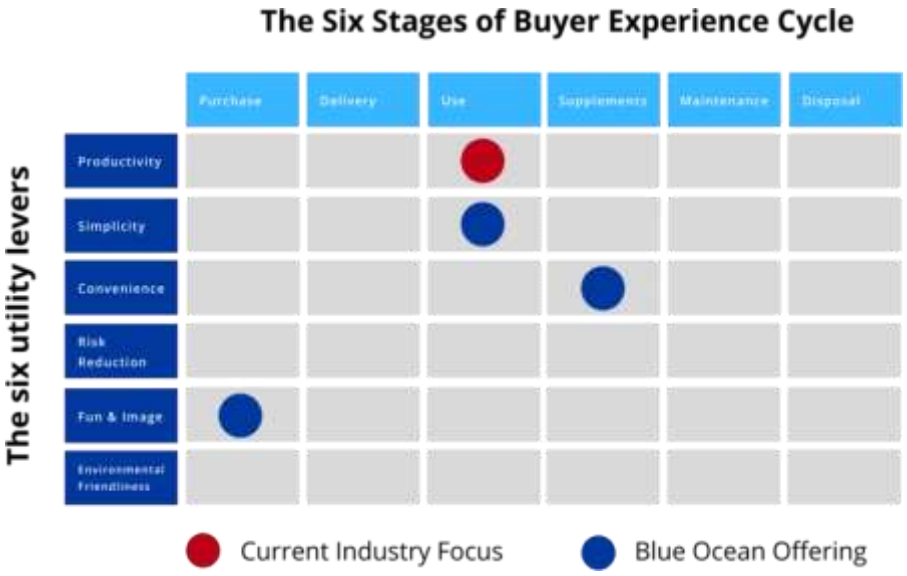


Figure 17: Represent the six stages of buyer experience cycle.(w.chan kim and Reneé Mauborgne n.d.)

The Buyer Experience Cycle (BEC): A buyer's experience can usually be broken into a cycle of six stages, running sequentially from purchase to disposal.

Utility levers: Cutting across the stages of the buyer's experience are what we call utility levers – the ways in which companies unlock utility for their customers.By locating a new offering on one of the spaces of the buyer utility map, managers can clearly see how, and whether, the new idea creates a different utility proposition from existing offerings but also removes the biggest blocks to utility that stand in the way of converting noncustomers into customers. In our experience, managers all too often focus on delivering more of the same stage of the buyer's experience. This approach may be reasonable in emerging industries, where there is plenty of room for improving a company's utility proposition. But in many existing industries, this approach is unlikely to produce a market-shaping blue ocean strategy. (What is Blue Ocean Strategy n.d.)

3.5.1.5 From Exceptional Utility to Strategic Pricing

To secure a strong revenue stream for your offering, you must set the right strategic price. This step ensures that buyers not only will want to buy your offering but also will have a compelling ability to pay for it. It is increasingly important, however, to know from the start what price will quickly capture the mass of target buyers. Companies are discovering that volume generates higher returns than it used to. To a buyer, the value of a product or service may be closely tied to the total number of people using it. People will

not buy a product or service when it is used by few others. As a result of this phenomenon, called network externalities, many products and services are an all-or-nothing proposition: Either you sell millions at once, or you sell nothing at all. The strategic price you set for your offering must not only attract buyers in large numbers but also help you to retain them. The authors have a developed a tool called the price corridor of the mass to help managers find the right price for an irresistible offer, which, by the way, is not necessarily the lowest price. The tool involves two distinct but interrelated steps. (Barr n.d:13)



Figure 18: The price corridor of the mass.(w.chan kim and Reneé Mauborgne .2005:127.)

Step 1: Identify the Price Corridor of the Mass

In setting a price, all companies look first at the products and services that most closely resemble their idea in terms of form. Typically, they look at other products and services within their industries. That is still a necessary exercise, of course, but it is not sufficient to attract new customers. So, the main challenge in determining a strategic price is to understand the price sensitivities of those people who will be comparing the new product or service with a host of very different-looking products and services offered outside the group of traditional competitors. A good way to look outside industry boundaries is to list products and services that fall into two categories: those that take different forms but perform the same function, and those that take different forms and functions but share the same over-arching objective. Different form, same function. Different form and function, same objective. Some companies lure customers from even further away. Listing the groups of alternative products and services allows managers to see the full range of buyers they can poach from other industries as well as from non-industries. Having done this, managers should then graphically plot the price and volume of these alternatives. This approach provides a straightforward way to identify where the mass of target buyers is and what prices these buyers are prepared to pay for the products and services they currently

use. The price bandwidth that captures the largest groups of target buyers is the price corridor of the mass. (Barr n.d:14)

Step2: Specify a Level Within the Price Corridor

The second part of the tool helps managers determine how high a price they can afford to set within the corridor without inviting competition from imitation products or services. That assessment depends on two principal factors.

- First is the degree to which the product or service is protected legally through patents or copyrights.
- Second is the degree to which the company owns some exclusive asset or core capability, such as an expensive production plant, that can block imitation.
- The price corridor of the mass not only signals the strategic pricing zone central to pulling in an ocean of new demand but also signals how you might need to adjust your initial price estimates to achieve this. When your offering passes the test of strategic pricing, you are ready to move to the next step. (Barr n.d:14)

3.5.1.6 From Strategic Pricing to Target Costing

Target costing, the next step in the strategic sequence, addresses the profit side of the business model. (w.chan kim and Reneé Mauborgne 2005:131.) To maximize the profit potential of a blue ocean idea, a company should start with the strategic price and then deduct its desired profit margin from the price to arrive at the target cost. Here, price-minus costing and not cost-plus pricing, is essential if you are to arrive at a cost structure that is both profitable and hard for potential followers to match. When target costing is driven by strategic pricing, however, it is usually aggressive. Part of the challenge of meeting the target cost is addressed in building a strategic profile that has not only divergence but also focus, which makes a company strip out costs. Beyond streamlining operations and introducing cost innovations, a second lever companies can pull to meet their target cost is partnering. In bringing a new product or service to market, many companies mistakenly try to carry out all the production and distribution activities themselves. Sometimes that's because they see the product or service as aa platform for developing new capabilities. Other times it's simply a matter of not considering outside options. (Barr n.d:15)

3.5.1.7 From Utility, Price, and Cost to Adoption

Even an unbeatable business model may not be enough to guarantee the commercial success of a blue ocean idea. Almost by definition, it threatens the status quo, and for that reason it may provoke fear and resistance among a company's three main stakeholders: its

employees, its business partners, and the general public. Before plowing forward and investing in the new idea, the company must first overcome such fears by educating the fearful. (w.chan kim and Reneé Mauborgne 2005:137.)

Employees

Failure to adequately address the concerns of employees about the impact of a new business idea on their livelihoods might be expensive. Before companies go public with an idea, they should make a concerted effort to communicate to employees that they are aware of the threats posed by the execution of the idea. Companies should work with employees to find ways of defusing the threats so that everyone in the company wins, despite shifts in people's roles, responsibilities and reward. (Barr n.d:15)

Business Partners

Potentially even more damaging than employee disaffection is the resistance of partners who fear that their revenue streams or market positions are threatened by a new business idea. (Barr n.d:15.)

The General Public

Opposition to a new business idea can also spread to the general public, especially if the idea is very new and innovative, threatening established social or political norms. (Barr n.d:15.)

3.5.2 Executing Blue Ocean Strategy

3.5.2.1 Overcome Key Organizational Hurdles



Figure 19: The organizational Hurdles to Strategy Execution.(w.chan kim and Reneé Mauborgne 2005:150.)

New strategies often face many organizational obstacles to their implementation.

Therefore, the administration must resolve internal divisions and avoid potential conflicts to ensure that employees support the transitional period in the life of the organization. Organizational obstacles to the organization are moral obstacles, lack of motivation among teams, limited resources and resistance to influential people. (Aly, 2019:161) Once a company has developed a blue ocean strategy with a profitable business model, it must execute it. The challenge of execution exists, of course, for any strategy. Companies, like individuals, often have a tough time translating thought into action whether in red or blue oceans. Compared with red ocean strategy, blue ocean strategy represents a significant departure from the status quo. It hinges on a shift from convergence to divergence in value curves at lower costs. That raises the execution bar.(Barr n.d:15.)

There are four hurdles:

1. The first is cognitive: waking employees up to the need for a strategic shift.
2. The second hurdle is limited resources. The greater the shift in strategy, the greater it is assumed are the resources needed to execute it.
3. Third is motivation.
4. The final hurdle is politics.

3.5.2.1.1 The Pivotal Lever: Disproportionate Influence Factors

Tipping point leadership hinges on the insight that in any organization, fundamental changes can happen quickly when the beliefs and energies of a critical mass of people create an epidemic movement toward an idea. Key to unlocking an epidemic movement is concentration, not diffusion. (w.chan kim and Reneé Mauborgne 2005:150)

3.5.2.1.2 Break Through the Cognitive Hurdle

In many turnarounds and corporate transformations, the hardest battle is simply to make people aware of the need for a strategic shift and to agree on its causes. Tipping point leadership inspires a fast change in mindset that is internally driven of people's own accord. Instead of relying on numbers to tip the cognitive hurdle, they make people experience the need for change in two ways. To break the status quo, employees must come face-to-face with the worst operational problems. Direct experience exercises a disproportionate influence on tipping people's cognitive hurdle fast. Showing the worst reality to your superiors can also shift their mindset fast. A similar approach works to help sensitize superiors to a leader's needs fast. Yet few leaders exploit the power of this rapid wake-up call. Rather they do the opposite. They try to garner support based on numbers case that lack urgency and emotional impetus. Or they try to put forth the most exemplary case of their operational excellence to garner support. Although these alternatives may

work, neither leads to tipping superiors' cognitive hurdle as fast and stunningly as showing the worst. (w.chan kim and Reneé Mauborgne 2005:152)

3.5.2.1.3 Meet with Disgruntled Customers

To tip the cognitive hurdle, not only must you get your managers out of the office to see operational horror, but also you must get them to listen to their most disgruntled customers firsthand. Don't rely on market surveys. (Barr n.d:16)

3.5.2.1.4 Jump the Resource Hurdle

After people in the organization accept the need for a strategic shift and agree on the contours of the new strategy, most leaders are faced with the stark reality of limited resources. Acquiring more resources is often a long, politically charged process. (Barr n.d.:17)

3.5.2.1.5 Jump the Motivational Hurdle

To reach your organization's tipping point and execute blue ocean strategy, you must alert employees to the need for a strategic shift and identify how it can be achieved with limited resources. For a new strategy to become a movement, people must not only recognize what needs to be done, but they must also act on that insight in a sustained and meaningful way.

3.5.2.1.6 Atomize to Get the Organization to Change Itself

The last disproportionate influence factor is atomization. Atomization relates to the framing of the strategic challenge – one of the most subtle and sensitive tasks of the tipping point leader. Unless people believe that the strategic challenge is attainable, the change is not likely to succeed. To make a challenge attainable break it down into bite-size atoms. (w.chan kim and Reneé Mauborgne .2005:180_181.)

3.5.2.1.7 Knock Over the Political Hurdle

Even the best and brightest are regularly eaten alive by politics, intrigue, and plotting. Organizational politics is an inescapable reality of corporate and public life. Even if an organization has reached the tipping point of execution, there exist powerful vested interests that will resist impending changes. (Barr n.d:17.)

3.5.2.1.8 Challenging Conventional Wisdom

The conventional theory of organizational change rests on transforming the mass. Tipping point leadership, by contrast, takes a reverse course. To change the mass, it focuses on transforming the extremes: the people, acts, and activities that exercise a disproportionate influence on performance. By transforming the extremes, tipping point leaders are able to changes the core fast and at low cost to execute their new strategy.

(w.chan kim and Reneé Mauborgne 2005:185.)

