

# The study and rating of influencing factors on Competitive Advantages of car companies - case study: saipa company

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**ABSTRACT:** The purpose of this study was to identify the relationship between the enjoyment of technical resources and advanced hardware Saipa Company with a competitive advantage. In this study, the factors affecting the competitive advantages that include: Brand reputation, human resources, service quality, customer satisfaction, technology, and innovation Business sector has been studied. To test the hypotheses, a questionnaire of 24 questions designed to 0-100 depending on the value of the target population (Saipa Company) was distributed to 155 employees and managers. The method is used in this research, descriptive - survey. To test the hypotheses using path analysis and AMOS software was used for statistical analysis of data. The results of the study variables are positive and significant impact on the competitive advantage that the greatest impact of the variable reputation, innovation and customer orientation varies lowest impact on the competitive advantage.

**Key words:** Competitive Advantage, Model Competitive Advantage, Saipa Company.

## INTRODUCTION

Competitive Strategy and Competitive Advantage located in the center of the debate has raised a lot of debate about competitive advantage. However, it is difficult to provide a precise definition of competitive advantage. On the one hand, competitive advantage means yields are considered too common and on the other, competitive advantage is linked to the performance of capital markets and expectations. But the most common definition of competitive advantage within the framework of competitive strategy and value creation, whatever makes money over the cost increase, will expression (Rumelt, 2003). Competitiveness is true that the ability of the company / industry shows increasing market share. Several indicators are used to assess the ability and power to produce profits, market share, investments, productivity and tariff structure are related. Most of these indicator requires data or surveys that are probably in the company / industry that are obtained or are obtained through a case study. However, its use for policy makers and industries that tend to compare is performance, limited. What the politicians are demanding, it is a simple analytical tool to evaluate the trends of the market and end markets that are suitable with respect to their progress, identify (Wawan & Puji, 2003). Two points should be considered is the path to creating competitive advantage: First, the path is a continuing process that will lead to higher performance and competitiveness of enterprises. In other words, if the firm is able, through his merits, to create a sustainable competitive advantage to our valued customers is always superior to the competition, and the competitiveness left behind by the decent performance created. Because of the increasing complexity and highly competitive environment, competitive advantage or be easily imitated by competitors or customers simply pale and must be replaced with new advantages. According to this view, thought should be to sustain their competitive advantage. Create and maintain a sustainable competitive advantage, it is necessary to rely on the competence of the organization creates value for its customers (Akimora, 2000). Sustainable competitive advantage is the result of a higher or lower value of continuing to provide ongoing customer costs or performance of both the client simultaneously. Competitive advantage refers to the ability of the company's superior performance relative to the industry in which it is employed (Po-Tsang Chen & Hsin-Hui, 2010). Some theorists also believe that the difference in performance over time, mostly through its own resources and capabilities can be justified. Resource-based view that the school is evident in the organization of a set of specific resources and capabilities, such as infrastructure development and strategy and organizational performance is the main source. In this view it is assumed that if the tangible and intangible

resources to be able to combine with his ability, can achieve competencies that ensure competitive advantage in the competitive environment (Desarbo, 2007). But the industry has ever had a presence in foreign markets is good. Given the subject matter discussed above, this study investigated factors affecting rankings and gain a competitive advantage and tries to identify factors affecting competitive advantage.

### **Variables affecting the competitive advantage**

**Brand Reputation:** Reputation a symbol, an image, a trade mark or an intangible asset was introduced and emphasized Reputation three different clusters: knowledge, assessment and resource is created. These days, often Reputation as the common identity (a set of symbols), image common (beliefs, Inc.), the judgment of the viewer and the common (economic resources) is observed. Reputation is defined, because of the environmental, social and economic period (Barnet et al., 2006).

**Human Resource:** A number of researchers have studied the interactions between organizational systems and human resources management Human Resource Management found that coordination between organizational strategies and human resource policies lead agency is synergy activity (Chadwick, 2005).

**Quality of Service:** Perceived quality can, customer perception of overall quality or superiority of a product or service according to the expected target, compared with other options, be defined. Finally, perceived quality, perceived general and subjective (intangible) about the brand. Most important factors associated with the success of brand extension, the quality of the parent brand (Volckner et al., 2007).

