

Strategic Marketing

Assignment deadline 12th December. Case study and assignment briefing to be posed on Mybu at end of the week.

Lecture 3 – Strategic Capability

RVB – Resource based view: the strategy asserts that the competitive advantage and superior performance of an organisation is explained by the distinctiveness of internal capabilities.

Elements of Strategic Capabilities

Keys issues:

What are strategic capabilities

How do they contribute to competitive advantage

How do we find out what they are

How do we manage the development of strategic capabilities

What is it?

Refers to **resources** and **competences** and is about their contribution to long-term survival or competitive advantage. It's what they can do together that can make the difference

Resources: Assets that organisations have or can call upon e.g. partners or suppliers. It can be tangible and in-tangible. e.g. a brand could be an asset.

Competences: What we do with those resources and **how we deploy them**.

E.g. could have a great sales force but how do they work and how can we deploy this resource to the external world to bring sales in etc.

E.g. British Bake Off – Resource wise they had the same ingredients, cookers etc. there was nothing to differentiate them. Their competences gave individuals competitive edge.

Threshold capabilities: are those needed for an organisation to meet the necessary requirements to compete in a given market and achieve parity with competitors in that market “qualifiers” e.g. Starbucks have to have coffee, machines, outlets, people. – That's their qualifiers to even be in the game. But they want more than that to be a winner... They need to develop, gain etc

Distinctive capabilities: are those that critically underpin competitive advantage that others cannot imitate or obtain – “Winners” Starbucks have a individual coffee experience with their branding. Costa's edge is to have Costa everywhere e.g. at tesco, at service stations.

You can have threshold resources & competences as well as distinctive resources and distinctive capabilities

E.g. Ohio University Marching Band...

Resources: Instruments, uniforms, people