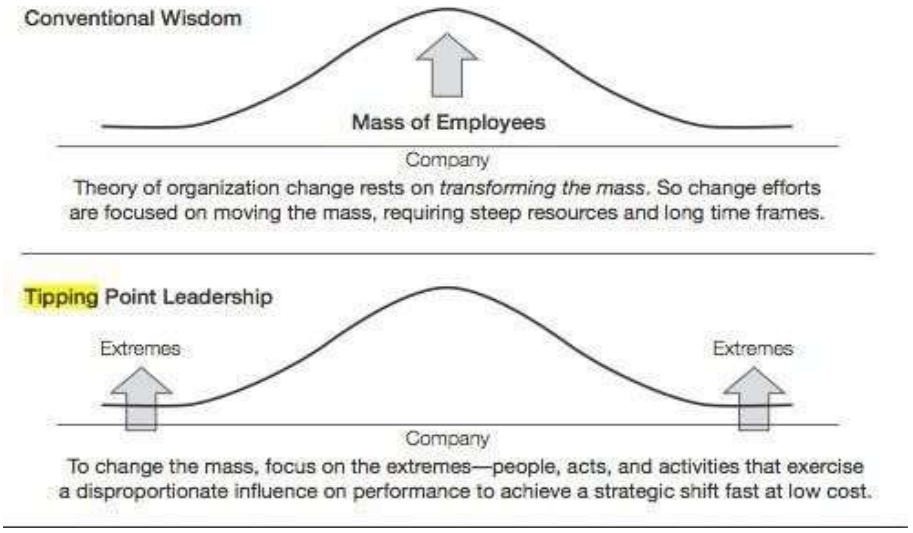


Figure 20: The challenging conventional wisdom. (w.chan kim and Reneé Mauborgne 2005:169)

As shown in figure, the conventional theory of organizational change rests on transforming the mass. So, change efforts are focused on moving the mass, requiring steep resources and long-time frames—luxuries few executives can afford. Tipping point leadership, by contrast, takes a reverse course. To change the mass, it focuses on transforming the extremes: the people, acts, and activities that exercise a disproportionate influence on performance. By transforming the extremes, tipping point leaders can change the core fast and at low cost to execute their new strategy. (w.chan kim and Reneé Mauborgne 2005:168.)

3.5.2.2 Build execution into strategy

This principle introduces fair process to address the management risk associated with people's attitudes and behaviors. Because a blue ocean strategy represents a departure from the status quo, fair process is required to facilitate both strategy making and execution by mobilizing people for the voluntary cooperation needed for execution. By integrating execution into strategy formulation, people are motivated to act. (Hersh & Abusaleem, 2016:4) A company is everyone from the top to the front lines. And it is only when all the members of an organization are aligned around a strategy and support it, for better or for worse, that a company stands apart as a great and consistent executor.

Overcoming the organizational hurdles to strategy execution is an important step toward that end. It removes the roadblocks that can put a halt to even the best strategies. (Barr

n.d:18)

3.2.2.2.1 The Three E Principles of Fair Process

There are three mutually reinforcing elements that define fair process: engagement, explanation, and clarity of expectation. Whether people are senior executives or shop floor employees, they all look to these elements. We call them the three E principles of fair process. (w.chan kim and Reneé Mauborgne 2005:192.)

Engagement

Engagement means involving individuals in the strategic decisions that affect them by soliciting their input and allowing them to refute the merits of one another's ideas and assumptions. Engagement communicates management's respect for individuals and their point of view. The result is better strategic decisions by management and genuine commitment from everyone involved in execution. (What is Blue Ocean Strategy n.d.) Engagement results in better strategic decisions by management and greater commitment from all involved to execute those decisions. (Barr n.d:18.)

Explanation

Explanation means that everyone involved and affected should understand why final strategic decisions are made. An explanation of rationale engenders confidence among employees that managers have considered their opinions and have made decisions impartially in the overall interest of the company, even if their own ideas have been rejected. It also serves as a powerful feedback loop to enhance learning. (What is Blue Ocean Strategy n.d.) An explanation allows employees to trust managers' intentions even if their own ideas have been rejected. It also serves as a powerful feedback loop that enhances learning. (Barr n.d:19)

Expectation Clarity

Expectation clarity requires that after a strategy is set, managers clearly state the new rules of the game. Although the expectations may be demanding, employees know up front the standards by which their work will be judged and the consequences of failure. When people clearly understand expectations, political jockeying and favoritism are minimized, and people can focus on executing the strategy rapidly. (What is Blue Ocean Strategy n.d.)

To achieve fair process, it matters less what the new goals, expectations, and responsibilities are and more that they are clearly understood. When people clearly understand what is expected of them, political jockeying and favoritism are minimized, and people can focus on executing the strategy rapidly. Taken together, these three criteria collectively lead to judgments of fair process. This is important because any subset of the

three does not create judgments of fair process. Fair process matters because it all comes down to intellectual and emotional recognition. (Barr n.d:19)

3.5.2.2.2 Intellectual and Emotional Recognition Theory

Using fair process in strategy making is strongly linked to both intellectual and emotional recognition. It proves through action that there is an eagerness to trust and cherish the individual as well as a deep-seated confidence in the individual's knowledge, talents and expertise. (w.chan kim and Reneé Mauborgne 2005:181.)

3.5.2.2.3 Fair Process and Blue Ocean Strategy

Commitment, trust, and voluntary cooperation are not merely attitudes or behaviors. They are intangible capital. When people have trust, they have heightened confidence in one another's intentions and actions. When they have commitment, they are even willing to override personal self interest in the interests of the company.

- By organizing the strategy formulation process around the principles of fair process, you can build execution into strategy making from the start. With fair process, people tend to be committed to support the resulting strategy even when it is viewed as not favorable or at odds with their perception of what is strategically correct for their unit.
- People realize that compromises and sacrifices are necessary in building a strong company. They accept the need for short-term personal sacrifices in order to advance the long-term interests of the corporation. This acceptance is conditional, however on the presence of fair process. (w.chan kim and Reneé Mauborgne 2005:183.)

3.6 BOS characteristics

When expressed through a value curve, then, an effective blue ocean strategy has three complementary qualities: focus, divergence, and a compelling tagline. Without these qualities, a company's strategy will likely be muddled, undifferentiated, and hard to communicate with a high-cost structure. The four actions of creating a new value curve should be well guided toward building a company's strategic profile with these characteristics. (Barr.nd:4.) Soumia mentioned that these three characteristics serve as an initial litmus test of the commercial viability of blue ocean ideas:

Focus: Aach strategy has its own focus, as the organization focuses entirely on one group that allows the organization becomes highly experienced in her field and enjoy a good reputation in the markets.

Uniqueness: When an organization's strategy becomes just a traditional attempt to catch

up with what competitors are doing, it loses its uniqueness.

Persuasive logo: the effective strategy has a bright logo and a clear direction, so the attractive logo gives customers a message. The best way to test the effectiveness of a strategy is reflected in the strength and originality of the logo that it offers to its customers. (Soumia.,2023:29)

3.7 COMPONENTS OF BLUE OCEAN STRATEGY

Rezeki claimed that in a successful Blue Ocean shifts three main components are as follows:

1. **Humanness**: Successful implementers epitomize "a humanistic procedure, which rouses individuals' certainty to claim and drive the procedure to possess and drive the procedure for compelling execution.
2. **Tools:** Successful implementers of Blue Ocean methodology have utilized reasonable devices to methodically "make an interpretation of blue sea thinking into monetarily convincing new contributions." Sporadic, one-off "Blue Ocean technique" is a certain something: deliberately receiving Blue Ocean believing is another.
3. **Mindset**: The creators found that, as in the realm of Agile administration, Blue Ocean procedure is on a very basic level a move in outlook. It includes "extending mental skylines and moving comprehension of where opportunity lies."(Rezeki et al., 2019:3828)

3.8 FIVE STEPS TO MAKING A BLUE OCEAN SHIFT

Not all organizations are willing or able to execute a complete Blue Ocean Shift right



Figure 21: Represent the five steps for making a blue ocean shift (w.chan kim and Reneé Mauborgne n.d.)

STEP 1: Get Started

Step 1 helps you to choose the right place to start your blue ocean initiative by guiding you towards focusing on areas that are most suitable, so that your zone of transformation is not too ambitious, considering the organizational constraints you may face.(What is Blue Ocean Strategy n.d.)This step is to map out exactly what industry or product offering you are going to tackle. The best way to do this is to start with the Pioneer-Migrator- Settler Map. Traditional organizational assessments focus on market share and industry attractiveness; but market share is a lagging indicator that shows where the industry has been, and attractiveness only gives a snapshot of where the industry stands right now.

Instead, the first step should be based around the concepts of value and innovation. This lets you look beyond today's performance data and gives you an aerial view of the landscape. (Blue ocean shift n.d:9)

STEP 2: Understand Where You Are Now

Step 2 inspires a natural wake-up call in the team and the wider organization about the current state of play and creates real alignment and a collective. (What is Blue Ocean Strategy n.d.) to build a clear, shared picture of the current strategic landscape by creating a Strategy Canvas. This not only helps to build your strategy, it also makes sure that everyone is working from the same overall picture. (Blue ocean shift n.d.:11)

STEP 3: Imagine Where You Could Be

Step 3 helps you to start to make the shift from what is to what could be by identifying specific pain points and unlocking unprecedented value for buyers. It helps you break away from conceiving too narrowly of whom an industry's customers are by exploring the total demand landscape outside the current industry's understanding. (What is Blue Ocean Strategy n.d.)

STEP 4: Find How You Get There

Step 4 shows you how to create commercially compelling new market space by redefining the playing field of strategy as well as how to formulate them into well-constructed strategies. (What is Blue Ocean Strategy n.d.)

STEP 5: Make Your Move

Step 5 guides you towards deciding on which blue ocean move to pursue by enabling a fair process that consolidates people's commitment to, and support for, the chosen move, culminating in alignment that allows top management to select the right option to move forward with. (What is Blue Ocean Strategy n.d.)

3.9 VARIOUS STRATEGIES USED IN BUSINESS MANAGEMENT

3.9.1 Green Ocean strategy

The Green Ocean Strategy is a modern strategic choice with two different types of schools of thought. According to the First School of Thought, it is a strategy for measuring the impact of the ecological footprint on human life. According to the second, it is a hybrid mechanism that combines the best things that characterize blue ocean and red ocean strategies. The Green Ocean Strategy supports the impact of the ecological footprint on human life. From various unregulated documents such as newspapers, magazines and world web pages, it was revealed that the automobile industry has become one of the biggest contributors to environmental pollution worldwide. (Ghaleb Al-Mado 2022:137)

3.9.2 White Ocean strategy

WOS is a strategy to manage the company by applying environmental concerns to create a competitive advantage. This strategy requires the company's business to uphold moral values and benefit the environment. This strategy can be applied in various situations, helping to strengthen the company's position and increase competitiveness with a high moral image. WOS is a strategy that focuses on People, Planet, Profit, and Passion. (Hartini et al. 2022:98)

3.9.3 Black Ocean strategy

Black Ocean strategy discuss about the ability to pay the firm first before paying other which is totally opposite from White Ocean strategy. It works directly with opportunity. The organization must know where the opportunity is and try to find the way to access to that opportunity as well as try to find the way to block other competitors to penetrate the same opportunity. Black Ocean strategy is deal directly with trust where literatures both qualitative and quantitative research revealed a significant of trust as the wisdom to influence people to do things according to organization interests. Black Ocean Strategy operates in 2 parts:

- Ways to create opportunities.
- Ways to maintain and obtain benefits from opportunities. (Nithisathian, Sujarittanonta, and Walsh 2016:15)

3.9.4 Purple Ocean strategy

Purple Ocean is a concept that combines two strategies, namely red and blue. The purple Ocean strategy is easier for farmers to implement to compete with other producers but can still innovate to create new markets and exploit consumer segmentation. (Hariyo no & Ridwan 2020:167). Organizations that are adopting purple ocean strategies are those who are seizing opportunities to build new lines of products in the existing markets, different from their core markets, using one or more models. (SCARLAT & PANDURU 2021:8)

3.9.5 Pink Ocean strategy

The Pink Ocean Strategy aims to create a space for growth which allows contribution of ideas towards the construction of a social innovation ecosystem, but also an environment to test ideas, approaches, dynamics and models, that are likely to become useful solutions to global and regional social concerns.to navigate to the Pink Ocean, an organization must go through the Blue Ocean since innovation remains a precondition for progress beyond the competition. Achieving social innovation requires innovation, and innovation is achieved through Blue Oceans. (Markopoulos et al. 2020:45)

Table 5*: R*epresent the types of strategies used in business management.(Aithal - Srinivas 2016:172)

	Type of strategy	Details
1	Red Ocean Strategy	Red ocean strategy supports to compete in existing market space, beat the competition, exploit existing demand, make the value/cost trade-off, align the whole system of a company's activities with its strategic choice of differentiation or low cost.
2	Blue Ocean Strategy	Blue ocean strategy supports to create uncontested market space, make the competition irrelevant, create and capture new demand, break the value/cost trade-off, align the whole system of a company's activities in pursuit of differentiation and low cost.
3	Green Ocean Strategy	Green ocean strategy to support the impact of environmental footprint on human lives. From different unstructured documents like newspapers, magazines, world wide web pages, it is revealed that automobile industry happens to be one of the largest contributors of environmental pollution throughout the world. India, as an emerging economy, has become a lucrative market destination for automobiles.
4	Purple Ocean Strategy	A mix of blue ocean and green ocean strategy is called purple ocean strategy
5	Black Ocean Strategy	Black ocean strategy is a kind of survival strategy to foresee the organizational problems and solve them successfully to continue in its business market by means of a kind of black magic may be legally or illegally, ethically or unethically
6	White Ocean Strategy	White Ocean's concept is concerning about "social" more than "profit" that made WOS outstanding than the other oceans which is gaining reputation and profit from their customer by using any strategies to be apart or win the competition in market. The concept of WOS is focusing on People, Planet, Profit and Passion. Concerning in sociological and environment are most important in this ocean. Both WOS and Green Ocean strategies have same objective of preserving environment and hence society

7	Ideal Strategy	A planning and execution strategy which confirms the success of the work in any situational conditions and constraints. This strategy ensures the sustainability of the organization with huge profit.