**Responding to customer:** Many companies turn their attention to areas such as how to maintain positive relationships with customers, how to increase customer loyalty and how customer lifetime value of their attention. Thus, recent strategies for corporate strategies oriented toward change. In particular, understanding customer needs and provide additional services as determinants of success or failure are known (Ahn Jeong et al., 2003). The overall process of creating and maintaining profitable relationships with customers and deliver superior value to customers by delivering or her consent is obtained (Karakostas et al., 2004).

**Technology:** A pivotal role in the development of technology and increased skills and capabilities of the business environment, design and implement sound policies and mechanisms within the company has a large, believe in a way that thinkers of the only cause of sustainable competitive advantage companies, most of and improvement it is continuous (Shani,2003).

**Advertising:** All talks are committed mouth advertising market, worth is defined on some movement in the market provides (Bouquet, 2005). Positive word of mouth advertising can be a very reputable vendor selling act. People seem more accepting of a trusted friend to consider a professional dealer (Collin, 2003). It is important that the characteristics of the source data, determines the effects of oral propaganda (Christian & Tax, 2000).

**Innovation:** Innovation is a key source of comparative advantage (Porter & Scott, 2000). Innovation is not only consciously invent new ideas, But to introduce and apply these ideas will also be included and the overall objective improving organizational performance (Janssen et al., 2004). The main idea of innovation theory, based on the fact that innovation increases productivity by increasing their productivity and ultimately economic growth is. Improvement of human capital, innovation and creativity should be emphasized to achieve this significant increase in investment in human resources can have a significant effect on economic growth (Savvides et al., 2003).

### **Research Objectives**

The enjoyment identified the relationship between technical resources and advanced hardware company Saipa car companies with a competitive advantage.

Identify the relationship between brand reputation Saipa car companies with a competitive advantage.

Identify the relationship between human resources a competitive advantage to customers with car companies.

Identify the relationship between quality of service with competitive car companies.

Identify the relationship between responding to customer with competitive car companies.

Identify the relationship between technology and automotive companies with a competitive advantage.

Identify the relationship between advertising by car companies a competitive advantage.

Identify the relationship between innovation and competitive advantage for car companies.

Ranking competitive factors affecting car companies.

### **Research hypotheses**

H<sub>1</sub>. Between the factors creating competitive advantage and increased competitiveness, there is a direct relationship.

H<sub>2</sub>. Between brand reputation and competitive edge in the automotive business, there is a direct relationship.

H<sub>3</sub>. Between human resources and competitive edge in the automotive business, there is a direct relationship.

H<sub>4</sub>. Between quality of service and competitive edge in the automotive business, there is a direct relationship.

H<sub>5</sub>. Between responding to customer and competitive edge in the automotive business, there is a direct relationship.

H<sub>6</sub>. Between technology and competitive edge in the automotive business, there is a direct relationship.

H<sub>7</sub>. Between advertising and competitive edge in the automotive business, there is a direct relationship.

H<sub>8</sub>. Between innovation and competitive edge in the automotive business, there is a direct relationship.

**Model**

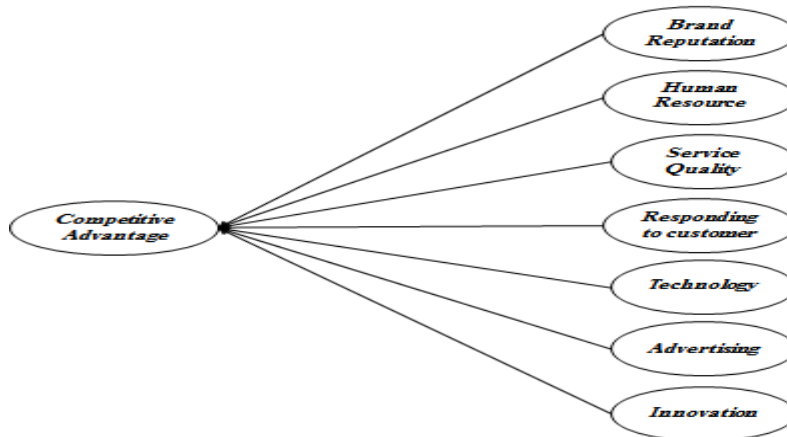


Figure1. The Conceptual model of examining the effective factors (Brand Reputation, Human resource, Service

Quality, responding to customer, Technology, Advertising, Innovation) influencing Competitive Advantage (taken from: Hill & Jons, 1999).