4. Competitive Advantage

Porter did not define competitive advantage in his 1985 book «Competitive advantage: Creating and sustaining superior performance» but stated that competitive advantage derives from a company's ability to provide superior value to its buyers that exceeds the firm's cost of creating it (Porter 1998). Porter identified two basic types of competitive advantage: cost leadership and differentiation. Cost leadership positioning within an industry means that a company sets out to become the low-cost producer in its industry, while differentiation positioning requires a firm to be unique in its industry along those dimensions that are widely valued by buyers. Cost leadership, differentiation, and focus are three generic methods, or ways to position a firm in the industry derived from these two types of competitive advantage combined with a firm's activities. Each generic strategy gives a route to a firm's above-average performance, or competitive advantage. (Porter and Porter 2008)

4.1 Competitive advantage definition

Business organizations of all kinds strive to survive as far as possible, and the way to do that is by having competitive advantages over their competitors. (Hassan, Salman, and Hawas n.d:1491.) Scholars have provided several definitions for the expression (competitive advantage):

A competitive advantage is a constant pursuit of enterprises, because being in a privileged position, presenting unique features of services and/or products, raises and maintains this position in the industrial sector, considering the enterprise's relationships with other peers. ((Guimarães, Severo, and Vasconcelos 2017:1)

A firm has a competitive advantage when it can create more economic value than rival firms. Economic value is simply the difference between the perceived benefits gained by a customer that purchases a firm's products or services and the full economic cost of these products or services. Thus, the size of a firm's competitive advantage is the difference between the economic value a firm can create and the economic value its rivals can create. (Barney and Hesterly., nd:30.)

Executives can achieve a competitive advantage by utilizing resources that improve an organization's performance. An organization gains a competitive advantage by employing organizational resources to surpass competitors. (Mcclain.,2022:30)

In order to achieve a competitive advantage, an organization must identify the existent and possible opportunities. That should be done through analyzing the competition. Such an

analysis involves predicting the things that can attract customers at the time. Such an analysis also involves identifying the company's strengths and weaknesses in comparison to its competitors. After that, the scope and basis of the sought competitive advantage must be identified based on the fields of competition. After that, the competitive advantage shall be achieved. (Ali Al Qudah and Hashem 2018:112)

The competitive advantage considering one of the components of the organization marketing strategy which consists from a mixture of things tangible and nontangible. Any organization can be owned a competitive advantage if it used the resources available and its capabilities in the right investment opportunities in the market. Competitive advantage means: - Organization's ability to attract customers and build prestige for the organization or its products and increase perceived value by customers and achieve their satisfaction, which is also the ability to provide variety value to the customer. (M. Diab 2014:140)

Achieving a competitive advantage has become a strategic goal that is sought by all business organizations. It is sought in the aim of handling the intensive competition and overcoming challenges that are associated with the new economic climate. The company's ability to achieve a competitive advantage is an indicator for the company's ability to fulfill its customers' needs. It is also an indicator for the company's ability to provide its customers with the value they seek. Such a value may be represented in a highly quality level. (Ali Al Qudah and Hashem 2018:111)

The excellence of competitiveness provides a strong incentive for competition and the establishment of partnerships among universities. Institutional competitiveness performs as a frame for the concept of the international one. (Abdurachman, Bandur, and Kosasih 2023:114)

4.2 Competitive Advantage Indicators\dimensions

Some administrative literature has identified the dimensions of competitive advantage (quality of products and services, innovation, flexibility, the cost and responsiveness to customers) as key to achieving the competitive advantage of organizations. (Aly.,2019:163.)

4.2.1 Cost

The cost represents the organization's ability to distribute products at the lowest costs, which gives a cost advantage, as well as to maintain or enhance its market share. indicates that the organization that focuses on the costs to achieve a competitive advantage feature distinguishes with the following: low capital, the strength of work, and the cost of its operations compared with competitors in the market.(Hersh and Abusaleem 2016)The organizations that have this dimension

often allow to control on the market and have the ability to outperform competitors.(M. Diab 2014:140)

4.2.2 Quality

This indicator is one of the core competitive precedencies for management operations, and represents the main objective for each manager, and the strength of the organization which it can enhance its competitive advantage and it can be useful for the organization in two aspects:

- Raising the product quality leads to increase its value from the customer's perspective, and This in turn leads to increase the profitability of the organization.
- Improving the quality leads to increase the efficiency, thus reducing loss and waste saving costs associated with the production process, reducing the risk and protection from competitors. (Hersh and Abusaleem 2016:5)

4.2.3 Innovation

It is considered as one of the important strategic indicators to achieve a competitive advantage, it reflects the nature of the new technological changes which necessary to satisfy the market's need, thereby achieving excellence to organization. it should focus in its strategy on:

- The activities of research, design and development of the service prominently and exceptionally.
- High quality of service
- The ability to develop production equipment (Hersh and Abusaleem 2016:5)

4.2.4 Flexibility

Flexibility indicates to the organization's ability to provide a high diversity of products, and is considered a measure of the organization's ability to transform its operations from produce the current product to produce a new product (Hersh and Abusaleem 2016:5) is adjust services to respond to customers' requirements and to avoid their complaints and then to achieve high levels of customer satisfaction. In addition to that, the organization owned a largest market share than other competitors, in order to reduce the overall costs. (M. Diab 2014:140)

4.2.5 Delivery(speed)

The speed of service and response to customer demand has become one of the factors of competitions between organizations, this is linked to the customer's willingness to pay higher cost for the services or products he\she needs in a timely.(M. Diab 2014:140) A lot of organizations Seek to expand its customer base by focusing on the time of delivery, the delivery speed of products to the customer. Delivery as one of the competitive superiority indicators is mean to provide the product at the appointed place and time, present and deliver it on time according to a

time schedule. Or is the operation ability in the face of requests and regularly delivered. While some think that it is the speed to deliver service to the customer represented by how long waits to get that service. Competition on the basis of time includes three aspects or priorities, there are: Speed of delivery, the delivery on definite and agreed time, and speed of development. Whenever the executed time for generating idea plan of the final design and production is short, the organization will have more leading property which make it exceeds on their competitors. (Hersh and Abusaleem 2016:5)

4.3 The importance of competitive advantage

Hassan and al mentioned that the Competitive advantage represents the basic on which the performance of organizations is based, and it is difficult for business organizations to have a competitive precedent in all areas compared to their competitors due to the limited resources of the organization, its organizational structure, organizational culture and strategies. However, competitive advantage is considered a key to the success of business organizations. The following is the importance of the competitive advantage:

- It gives a qualitative and quantitative advantage over competitors, thus allowing it to achieve high performance results.
- Outperformance or value to customers, or both.
- Contribute to the positive impact on the perceptions of beneficiaries, and the rest of those who deal with it, and motivate them to continue and develop dealing with it.
- Continuity of development and progress in the long term because the competitive advantages are characterized by continuity and renewal.
- Its internal operations increase because competitive advantages are based on the organization's resources, capacity and merit. (Hassan, Salman, and Hawas.2022:1491.)

4.7 Sustainable Competitive Advantage

A sustainable competitive advantage emerges as an important factor in the perceptions of goods and services value, which should be considered as elements of competitive advantage. The concept of a sustainable competitive advantage, which refers to an organization's ability to maintain a competitive advantage over time. Leaders can optimize their resource utilization by assessing vital resources to capture market share. (Mcclain n.d:31.)

The interest in sustainable competitiveness and its importance in business organizations have grown rapidly. Organizations use Different types of competition to meet the pace of change and to cope with rapid development, where the sustainable competitive advantage means different things for business organizations. Companies may relate their strategies to suppliers, customers, competitors, low price, desirable characteristics, or different

resources owned by one organization without others. Competitive advantage also depends on the company's ability to outperform competitors in any domains of strategic performance. (Massoudi and Ahmed 2021:37)

4.4 The relationship between the application of BOS and the achievement of Competitive advantage

Kim & Mauborgne argue that the blue ocean does not directly pursue competing excellence, because generally companies that pursue competing excellence are trapped in competition. Making competitors as good a measure to be better. However, in the end, what the BOS can achieve is also a competitive advantage (Yunus 2021:4). Andrew suggests that the blue ocean strategy makes significant changes in the company's strategic management. For instance, through the latter strategy, the value innovation principle is adopted by the company in the aim of achieving a competitive advantage. Through the latter strategy, the company aims to search for uncontested marketplaces and create a new demand. (Ali Al Qudah and Hashem. 2018:113) Blue Ocean Strategy has been successfully implemented in product-based organizations. This is because it is easier to apply because a product can be made innovative, or a product line can be made distinctive from that of its competitors with the help of innovation or creativity. For an existing product line, innovation can be done by identifying the latent needs more precisely and incorporating them. This in turn, creates new market for the product which can be free of competition for a good period. (Chatterjee 2017)

Conclusion of the 1st chapter

This chapter tackled the key concept of blue ocean strategy. The first part presented a chronology of recent definitions of strategy, its types, features. It concluded that Strategy is the combination of mission, vision, people and structure It is the pattern that integrates company's major goals, policies and sequential actions into a solid whole.also,presented the strengths, weakness, threats and opportunities of SWOT . It presented the five porters forces and generic strategies.

The second part dedicated attention to two significant strategic approaches. The first part highlighted the Red Ocean strategy, emphasizing its methodologies for market entry across three main levels. Subsequently, the focus shifted to the Blue Ocean strategy, encompassing analytical tools, frameworks, and the strategy canvas. The chapter critically analyzed the disparities between the Red Ocean strategy and the Blue Ocean strategy, shedding light on their distinctive characteristics and implications.

The third part focused defining competitive advantage , indicators , its importance and the relationship between the blue ocean strategy and its impact on achieving competitive advantage.

This comprehensive exploration of blue ocean strategy in the first chapter sets the stage for a thorough examination of strategic practices and their implications in subsequent chapters. By understanding the evolving nature of strategy, the analytical tools available, and the strategic approaches adopted by organizations, we can uncover valuable insights that contribute to the advancement of strategic management knowledge and practice.

Chapter two

Case study of Yassir transportation service

Introduction of the 2nd chapter

The primary focus of this chapter is to conduct a strategic practical study of the Blue Ocean Strategy and its impact on achieving a competitive advantage for Yassir Transportation Service, which has created a competitive advantage

The first section of this chapter provides an introductory framework that examines various aspects of Yassir as a transportation institution. It delves into the study of its services and organizational structure.

The second section of the chapter is devoted to describing and justifying the research methodology chosen for answering the stated research questions

Overall, this chapter aims to provide a comprehensive understanding of the strategic implications of the Blue Ocean Strategy on the competitive advantage of Yassir Transportation Service. Through an examination of the institution's structure, services, and development, as well as, valuable insights will be gained regarding the effectiveness of adopting a Blue Ocean Strategy in the transportation sector.

1. Technical card about the Yassir Foundation

1.1 First Definition of the Yassir Foundation

Yassir is an innovative transport service that can be used by smartphone anywhere WIF anytime, where everyone can book a driver and move safely, was founded by the young man " Tayeb Noor el dine" and "al-Mahdi yatou", year ,2017 where they created Yassir on the idea of his son when treating people better ‹they provide a better service, under the slogan "happy driver, happy passenger", the goal of the application was to make the process.

The mobility of citizens is easy and fun, by looking for a smart alternative to the transport problems in Algeria**.**

Yassir is the first startup to launch a taxi ordering application with a driver at the click of a button, and indicates

The name Yassir is on the left and secret, the service was launched for the first time in July 2017 starting from Algeria the capital, being considered the most densely populated, is served by the following characteristics (1):

- **Ease of use**: with just one click, you can get Yassir at your location.
- **Always available**: anywhere and anytime, a Yassir driver order in just a few seconds.
- **The best price**: the pricing is carefully thought out to ensure you a service adapted to your needs.

At the beginning of its activity, Yassir was providing a transfer service through the Yassir application, and according to the official website Yassir offers a range of services in order to attract new customers, these services are as follows (2):

- **Yassir go**: the basic service is to transport people by ordering a taxi with a driver.
- **Yassir express**: It consists in providing delivery and Distribution Services for daily products to various by offering a range of stores and brands to everyone to provide the best service.
- **Yassir** market: This application consists in providing a shopping service
- Business: The following services are provided for business trips and employee trips with less effort and cost
- Téléconsultation: It is a remote consulting service launched by the foundation in cooperation with a group of Volunteer doctors, in order to face covid-19, answer all customers ' questions through this platform ،in order to reduce mobility and congestion in hospitals and practices, there is no environment conducive to the spread of the virus

1.2 The organizational structure of the Yassir Foundation

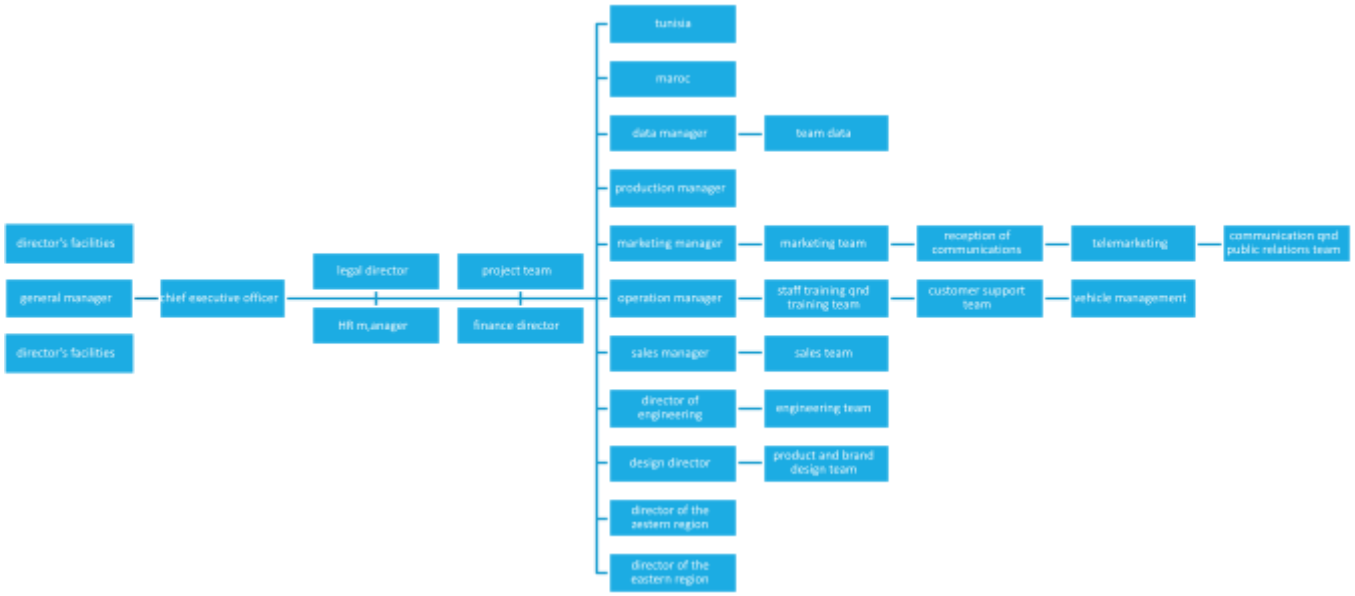


Figure 22: The organizational structure of the Yassir. Source:(Soumia.2023:108)

Analysis of the organizational structure of the organization:

a) The general director: he himself is the executive director of the organization, his task is to issue final decisions to the directorates Implementation of the general strategies of the institution.

b) Human resources manager assumes the tasks related to human resources in the organization, by providing the needs of the organization from the labor force, through the recruitment process (recruitment, selection, recruitment), performance assessment, Training, monitoring of employees ' wages...

c) Legal director: his duties are to manage the legal affairs of the institution in order to ensure its rights, in addition to Following up legal cases with others

d) Finance manager: his tasks are to prepare and analyze the financial statements (budget and results calculation table), finance Private investments of the company

e) Data Manager: performs the tasks of storing data and information about employees, drivers, the market, and retrieving it in case the organization needs it, in addition to the protection of information

f) Production manager: this department is responsible for providing services that meet the needs and wishes of customers, in terms of quantity, time and quality required

g) Marketing manager: his tasks are to listen to the opinions and suggestions of customers, analyze changes and parameters about the market, develop methods for providing service, analyze the organization's sales, supervise the organization's relations with others, conduct advertising and promotional campaigns

h) The project team consists of the members who developed the application, and their

tasks are to continuously develop the application and ensure that the service is provided with the required quality.

i) Sales manager: this section is responsible for following up the process of selling the service, in addition to researching how to maximize the profits and revenues of the organization, increasing sales, informing the management about the needs and preferences of customers, maintaining constant contact of the sales team with customers, providing after-sales services.

j) Operations manager undertakes the tasks of conducting training and training courses for workers to improve their level, conducting training courses for drivers, in addition to the tasks of managing vehicles and relations with drivers.

k) Design manager: handles the tasks of designing anything related to the organization, from a logo, a brand, designing billboards to promoting the organization's services, designing the organization's website...

2 Methodological procedures for the field study

In this research, the student reviews the field study starting from the methodological procedures of the study, the community, the study sample, its tool, and statistical processing, and then move on to the results related to the normal distribution, the truthfulness and stability of the study tool.

2.1 The methodology of the study

In line with the research objectives, the student used the descriptive-analytical method as a way of logical conclusion that does not deviate from the controls of scientific research. Therefore, the study is an attempt to crystallize theoretical ideas supported by some practical cases. The study was limited to reviewing and analyzing the most prominent concepts that dealt with both the concept of the Blue Ocean Strategy and the competitive advantage and the development of a vision and perception of the content of the critical dimensions when adopting the concept of the Blue Ocean Strategy and the extent of its contribution to improving the achievement of competitive advantage. We have tried to complete the research with the findings of researchers, specialists and academic publications related to this topic.

2.1.1 Methods of data collection

To achieve the objectives of the study, the student relied on two types of data sources to collect the necessary information:

Primary sources: the study was adopted in the collection of primary data through a questionnaire, designed to achieve the purpose of the study, and in a

manner consistent with the problem of the study and its questions, so as to cover all aspects addressed by the theoretical framework, questions and assumptions on which the study was based.

Secondary sources: which were represented in scientific books, previous studies and research, doctoral theses, master's theses, articles and refereed scientific journals, in addition to the web of information in order to get a general idea of the latest developments that have occurred on the current study topics and their changes.

2.1.2 Fields of study:

The fields of study are as follows**:**

a) -Spatial scope : this study was conducted at Yessir transport in Algiers.

b) -Human limits: taxi drivers.

c) -Scientific scope : they relate to the axes of the study (Blue Ocean Strategy, Competitive Advantage).

d) -Time limits: this study was conducted during the second semester of the academic year 2022-2023.

2.1.3 Community and study sample

The study community is represented by all taxi drivers within Yessir transport, and an intentional sample of (59) employees was selected, to whom the forms were distributed randomly, and after completing the distribution of the forms and collecting the necessary data, (48) forms were retrieved, including (05) invalid forms for analysis, to settle the final number of forms valid for analysis at (43) forms, with a percentage of (73%) of the total number of distributed forms.

2.2 Data collection tool, statistical analysis tools

2.2.1 Data collection tool

A questionnaire was prepared specifically designed for the purpose of data collection, and was distributed to the study community, and the results of this questionnaire were analyzed using the statistical program spss, the questionnaire was divided into three parts as follows:

***2.2.1.1 The first part**:* the outer cover of the questionnaire, which includes the problematic of the study, explained the purpose of the study to reassure the respondents to the questionnaire that their information will be surrounded by strict confidentiality, and finally provide a word of thanks to the respondents.

2.2.1.2 The second part: it consists of the personal and functional data of the study sample

in terms of: gender, age, educational level, length of service in the current job.

2.2.1.3 The third part: discusses the role of the Blue Ocean Strategy in achieving competitive advantage, and was divided into three axes as follows:

2.2.1.3.1 The first axis: is represented by the independent variable Blue Ocean Strategy: it is considered as an explanatory variable that works to predict the dependent variable in this study, and it operates on three dimensions:

- □ The first dimension: exclusion, has been measured by (04) statements.
- □ The second dimension: reduction, has been measured by (04) terms.
- □ The third dimension: the increase, has been measured by (04) statements.
- □ The fourth dimension: innovation, has been measured by (04) phrases.

2.2.1.3.1 The second axis: it is represented by the dependent variable competitive advantage and is considered as a result or the variable predicted by the independent variable, where it is reflected in five dimensions, which are:

- ❖ The first dimension: cost, has been measured by (04) phrases.
- ❖ The second dimension: flexibility, has been measured by (04) statements.
- ❖ The third dimension: quality, has been measured by (04) phrases.
- ❖ The third dimension: creativity, has been measured by (05) phrases.
- ❖ The third dimension: delivery, has been measured by (04) phrases.

The answer options have been identified using the Likert Scale as one of the most suitable scales that allows us to measure the responses of individuals. Since this scale expresses the options (strongly agree, agree, neutral, disagree, strongly disagree) in this study, it is therefore an ordinal scale, and the numbers that enter the program express the weights, namely (strongly agree=5, agree=4, neutral=3, disagree=2, strongly disagree=1), we must calculate the arithmetic mean and this is done by calculating the length of the period first, which is a quotient of (4) by (5); where (4) represents the number of distances (from 1 to 2 is the first distance, from 2 to 3 is the second distance, from 3 to 4 is the third distance, and from 4 to 5 is the fourth distance), while (5) represents the number of choices, and when dividing (4) by (5) results in the length of the interval equal to (0.8) and the distribution becomes as follows table:

Table 9: Clarification of the Likert scale

The Level	Strongly disgree	disgree	Agree with an average degree	agree	Strongly agree

Average arithmetic	From 1 to 1.79	From 1.8 to 2.59	From 2.6 to 3.39	From 3.4 to 4.19	From 4.20 to 5

Source: prepared by the student

2.2.2 Statistical analysis tools

To answer the study questions and test its hypotheses, the student used the following statistical methods:

A. Kolmogorov-Smirnov Test Kolmogorov-Smirnov test (K-S) to see if the data follows the normal distribution

B. Cronbach Alpha coefficient to confirm the degree of stability of the terms of each of the variables of the study.

C. Spearman correlation coefficient for calculating internal consistency, constructional truthfulness, and the relationship between variables.

D. Repetitions and percentages for describing sample data in terms of their characteristics.

E. Arithmetic averages in order to know the relative importance of variables and the terms that measure them.

F. Standard deviations for measuring the degree of dispersion of the values of employee responses from the arithmetic mean.

G. Simple linear regression to find out how the dimensions of the Blue Ocean Strategy affect the competitive advantage.

H. Multiple linear regression to determine the degree of influence of the Blue Ocean Strategy on the competitive advantage.

I. Analysis of unilateral variability to find out whether there are differences in the study variables (Blue Ocean Strategy, Competitive Advantage) attributable to personal and job data.

2.3 Normal distribution testing, evaluation of validity (truthfulness) and stability of the study instrument

Before conducting a statistical analysis, it is necessary to investigate some issues related to data collection. Among the most important of these issues are examination of the normal distribution of data, constancy, internal consistency and constructional truthfulness and the following clarification of these issues.

2.3.1 check the normal distribution

The normal distribution is one of the most important statistical tests that must be

verified, in other words, if the normal distribution is not achieved, the results obtained from it will be biased and unreliable, and to give a complete description of the distribution in this study, the Kolmogorov-Smirnov test (K-S) was relied on, and the following table shows the test results.

Table 10: kalmgrove-smirnov test to verify the normal distribution of the study variables

The variable	Test value *K- S*	Degree of freedom *df*	Level of significance *p*
Independent variable: blue ocean strategy	0.162	43	0.096 ns
Dependent variable competitive advantage	0.141	43	0.131 ns
NS: statistical significance: not a function statistically			

Source: prepared by the student based on the outputs. Spss

Based on the results of table no.(10), it is observed that the Kulm-Smirnov test value for the independent variable (blue ocean strategy 0 is statistically non significant (P>0.05). Similarly, the Kulm-Smirov test values for the dependent (competitive advantage) are also statistically non-significant (P>0.05).These findings indicate that the study variables follow a normal distribution .As a result, the statistical-parametric approach will be used to test the study hypotheses.

2.3.2 Tests of Validity

Validity in scientific research represents the degree of accuracy of research to measure the purpose for which it is designed, that is, the extent to which the research tool is provided with information related to the research problem from the study community itself. In this study, the students relied on three types of validity tests: apparent honesty, internal consistency and constructive honesty. The following is a breakdown of it:

2.3.2.1 Questionnaire Validity :

The term "questionnaire validity" refers to the extent to which an information collection tool accurately measures what the study intends to measure in a phenomenological manner. To ensure the questionnaire validity of the study tool, the student enlisted the expertise of a group of professors from the Faculty of Economic, Commercial, and Management Sciences at Medea University. Their scientific and practical

experience was sought to obtain their opinions on modifying the study tool. The objective was to ensure the suitability of each statement within its respective domain, the integrity and accuracy of language formulation, and the comprehensiveness of the questionnaire in addressing the study problem and achieving its goals. Based on the professors' input, certain phrases were reworded and additional phrases were added to enhance the study tool.