Table1. One-Sample Kolmogorov-Smirnov Test

	Error
N	155
Kolmogorov-Smirnov Z	.806
Asymp. Sig. (2-tailed)	.078

**heoretical frame work forresearch**

**RESEARCH METHOD**

This research is based on the target application, based on descriptive - survey is, in this study, all managers and employees Saipa internal business units, marketing and sales are being studied. A random sampling. To determine sample size, Morgan used. The population of the 261 patients randomized to 155 people.

**Kolmogorov- Smirnov test**

To use path analysis and regression method, errors must have a normal distribution. To examine this, Kolmogorov-Smirnov test is being used.

In the table above, p-value= 0.078 and  $p > 0.05$ , the hypothesis of being normalized is accepted. a primary sample of 155 people were examined to do this research and as for getting sure of its reliability, Cronbachs Alpha was used. As its shown in the table below,  $\alpha = 0.733$ , which proves the reliability of the questionnaire.

Table 2. Reliability Statistics	
Cronbach's Alpha	N of Items
.733	24

In the table above, Cronbach's alpha= 0.733 and  $\alpha > 0.70$ , then it can be said that this questionnaire is reliable. In this model, the impact of independent variables such as brand reputation, human resource, service

quality, responding to customer, technology, advertising, in novation on the dependent variable of competitive advantage is examined. Therefore, the model is illustrated as following:

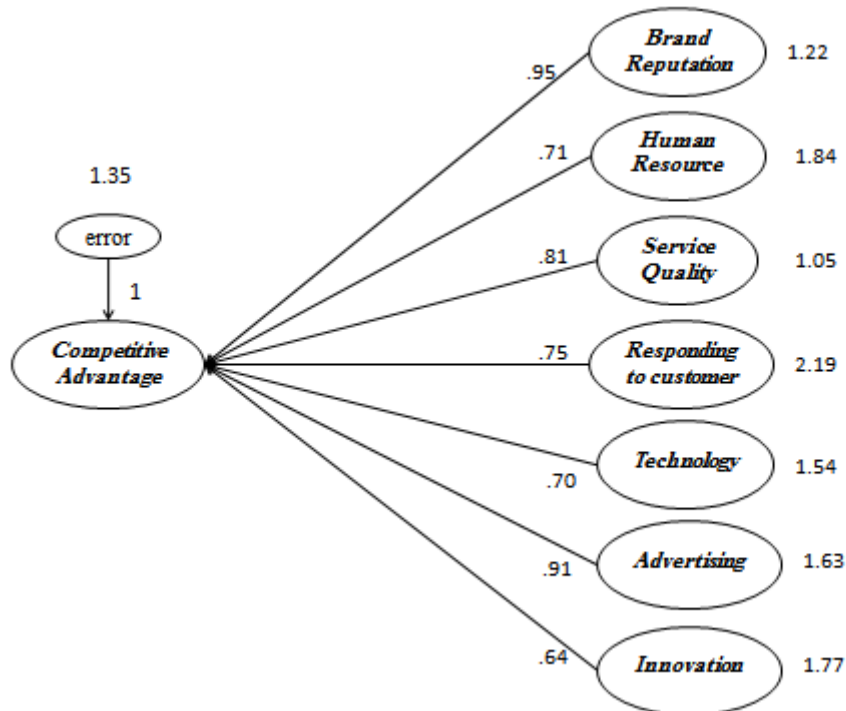


Figure2. The regression coefficients of independent variables in Saipa Company.

In the figure above, 0.95 demonstrates regression coefficient between brand reputation and competitive advantage variables, and 1.22 demonstrates the variance of reliability variable.

**Regression coefficients of variables in Saipa Company**

The table above shows the calculated regression coefficients of independent variables on dependent ones. According to this table, the regression coefficient of the variable brand reputation is 0.955. Also, the calculated regression coefficient of human resource is 0.711, service quality =0.810, responding to customer =0.753, technology = 0.708, advertising = 0.913 and innovation = 0.642. Considering the last column of this table which shows p- value related to independent variables coefficients being significant hypothesis. Brand reputation 0.039, human resource 0.011, service quality 0.005, responding to customer 0.000, technology 0.015, advertising 0.005, innovation 0.035 .because all of these p – values < 0.05, as a result, it can be concluded that all of these coefficients are significant. In the second column, this table shows standard error and the third column shows the critical value, which is attained through dividing the coefficient estimation by the standard error.