2.3.2.2 Internal validity

The term "internal validity" refers to the extent to which an information collection tool accurately measures what the study intends to measure in a phenomenological manner. In the context of the questionnaire, internal validity specifically pertains to the internal consistency of the questionnaire items. It reflects the degree to which the questionnaire items are aligned with their respective constructs and measure what they are intended to measure, without measuring other unrelated factors.

To assess the internal consistency, the Spearman correlation coefficient (Spearman's rho) was calculated. This coefficient measures the strength and direction of the relationship between the scores of each questionnaire item and the total score of the construct to which the item belongs. By examining these correlations, it is possible to determine the degree of internal consistency and ensure that the questionnaire items are measuring the construct consistently and accurately.

Internal validity of the dimensional expressions of the Blue Ocean Strategy variable

Table 11: The Coefficients of the correlation between the degrees of the terms of the dimensions of the Blue Ocean Strategy variable with the total degree of the variable itself

Dimensions of blue ocean strategy variant	Symbol The statement	The statement	Correlation coefficient SP	Level of significance P
	X1	The organization resorts to the exclusion of inefficient human resources	0.513***	<0.001
	X2	The institution excludes activities that do not serve customers	0.589***	<0.001
	X3	The enterprise is working to exclude unnecessary actions for work that do	0.517***	<0.001

Exclusion		not affect sales levels		
Downsizing	X4	The company is working on replacing its traditional production methods with modern methods from time to time	0.487**	<0.001
	X5	Gaining customer trust depends on getting rid of poor and poor-quality services	0.628***	<0.001
	X6	The company seeks to reduce errors in the quality of services to gain the trust of customers	0.592***	<0.001
	X7	The organization works to shorten the delivery period of the order to the customer as much as possible	0.646***	<0.001
	X8	The company seeks to reduce the size of errors and defects in its products to the minimum possible	0.679***	<0.001
Increase	X9	The institution is working to raise the standards of the service provided	0.630***	<0.001
	X10	The company focuses on increasing the quality of telephone services provided to customers in order to gain their trust	0.460 **	<0.001

	X11	The enterprise is working on attracting modern technology to improve the quality of its products	0.581***	<0.001
	X12	The foundation encourages employees to increase their knowledge through training courses	0.630***	<0.001
	X13	The institution seeks to provide all new and innovative services in accordance with the needs and tastes of customers	0.592***	<0.001
	X14	Renewed innovation contributes to improving the organization's ability to gain customer trust and face competitors	0.644***	<0.001
	15	The foundation encourages employees to submit creative ideas	0.583***	<0.001
Innovation	X16	The foundation is working to discover the unsaturated market and seeks to satisfy it	0.669***	<0.001
Level of statistical significance:				
***:P<0.05**			****:P<0.01**	*****:P<0.001**

Source: prepared by the student based on the outputs .Spss

The results shown in Table No. (11) indicate that all correlation coefficients were from low to high and statistically function, ranging from (SP = 0.460, P =0.011) for the statement (X10), which reflects after the increase to (SP = 0.697, P <0.001) for the statement (X8), which reflects after the reduction, which means that there is a direct relationship between the phrases and the dimensions that represent the variable (Blue Ocean Strategy), and thus the availability of internal consistency, and we do not exclude

analysis.

- ***Internal consistency of the terms of the dimensions of the competitive advantage variable***

We explain this by showing tables no. (12)

Table 12: Coefficients of correlation between the degrees of expressions of the dimensions of the variable of competitive advantage with the total degree of the variable itself

Dimensions of the competitive advantage variable	Symbol The statement	The statement	Correlation coefficient	Level of significance
Cost	Y1	The enterprise seeks to reduce the costs of its products without compromising product quality	0.620***	<0.001
	Y2	The organization focuses on the application of cost reduction methods	0.557***	<0.001
	Y3	The institution is working to provide prices lower than those of competitors	0.642***	<0.001
	Y4	The foundation is working to support research and development activities in order to reduce costs	0.518***	<0.001
Flexibility	Y5	The organization responds quickly to the needs and aspirations of customers	0.639***	<0.001
	Y6	The institution can qualitatively satisfy the growing demands of its customers	0.675***	<0.001
	Y7	The institution is well informed in advance about what is happening in the market	0.709***	<0.001
	Y8	The institution works to adapt and respond to the developments of the ocean, especially technological	0.635***	<0.001
	Y9	The enterprise has the ability to compete on the basis of quality	0.527***	<0.001
	Y10	The management of the Enterprise tries to match the product to the performance requirements demanded by the customer	0.689***	<0.001

Quality	Y11	The company's products and services are of high quality compared to current competitors	0.715***	<0.001
	Y12	The organization seeks to improve the quality of its services to be better in the market	0.653***	<0.001
Composition	Y13	The foundation is trying to pursue high-risk ideas	0.495**	<0.001
	Y14	The foundation encourages the follow-up of individuals who think outside the scope of their competence	0.512***	<0.001
	Y15	The company is keen to create new products that meet the requirements and tastes of its customers	0.577***	<0.001
	Y16	The enterprise evaluates and develops the technology used in production processes	0.649***	<0.001
	Y17	The company is keen to be ahead of its competitors in the innovation of new products	0.582***	<0.001
Delivery	Y18	The institution is interested in listening and addressing the complaints of its customers in a timely manner	0.489**	<0.001
	Y19	The organization is committed to providing timely service to its customers	0.670***	<0.001
	Y20	The organization strives to satisfy the customer by providing the service in the shortest time	0.713***	<0.001
	Y21	The institution introduces new services more quickly	0.644***	<0.001
Level of statistical significance:				
***:P<0.05**			****:P<0.01**	*****:P<0.001**

Source: prepared by the student based on the outputs. Spss

The results shown in Table No. (12) indicate that all correlation coefficients between the statements and their respective dimensions were statistically significant, ranging from medium to high. The correlation coefficient for statement (Y18), reflecting after delivery,

was SP = 0.489 with a significance level of P = 0.003, while the correlation coefficient for statement (Y11), reflecting after quality, was SP = 0.715 with a significance level of P < 0.001. These findings suggest a direct relationship between the statements and the dimensions representing the variable (competitive advantage), indicating the presence of internal consistency. Therefore, there is no exclusion of any statement from the analysis.

2.3.2.3 Structural validity

Structural consistency validity is one of the indicators used to assess the validity of a research tool. It measures the degree to which the tool's objectives are achieved and demonstrates how each variable in the tool is related to the overall score obtained from combining the questionnaire items. To assess the structural consistency validity, the Pearson correlation coefficient (or Spearman's rank correlation coefficient) was calculated between the score of each variable and the overall score of the questionnaire. The following table presents the correlation coefficients obtained.

The variable	1	2	3
1. Blue Ocean Strategy	1	-	-
2. competitive advantage	***0.671	1	-
3-the total score of the questionnaire	***0.550	***0.602	1
Level of statistical significance: ***:P<0.001			

Table 13: Spearman correlation coefficients between each of the study variables and the overall score of the questionnaire

Source: prepared by the student based on the outputs. Spss

From table No. (13), which displays the correlation coefficients between the independent variable (Blue Ocean Strategy) and the dependent variable (competitive advantage), as well as the overall score of the questionnaire (comprising all questionnaire items), it is observed that all the correlation coefficients fall within the range of [SP=0.671; SP=0.550]. These coefficients are statistically significant, indicating a constructive and valid nature of the study tool. The correlation coefficients reflect the relationship between the variables and demonstrate the extent to which the questionnaire items align with the overall construct being measured.

2.3.3 Reliability of the questionnaire

Reliability expresses the extent to which data collection tools are consistent and free from measurement errors. It refers to the degree to which a test or questionnaire produces consistent and reliable results when administered multiple times or by different individuals. Reliable measures are dependable and yield consistent outcomes under similar conditions.

In this study, the reliability of the questionnaire was assessed using the Cronbach's alpha coefficient. The Cronbach's alpha coefficient measures the internal consistency of the questionnaire items, indicating how closely related they are to each other. Higher values of Cronbach's alpha indicate greater reliability and consistency in the measurements obtained from the questionnaire. The results of the Cronbach's alpha coefficient are presented in the following table:

The variable	Cronbach's Alpha coefficient α
Independent variable: Blue Ocean Strategy	0.742
Dependent variable competitive advantage	0.719
The total score of the questionnaire	0.806

Source: prepared by the student based on the outputs .Spss

From table No. (14), it can be observed that the stability coefficients, measured by Cronbach's alpha, ranged between (α= 0.742; α= 0.719) for the study variables. Additionally, the stability coefficient for the overall score of the questionnaire reached a value of (α= 0.806), surpassing the threshold of 0.7. These results indicate that the study instrument exhibits a high and satisfactory level of stability. The questionnaire reliably measures what it was designed to measure, aligning with the objectives of the study.

3 Data analysis and testing of study hypotheses

This research involves conducting data analysis and testing study hypotheses using the statistical software package SPSS (Statistical Package for the Social Sciences). The analysis begins with a description of the personal and professional characteristics of the study sample. Subsequently, a descriptive analysis is performed on the responses provided by the employees of the study sample. Finally, the study hypotheses are tested using appropriate statistical tests and techniques.

3.1 Description of personal and functional data of the study sample:

The personal and functional data of the study sample, as stated in the questionnaire attached in the appendices, included the following: (gender, age, educational level, experience in the current job), and based on this, the student will rely on repetitions, percentages and graphs in expressing and analyzing the characteristics of the sample members.

3.1.1 Description of the characteristics of the sample in terms of the Gender variable

The following table represents a summary of the results regarding the distribution of the study sample individuals by gender varian

Table 15: Distribution of sample members by gender variant

The variable	Categories	Redundancy f	Percentage ratio %
gender	Male	34	79
	Female	09	21
total	/	43	100

Source: prepared by the student based on the outputs. Spss

From Table No. (15), it can be observed that the majority of the study sample consisted of males, comprising 79% of the total sample. On the other hand, females accounted for only 21% of the sample. This distribution suggests that taxi driving is predominantly a profession pursued by males in Algerian society. It is noteworthy that finding female drivers practicing public transport vehicle driving is quite challenging. The following figure visually represents this gender distribution.

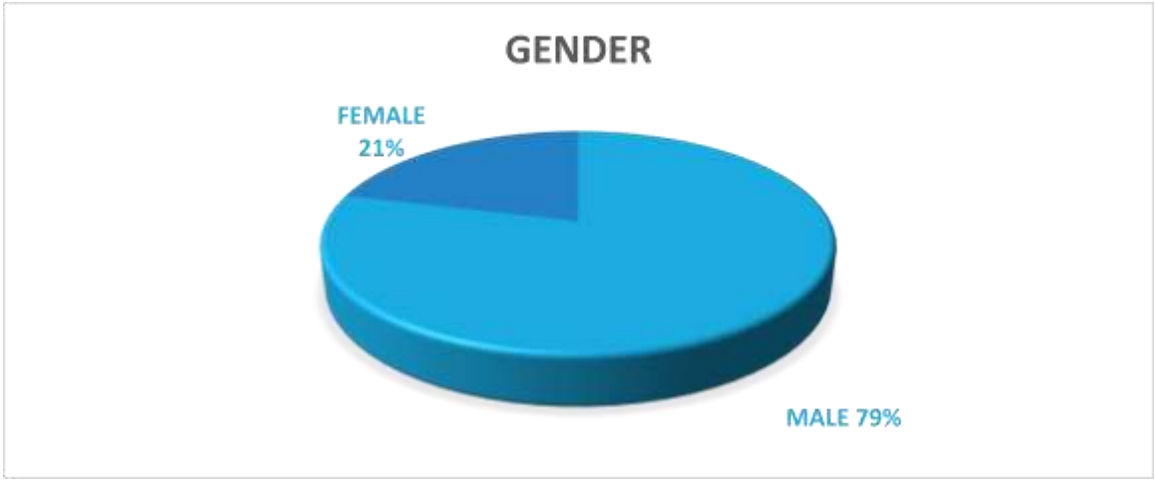


Figure 25: Distribution of sample members by gender variant, source: an excerpt form of Spss output

3.1.2 Description of the characteristics of the study sample in terms of the age variable

The table below shows, the distribution of respondents by age variant.

Table 16: Distribution of sample members by age variable

The variable	Categories	Redundancy f	Percentage ratio %
Age	Less than 25 years old	04	09
	From 25 to 35 years	23	53
	From 35 to 45 years	09	21

	From 45 years to 55 years	06	14
	Over 55 years old	01	02
	Total	43	100

Source: prepared by the student based on the outputs .Spss

The above table (16)reveals that the majority of individuals in the study sample belong to the age group ranging from 25 to 35 years, comprising 23 individuals and accountingfor 53% of the total sample. The next age group is individuals between 35 and 45 years, with 9 individuals and a percentage of 21%. Following that, there are 6 individuals from the age group of 45 to 55 years, representing 14% of the sample. The age group below 25 years includes 4 individuals, constituting 9% of the sample. Only one individual, representing 2% of the total sample, belongs to the age group over 55 years.

Overall, the study sample primarily consists of individuals from younger age groups, with approximately 83% falling within the youth category. It is important to note that the main reason behind their inclination towards the profession of taxi driving is the limited availability of job opportunities in the public and economic sectors. Taxi driving serves as an alternative job opportunity for these individuals.

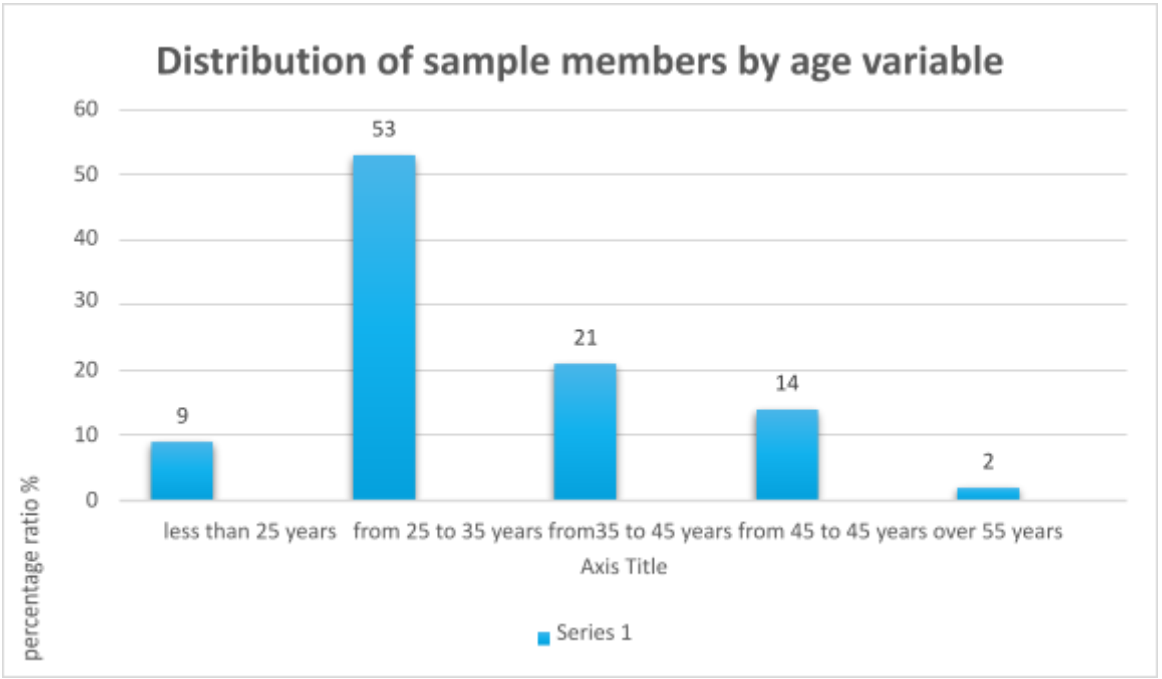


Figure 26: Distribution of sample members by age variable, source: an excerpt form of SPSS output

3.1.3 Description of the characteristics of the study sample in terms of the educational level variable

The table below shows the distribution of respondents by educational level variable.

Table 17: Distribution of sample members by educational level variable

The variable	categories	Redundancy f	Percentage ratio %
Educational level	Secondary	30	70
	bachelor	12	28
	masters	01	02
	Total	43	100

Source: prepared by the student based on SPSS outputs

From the preceding table(17), it is evident that individuals with a secondary education level constitute the largest proportion of the study sample, comprising 30 individuals and accounting for 70% of the total. Following that, individuals with a bachelor's degree represent 28% of the sample, with a total of 12 individuals. On the other hand, individuals with a master's degree form the smallest percentage of the study sample, consisting of only one individual with a percentage of 2%.

Hence, it can be concluded that the majority of taxi drivers in Yesser have a secondary education level, which is unsurprising considering that this profession does not necessarily require a specific educational background. Additionally, a notable number of individuals within this category hold an exemption card from national service in comparison to those with a university education level. The figure below visually represents this distribution.

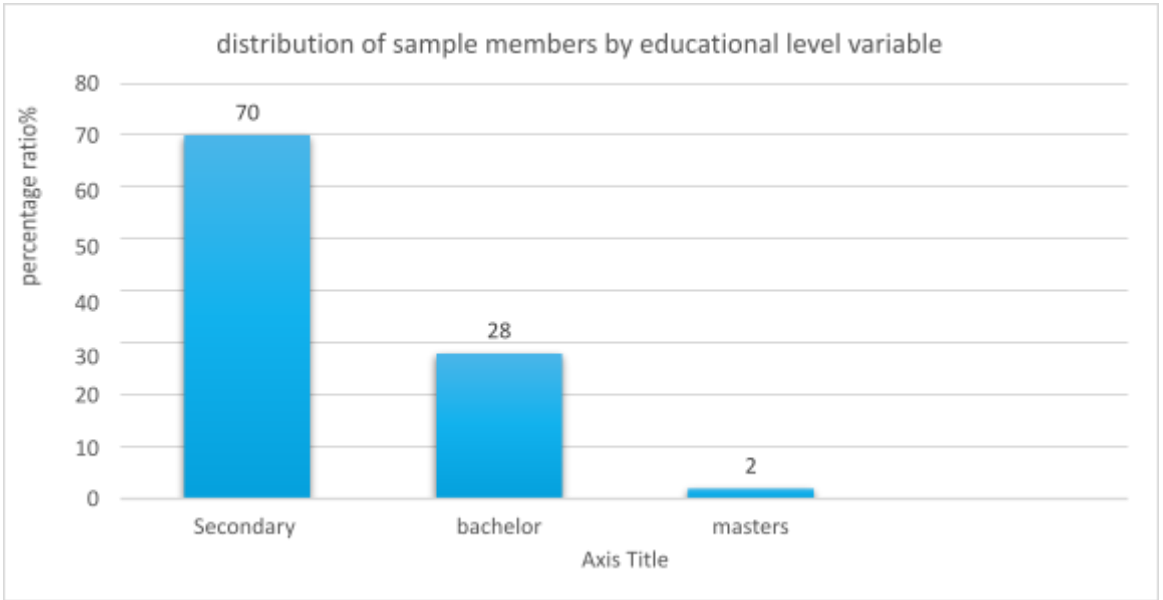


Figure 27: Distribution of sample members by educational level variable, source: an excerpt form of SPSS output

3.1.4 Description of the characteristics of the study sample in terms of the service variable with the experience

The following table shows the distribution of respondents according to the service variant of the experience

Table 18 :Distribution of sample members by service variable in the current position

The variable	categories	Redundancy f	Percentage ratio %
Service in the current position	Two years and less	07	16
	From 3 to 4 years	11	26
	From 4 to 5 years	10	23
	6 years and over	15	35
	Total	43	100

Source: prepared by the student based on SPSS outputs

Based on the aforementioned table(18), it is evident that the majority of individuals in the study sample have a significant tenure in their current job, specifically 6 years or more. This group consists of 15 individuals, representing 35% of the total sample. Following that, individuals with a tenure ranging from 3 to 4 years account for 26% of the sample, with a total of 11 individuals. Moreover, individuals with a tenure ranging from 4 to 5 years make up 23% of the sample, totaling 10 individuals. Conversely, only 7 individuals, equivalent to 16% of the total sample, have a tenure of two years or less.

Based on these findings, it can be inferred that Yesser Transport places emphasis on the significance of professional experience when hiring taxi drivers. The figure below visually illustrates this distribution.

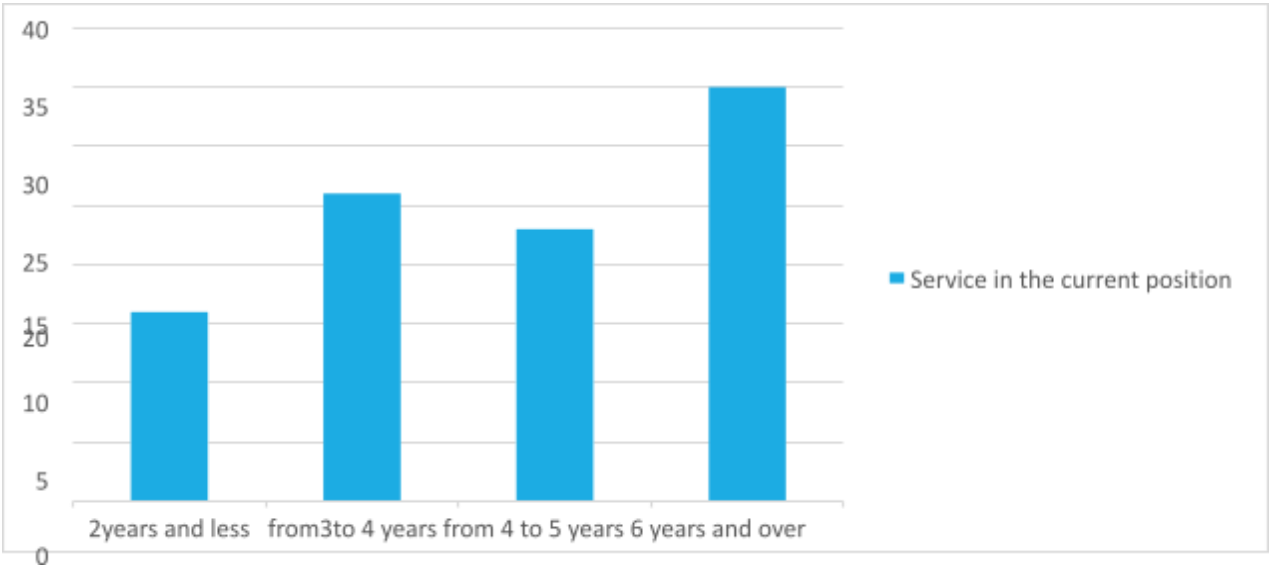


Figure 28: Distribution of sample members by service variable in the current position, source: truncated form of SPSS output

After obtaining and describing the personal and functional data of the study sample, the next step is to analyze the data related to the opinions and responses of the individuals towards the study variables and their dimensions. This analysis involves calculating the arithmetic means and standard deviations.

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3.2 Descriptive analysis of the answers of the employees of the study sample

By calculating the arithmetic means, we can determine the average response or opinion of the study participants for each variable and its dimensions. This provides insights into the general perception or attitude towards specific aspects of the study.

Additionally, calculating the standard deviations allows us to assess the level of variation or dispersion in the responses. A higher standard deviation indicates a greater diversity of opinions or responses within the study sample, while a lower standard deviation suggests more consistency in the responses.

This descriptive analysis will help us gain a better understanding of the patterns and trends within the data, enabling us to draw meaningful conclusions and insights from the study sample.

3.2.1 Analysis of data on individuals ' responses to the Blue Ocean Strategy variable and its dimensions

In order to analyze the data on the responses of individuals about the Blue Ocean Strategy variable and its dimensions. The calculation averages and standard deviations shown in the following table were relied on:

Dimension code	Dimensions of the Blue Ocean Strategy variant	Arithmetic mean M	Standard deviation SD	Approval Degree
X1_4	Exclusion	3.70	0.36	Agree
X5_8	Downsizing	3.62	0.49	Agree
X9_12	Increase	3.91	0.56	Agree
X13_16	Innovation	3.36	0.61	Neutral
The total score of the Blue Ocean Strategy variable		3.68	0.26	Agree

Table 19: Arithmetic averages, standard deviations, degree of approval for the Blue Ocean Strategy variable and its dimensions

Source: prepared by the student based on SPSS outputs

The results presented in Table No.(19) provide insights into the descriptive analysis of the study sample's responses regarding the Blue Ocean Strategy variable.

The overall average of the Blue Ocean Strategy variable indicates a satisfactory score according to the licart scale, with an arithmetic mean of (M=3.68) and a standard deviation of (SD=0.26), suggesting homogeneity in the opinions of the study sample members.

When examining the dimensions of the variable, it is observed that after the increase, the dimension contributes significantly to enriching the Blue Ocean Strategy variable. It obtained the highest arithmetic mean of (M=3.91) and a standard deviation of (SD=0.56), indicating a lack of dispersion in the answers of the study sample members regarding this dimension.

Following the increase dimension, the dimension after exclusion obtained an arithmetic mean of (M=3.70) and a standard deviation of (SD=0.36), indicating a lack of difference in the answers of the study sample members regarding this dimension. Similarly, the dimension after reduction obtained an arithmetic mean of (M=3.62) and a standard deviation of (SD=0.49), indicating a lack of variation in the answers of the study sample regarding this dimension.

On the other hand, the dimension after innovation obtained the lowest arithmetic mean of (M=3.36) and a standard deviation of (SD=0.61), suggesting uniformity in the answers of the study sample members regarding this dimension.

In conclusion, these results indicate that the institution under study, Yesser, demonstrates intentions to create its own blue ocean in its sector of activity through the

application of the Blue Ocean Strategy. The institution aims to adopt all dimensions collectively rather than focusing on specific dimensions while neglecting others. Therefore, their efforts are primarily directed towards moving away from a red ocean characterized by intense competition and towards exploring new markets and unsaturated needs, ultimately leading to the creation of their unique blue ocean.

3.2.2 Analysis of data on individuals ' answers to the competitive advantage variable and its dimensions

In order to analyze the data on the responses of individuals about the variable of competitive advantage and its dimensions. The calculation averages and standard deviations shown in the following table were relied on:

Table 20: Arithmetic averages, standard deviations, degree of approval of the competitive advantage variable and its dimensions

Dimension code	Dimensions of the competitive advantage variable	Arithmetic mean M	Standard deviation SD	Approval Degree
Y1_4	The cost	3.95	0.45	agree
X5_8	Flexibility	3.36	0.56	agree
X9_12	Quality	3.42	0.49	agree
X13_17	creativity	3.61	0.45	agree
Y18_21	Delivery	3.54	0.58	agree
The total degree of the competitive advantage variable		3.58	0.30	agree

Source: prepared by the student based on SPSS output

The results presented in Table No. (20) provide insights into the descriptive analysis of the study sample's responses regarding the competitive advantage variable.

The overall average of the competitive advantage variable indicates a satisfactory score according to the licart scale, with an arithmetic mean of (M=3.58) and a standard deviation of (SD=0.30), suggesting homogeneity in the opinions of the study sample members.

When examining the dimensions of the variable, it is observed that the cost dimension contributes the most to the enrichment of the competitive advantage variable. It obtained the highest arithmetic mean of (M=3.95) and a standard deviation of (SD=0.45), indicating a lack of dispersion in the answers of the study sample members regarding this dimension.

Following the cost dimension, the creativity dimension obtained an arithmetic mean of

(M=3.61) and a standard deviation of (SD=0.45), indicating a lack of difference in the answers of the study sample members regarding this dimension. Similarly, the delivery dimension obtained an arithmetic mean of (M=3.54) and a standard deviation of (SD=0.58), indicating a relative consensus in the answers of the study sample members regarding this dimension.

On the other hand, the quality dimension obtained an arithmetic mean of (M=3.42) and a standard deviation of (SD=0.49), suggesting homogeneity in the answers of the study sample members regarding this dimension. The flexibility dimension obtained the lowest arithmetic mean of (M=3.36) with a standard deviation of (SD=0.56), indicating no discrepancy in the answers of the study sample members about the average of this dimension.

n general, it can be concluded that there is a general consensus among the study sample members regarding the competitive advantage variable. Some dimensions, such as cost, quality, creativity, and delivery, have a relatively higher level of consensus, as indicated by their arithmetic mean and standard deviation. However, there is a greater divergence in opinions regarding the elasticity dimension, as reflected in its lower arithmetic mean and standard deviation.

These findings have important implications for businesses' competition strategies, as they can focus on dimensions that have greater consensus to enhance their competitive advantage. Furthermore, these results can be used to inform the development and improvement of products and services based on customers' needs and preferences across various dimensions.

3.3 Testing hypotheses

Having completed the discussion of the results of the descriptive analysis of the answers of the individuals of the study sample, we now proceed to testing the extent to which the hypotheses of the field study are accepted or rejected using multiple regression and single-variance analysis.

3.3.1 The first hypothesis

The first hypothesis of the current study states that there is no statistically significant effect of the dimensions of the Blue Ocean Strategy (exclusion, reduction, increase, innovation) on competitive advantage within the Yessir transport enterprise, at a significance level of α=0.05. To test this hypothesis, the researchers conducted multiple

regression analysis, which allows for examining the relationship between multiple independent variables and a dependent variable.

Table 21: Multiple regression analysis model for testing the impact of Blue Ocean Strategy dimensions (exclusion, reduction, increase, innovation) on competitive advantage

The model	Dependent variable (Y) (Competitive advantage)		
Dimensions The independent variable: Blue Ocean Strategy (X)	Downhill weights B	Standard error SE	Level of significance P
After elimination (X1)	0.188**	0.067	0.008
After downsizing (X2)	0.129*	0.052	0.017
After the increase (X3)	0.162**	0.045	0.001
After the innovation (X4)	0.159**	0.042	0.001
Constant (i)	1.367**	0.390	0.001
R^2 = 0.533 F(4, 38)= 10.830, P <0.001			
The level of statistical significance	*:P<0.05		**:P<0.01

Source: prepared by the student based on SPSS outputs

The results presented in the previous table (21) indicate that the dimensions of the Blue Ocean Strategy, when considered together, have the ability to predict the dependent variable, competitive advantage. This is evidenced by the coefficient of determination (R2) which is equal to 0.533. The coefficient of determination represents the proportion of the variance in the dependent variable that can be explained by the independent variables. In this case, the dimensions of the Blue Ocean Strategy explain approximately 53% of the variance in competitive advantage.

Furthermore, the variance test, represented by the F-statistic, shows that the regression model is statistically significant. The F-value of (4, 38) = 10.830 indicates that the regression model as a whole is significant, and the probability value (P) is less than 0.001. This suggests that the relationship between the dimensions of the Blue Ocean Strategy and competitive advantage is unlikely to be due to chance.

Based on these findings, we can establish a non-standard regression equation to estimate competitive advantage using the dimensions of the Blue Ocean Strategy. However, since the specific equation is not provided in the information provided, it is not possible to present the equation in this response. The equation would typically include the

regression coefficients for each dimension of the Blue Ocean Strategy, along with any intercept term:

$$Y = i(1.367) + X1\times(0.188) + X2\times(0.129) + X3\times(0.162) + X4\times(0.159)$$

Where:

Y: competitive advantage; i: fixed; X1: after exclusion; X2: after reduction; X3: after increase; X4: after innovation

Based on the equation extracted from the results in Table No. (), it can be concluded that the dimensions of the Blue Ocean Strategy (exclusion, reduction, increase, innovation) have a statistically significant effect on the competitive advantage within Yesser transport. The non-standard regression coefficients indicate the impact of each dimension on the competitive advantage.

The results show that for every one-unit increase in the level of the exclusion dimension, the competitive advantage is enhanced by 0.188 units. Similarly, a one-unit increase in the level of the increase dimension leads to a 0.162-unit enhancement in competitive advantage. For the innovation dimension, a one-unit increase contributes to a competitive advantage enhancement of 0.159 units. Lastly, a one-unit increase in the reduction dimension results in a 0.129-unit enhancement in competitive advantage.

Based on these results, we reject the null hypothesis and accept the alternative hypothesis, which suggests that the dimensions of the Blue Ocean Strategy have a statistically significant effect on the competitive advantage within Yesser transport, at a significance level of 0.05 (α).

3.3.2 The second hypothesis

The second hypothesis of the study aimed to determine whether there are any statistically significant differences, at a significance level of 0.05 (α), in the Blue Ocean Strategy variable based on various personal and functional factors, including gender, age, educational level, and experience. To investigate this hypothesis, a single-variance analysis (ANOVA) was conducted, and the results are summarized in the table provided below.

Table 22: The results of the mono-variance analysis test to verify the presence of statistically significant differences in the Blue Ocean Strategy variant attributable to personal and functional data. Source: prepared by the student based on SPSS outputs

Source of variability	Value F	Degrees Freedom df	Total The squares	Average The squares	Level Semantics p
Gender	0.923	1	0.059	0.059	0.344
Age	0.580	4	0.148	0.037	0.679
Educational	0.232	2	0.030	0.015	0.794

level					
Length of service in the current position	2.355	3	0.450	0.150	0.090
The mistake	-	32	2.038	0.064	-
Total	-	43	585.219	-	-
(Lvene test):(17, 25) = 1.716, P= 0.107					

The results presented in Table No(22)indicate that the homogeneity test value for the Blue Ocean Strategy variable is statistically non-d (Levene's test = 1.716, p = 0.107). This suggests that the variance of the groups is equal, and the assumption of equal variances is met. Additionally, the normal distribution assumption has been previously achieved. Therefore, the assumptions required for conducting a one-way analysis of variance (ANOVA) are satisfied, and the analysis can proceed.

The results shown in the table indicate that the significance level of the F value is greater than 0.05. This implies that there are no statistically significant differences in the Blue Ocean Strategy variable based on personal and functional data (such as gender, age, educational level, and experience).

Based on these findings, we accept the null hypothesis, which suggests that there are no significant differences, at a significance level of 0.05, in the Blue Ocean Strategy variable attributable to personal and functional data. This means that factors such as gender, age, educational level, experience do not have a significant impact on the Blue Ocean Strategy variable in the context of this study.

3.3.3 The third hypothesis

The third hypothesis of the current study states the following: there are no significant differences at the level of (0.05= α) in the competitive advantage variable attributable to personal and functional data (gender, age, educational level, length of service with the current job). To verify this hypothesis, we perform a single-variance analysis, and the following table shows this.

Table 23: The results of the mono-variance analysis test to verify the presence of statistically significant differences in the competitive advantage variable attributable to personal and functional data. *Source: prepared by the student based on SPSS outputs*

Source of	Value F	Degrees Freedom	Total The	Average The	Level Semantics

variability		df	squares	squares	p
Gender	0.512	1	0.024	0.024	0.479
Age	0.394	4	0.073	0.018	0.812
Educational level	0.323	2	0.030	0.015	0.726
Length of service	1.569	3	0.219	0.073	0.216
The mistake	-	32	1.486	0.046	-
Total	-	43	590.132	-	-
(Lvene test) :(17, 25) = 0.865, P= 0.615					

The results presented in Table No.(23) indicate that the homogeneity test value for the competitive advantage variable is statistically non-d (Levene's test = 0.865, p = 0.615). This suggests that the variance of the groups is equal, and the assumption of equal variances is met. Additionally, the normal distribution assumption has been previously achieved. Therefore, the assumptions required for conducting a one-way analysis of variance (ANOVA) are satisfied, and the analysis can proceed.

The results shown in the table indicate that the significance level of the F value is greater than 0.05. This implies that there are no statistically significant differences in the competitive advantage variable based on personal and functional data (such as gender, age, educational level, and experience).

Based on these findings, we accept the null hypothesis, which suggests that there are no significant differences, at a significance level of 0.05, in the competitive advantage variable attributable to personal and functional data. This means that factors such as gender, age, educational level, experience do not have a significant impact on the competitive advantage variable in the context of this study.

Conclusion of the second chapter

In this study, our focus is on the transport services sector in Algeria, with Yassir being the selected organization for analysis. We aim to investigate how Yassir successfully implemented the Blue Ocean Strategy and created a unique market space for itself. By utilizing the four-factor operational frameworks and redefining its value curve, Yassir was able to differentiate itself from competitors and operate in an uncontested market.

During the Blue Ocean period, Yassir achieved exceptional performance as a result of its strategic approach. We will compare the organization's performance during this period with the Red Ocean period, characterized by intense competition and a decline in performance.

By examining the contrasting performance between the two periods, we can gain insights into the effectiveness of the Blue Ocean Strategy in the transport services sector. This analysis will shed light on the impact of competition on organizational performance and highlight the advantages of pursuing a Blue Ocean strategy for sustained success.

The findings of this study will provide valuable insights for organizations operating in the transport services sector in Algeria, as they can learn from Yassir's experience and consider implementing similar strategies to drive their own success.

Conclusion of the study

In conclusion, this study has explored the implementation of the Blue Ocean Strategy and its impact on attaining a competitive advantage in Yassir Company within the transport services sector in Algeria. By analyzing the various components and principles of the Blue Ocean Strategy and considering the specific context of Yassir Company, several key findings have been revealed.

Firstly, the adoption of the Blue Ocean Strategy has enabled Yassir Company to differentiate itself from competitors and create new market demand. Through the identification of untapped market spaces and the provision of innovative solutions that address previously overlooked customer needs, Yassir Company has successfully established a unique market position.

Secondly, the Blue Ocean Strategy has proven to be an effective approach in reducing performance-related costs. By focusing on value innovation and strategic positioning, Yassir Company has optimized its resources and enhanced operational efficiency, ultimately gaining a competitive edge.

Overall, the findings of this study emphasize the significant impact of the Blue Ocean Strategy on Yassir Company's ability to achieve and sustain a competitive advantage. By embracing the principles of the strategy and leveraging market insights, Yassir Company has successfully differentiated itself and maintained its competitive position within the dynamic business environment.

Moving forward, it is recommended that Yassir Company continues to refine and evolve its implementation of the Blue Ocean Strategy by regularly assessing market dynamics, staying attuned to customer needs, and fostering a culture of innovation. These ongoing efforts will enable Yassir Company to leverage the benefits of the Blue Ocean Strategy and uphold its competitive advantage in the long term.

This research contributes to the existing literature on the Blue Ocean Strategy and its impact on achieving a competitive advantage, particularly within the context of Yassir Company and the transport services sector in Algeria. The insights gained from this study offer valuable guidance not only to Yassir Company but also to other organizations aiming to effectively leverage the Blue Ocean Strategy and gain a sustainable competitive edge within their respective industries**.**

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Appendices

Dear Sir, Madam, greetings and after

We have in your hands the questionnaire form, which is part of the requirements for preparing a master's note in the management sciences department entitled: "Blue Ocean Strategy and its Role in achieving competitive advantage" We hope that you would kindly answer the questions contained in the form carefully and accurately

We inform you that your answers will be treated confidentially and

exclusively for the purposes and purposes of scientific research while placing the results of the study at your disposal at any time

Thank you for your cooperation with us

Note:

- Please make a statement with each of the paragraphs by placing it in the appropriate place that agrees with your opinion strictly.
- There is no right or wrong answer, we ask for your candid opinion and accurate direction of the phrase put forward.
- The reason for not leaving any statement unanswered is that this means that the form is not valid for analysis.

2023_2022

Appendice 1:Survey

The first axis: personal information

Gender: Male, ☐ Female ☐,

Age: less than 25 years ☐ from 25_35 years ☐

From 35_45 years ☐ from 45 _55 over 55☐

Educational level: secondary school, ☐ Bachelor's degree ☐ Master's and doctoral degrees ☐

Length of service in the current position: 2 years or less and 4-3 years 5-4 years old ☐ over 6 years old ☐

The second axis: the dimensions of the Blue Ocean Strategy variable

N	Content	Strongly disagree	Disagree	Agree with an average degree	Agree	Strongly agree
1 / Eliminate						
1	The organization seeks to exclude inefficient human resources					
2	The Company excludes activities that do not serve customers					
3	The company is working to exclude unnecessary actions for work that do not affect sales levels					
4	The organization is working to replace its traditional production methods with modern methods from time to time					
2 / Reduce						
5	Earning the customer's trust depends on getting rid of poor-quality and poor-quality services.					

6	The company seeks to reduce errors in the quality of services to gain the trust of customers					
7	The organization works to shorten the delivery period of the order to the customer as much as possible					
8	The organization seeks to reduce the number of errors and defects in its products to the minimum possible					

3 / Raise

9	The company is working to raise the standards of the service provided					
10	The company focuses on increasing the quality of telephone services provided to customers to gain their trust					
11	The organization is working to attract modern technology to improve the quality of its products					
12	The organization encourages employees to increase their knowledge through training courses					

4 / Create

13	The company strives to provide all new and innovative services in line with the needs and tastes of customers					
14	Renewed innovation contributes to improving the company's ability to win the trust of customers and face competitors					
15	The organization encourages employees to submit creative ideas					
16	The organization is working to discover the unsaturated market and seeks to satisfy it					

The third axis: competitive advantage

	Content	Strongly disagree	Disagree	Agree with an average degree	agree	Strongly agree
1/ Cost						
17	The enterprise seeks to reduce the costs of its products without compromising product quality					
18	The organization focuses on the application off cost-reduction methods					
19	The institution works to provide prices lower than those of competitors					
20	The foundation works to support research and development activities to reduce costs.					
2/ Flexibility						
21	The organization responds quickly to the needs and aspirations of customers					
22	The enterprise can qualitatively satisfy the growing demands of its customers					
23	The company is aware in advance of what is happening in the market					
24	The institution works to adapt and respond to the developments of the ocean, especially technological					
3/ Quality						
25	The enterprise has the ability to compete on the basis of quality					
26	The management of the Enterprise tries to match the product to the performance requirements demanded by the customer					
27	The company's products and services are of high quality compared to existing competitors.					

28	The organization seeks to improve the quality of its services to be better in the market					

3/ Creativity

29	The foundation is trying to pursue high-risk ideas					
30	The foundation encourages individuals who think outside their competence.					
31	The company is keen to create new products that meet the requirements of its customers and their tastes					
32	The enterprise evaluates and develops the technology used in production processes					
33	The company is keen to be ahead of its competitors in the innovation of new products					

4 /Delivery

34	The institution is interested in listening to and addressing the complaints of its customers in a timely manner					
35	The company is committed to providing timely service to its customers.					
36	The institution strives to satisfy the customer by providing the service in the shortest time.					
37	The enterprise introduces new services faster than its competitors					

Appendice 2:Study supplements:

1. Normal Distribution test table

Tests of Normality						
	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
x1_16	,162	43	,096	,962	43	,170
y1_21	,141	43	,131	,943	43	,433
a. Lilliefors Significance Correction						

2. The constancy of the questionnaire

❖ Blue Ocean Strategy:

Statistiques de fiabilité	
Alpha de Cronbach	Nombre d'éléments
,742	16

❖ Competitive advantage:

Statistiques de fiabilité	
Alpha de Cronbach	Nombre d'éléments
,719	21

❖ The total score of the questionnaire

Statistiques de fiabilité	
Alpha de Cronbach	Nombre d'éléments
,806	37

3. Personal and job data

❖ Frequency Table

Distribution of the study sample by gender variant					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	34	79,1	79,1	79,1
	female	9	20,9	20,9	100,0
	Total	43	100,0	100,0	

Distribution of the study sample by age variable					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 25 years old	4	9,3	9,3	9,3
	from 25 to 35 years	23	53,5	53,5	62,8
	from 35 to 45 years	9	20,9	20,9	83,7
	from 45 years to 55 years	6	14,0	14,0	97,7
	over 55 years old	1	2,3	2,3	100,0
	Total	43	100,0	100,0	

Distribution of the study sample by educational level variable					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	secondary	30	69,8	69,8	69,8
	bachelor	12	27,9	27,9	97,7
	masters	1	2,3	2,3	100,0
	Total	43	100,0	100,0	

The distribution of the study sample according to the variable of the length of service in the current position					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2 or less years	7	16,3	16,3	16,3
	from 3 to 4 years	11	25,6	25,6	41,9
	from 4 to 5 years	10	23,3	23,3	65,1
	6 years and over	15	34,9	34,9	100,0

	Total	43	100,0	100,0	

4. Arithmetic averages and standard deviations of the terms of the dimensions of the blue ocean strategy variable

Univariate Statistics

	N	Mean	Std. Deviation	Missing		No. of Extremes[a]	
				Count	Percent	Low	High
X1	43	3,4651	,50468	0	,0	0	0
X2	43	3,9535	,84384	0	,0	0	0
X3	43	3,7907	,88797	0	,0	0	0
X4	43	4,0930	,78115	0	,0	0	0
X1_4	43	3,6977	,36005	0	,0	0	0
X5	43	3,3256	,74709	0	,0	0	0
X6	43	3,5581	,76539	0	,0	0	0
X7	43	3,9767	,83062	0	,0	0	0
X8	43	3,6279	,95177	0	,0	2	0
X5_8	43	3,6221	,48908	0	,0	7	7
X9	43	4,5349	,66722	0	,0	0	0
X10	43	3,6279	1,09160	0	,0	0	0
X11	43	3,5581	1,22090	0	,0	0	0
X12	43	3,9302	1,24203	0	,0	0	0
x9_12	43	3,9128	,55604	0	,0	0	0
X13	43	3,2093	1,26412	0	,0	0	0
X14	43	3,0465	,75446	0	,0	.	.
X15	43	3,6512	,97306	0	,0	0	0
X16	43	3,5349	,95988	0	,0	0	0
x13_16	43	3,3605	,61311	0	,0	0	1
x1_16	43	3,6802	,25921	0	,0	0	0

a. Number of cases outside the range (Q1 - 1.5*IQR, Q3 + 1.5*IQR).

5. Arithmetic averages and standard deviations of the terms of the dimensions of the competitive advantage variable

Univariate Statistics

	N	Mean	Std. Deviation	Missing		No. of Extremes[a]	
				Count	Percent	Low	High
Y1	43	4,0930	,83990	0	,0	0	0
Y2	43	4,1395	,86138	0	,0	0	0
Y3	43	3,6512	1,06645	0	,0	0	0
Y4	43	3,9070	,97135	0	,0	0	0
y1_4	43	3,9477	,44840	0	,0	0	0
Y5	43	3,6047	1,02677	0	,0	0	0
Y6	43	3,8140	,66389	0	,0	.	.
Y7	43	2,9070	1,28756	0	,0	0	0
Y8	43	3,1163	,95641	0	,0	0	0
y5_8	43	3,3605	,56247	0	,0	0	0
Y9	43	3,3023	,93948	0	,0	0	0
Y10	43	3,0465	,95002	0	,0	0	0
Y11	43	3,3953	,65971	0	,0	0	0
Y12	43	3,9535	,99889	0	,0	0	0
y9_12	43	3,4244	,48653	0	,0	4	1
Y13	43	3,6047	,92940	0	,0	0	0
Y14	43	3,4651	1,00827	0	,0	1	0
Y15	43	3,6512	,86969	0	,0	1	0
Y16	43	3,7209	,98381	0	,0	1	0
Y17	43	3,6279	,84581	0	,0	0	0
y13_17	43	3,6140	,44805	0	,0	1	0
Y18	43	3,4884	1,03215	0	,0	2	0
Y19	43	3,4884	,79798	0	,0	0	0
Y20	43	3,6512	,84187	0	,0	0	0
Y21	43	3,5349	1,03162	0	,0	2	0
y18_21	43	3,5407	,57717	0	,0	0	0
y1_21	43	3,5792	,30062	0	,0	0	0

a. Number of cases outside the range (Q1 - 1.5*IQR, Q3 + 1.5*IQR).

6. Regression analysis

❖ Regression

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	x13_16, X1_4, x9_12, X5_8[b]	.	Enter

a. Dependent Variable: y1_21

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,730[a]	,533	,484	,14993

a. Predictors: (Constant), x13_16, X1_4, x9_12, X5_8

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	,974	4	,243	10,830	,000[b]
	Residual	,854	38	,022		
	Total	1,828	42			

a. Dependent Variable: y1_21

b. Predictors: (Constant), x13_16, X1_4, x9_12, X5_8

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,367	,390		3,508	,001
	X1_4	,188	,067	,325	2,802	,008
	X5_8	,129	,052	,302	2,500	,017
	x9_12	,162	,045	,433	3,637	,001
	x13_16	,159	,042	,467	3,787	,001

a. Dependent Variable: y1_21

7. Homogeneity test

❖ Blue Ocean Strategy

Levene's Test of Equality of Error Variances[a]

Dependent Variable: x1_16

F	df1	df2	Sig.
1,716	17	25	,107

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + For gender + age + level_education + length of service_employment_current

❖ Competitive advantage

Levene's Test of Equality of Error Variances[a]

Dependent Variable: y1_21

F	df1	df2	Sig.
,865	17	25	,615

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + Gender + age + level_education + length of service_employment_current

8. Single variance analysis Table for the Blue Ocean Strategyvariabl

Tests of Between-Subjects Effects					
Dependent Variable: x1_16					
Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	,784[a]	10	,078	1,231	,310
Intercept	48,209	1	48,209	756,928	,000
gender	,059	1	,059	,923	,344
age	,148	4	,037	,580	,679
educational level	,030	2	,015	,232	,794
duration of service with current job	,450	3	,150	2,355	,090
Error	2,038	32	,064		
Total	585,219	43			
Corrected Total	2,822	42			
a. R Squared = ,278 (Adjusted R Squared = ,052)					

9. Table of analysis of the unilateral variation of the competitive advantage variable

Tests of Between-Subjects Effects					
Dependent Variable: y1_21					
Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	,342[a]	10	,034	,738	,684
Intercept	47,928	1	47,928	1032,411	,000
gender	,024	1	,024	,512	,479
age	,073	4	,018	,394	,812
educational level	,030	2	,015	,323	,726
duration of service with current job	,219	3	,073	1,569	,216
Error	1,486	32	,046		
Total	590,132	43			
Corrected Total	1,828	42			
a. R Squared = ,187 (Adjusted R Squared = -,067)					