Table3. Regression coefficient of independent variables in Saipa Company

		Estimate	S.E.	C.R.	P
Competitive Advantage <---	Brand Reputation	.955	1.104	.638	.039
Competitive Advantage <---	Human Resource	.711	1.356	.350	.011
Competitive Advantage <---	Service Quality	.810	1.024	.418	.005
Competitive Advantage <---	Responding to customer	.753	1.479	.289	***
Competitive Advantage <---	Technology	.708	1.240	.648	.015
Competitive Advantage <---	Advertising	.913	1.276	.589	.005
Competitive Advantage <---	Innovation	.642	1.330	.325	.035

**Structural equation**

In this article, independent variables like brand reputation is shown by X<sub>1</sub>, human resource X<sub>2</sub>, service quality X<sub>3</sub>, responding to customer X<sub>4</sub>, technology X<sub>5</sub>, advertising X<sub>6</sub>, innovation X<sub>7</sub> and the dependent variable of Competitive Advantage shown by Y. According to the regression al coefficients, the linear regression al model being fitted to data, is as follows:

$$Y = 0.16 + 0.95 x_1 + 0.71 x_2 + 0.81 x_3 + 0.75 x_4 + 0.70 x_5 + 0.91 x_6 + 0.64 x_7$$

**Standardized Regression Weights**

The standardized coefficients of independent variables have been shown in the graph below.

Table4. the standardized coefficients of variables

			Estimate
Competitive Advantage <---	Brand Reputation		.935
Competitive Advantage <---	Human Resource		.744
Competitive Advantage <---	Service Quality		.853
Competitive Advantage <---	Responding to customer		.721
Competitive Advantage <---	Technology		.777
Competitive Advantage <---	Advertising		.936
Competitive Advantage <---	Innovation		.684

As h's obvious from the table above, the variable of brand reputation and advertising has the most impact and innovation has the least impact on the variable of Competitive Advantage.

**Comparing the independent model and the proposed model**

In order to examine the suitability of the model, the following criteria are used. The nearer the values of these criteria to 1, the more suitable the model will be. The independent model is a kind of model in which there is no relationship among variables, being called a basic model.

Table5. comparing the suggested and independent model in Saipa Company

RMSEA	AGFI	GFI	CFI	IFI	RFI	NFI	
0.031	0.801	0.768	0.912	0.867	0.825	0.778	proposed model
0.000	0.000	0.000	0.000	0.000	0.000	0.000	independent model

As can be seen the model provide the values obtained for the occasion

**K<sub>2</sub> of the suggested models**

The following table shows the K<sub>2</sub> value for the suggested model.

Table 6. K2 of the suggested model in Saipa Company

Model	CMIN	DF	P	CMIN/DF
Default model	22.176	21	.036	1.056

For this model,  $\chi^2 = 22.176$ , degrees of freedom = 21 and sig = 0.036, and because sig < 0.05, it is concluded that the regression model being fitted among dependent and independent variables is significant and suitable.

**CONCLUSION**

This study examines the factors that influence the rankings and gain competitive advantage in addressing these factors include is: brand reputation, human resource, service quality, responding to customer, technology, advertising, innovation. The results show a significant positive relationship between variables based on the results of ranking variables are as follows:

Table7.

			Estimate
Competitive Advantage <---	Brand Reputation		.93
Competitive Advantage <---	Advertising		.93
Competitive Advantage <---	Service Quality		.85
Competitive Advantage <---	Technology		.77
Competitive Advantage <---	Human Resource		.74
Competitive Advantage <---	Responding to customer		.72
Competitive Advantage <---	Innovation		.68

The data described below p\_value and regression coefficients can either accept or reject the hypothesis that results of this research are:

H<sub>1</sub>. Between the factors creating competitive advantage and increased competitiveness, there is a direct relationship.

With emphasis on the results of research, known components of competitive advantage at a significance level Brand reputation 0.039, human resource 0.011, service quality 0.005, responding to customer 0.000, technology 0.015, advertising 0.005, innovation 0.035 and the regression coefficient brand reputation is 0.955 also, the calculated regression coefficient of human resource 0.711, service quality 0.810, responding to customer 0.753, technology 0.708, advertising 0.913 and innovation 0.642, indicating the relationship (positive and significant) between the independent and dependent variables It can be stated that there is a link between competitive advantage and increase competitiveness and competitive advantage can be caused as a result we can say that the operational model of enterprise competitiveness in the market will be caused, so the hypothesis is confirmed.

H<sub>2</sub>. Between brand reputation and competitive edge in the automotive business, there is a direct relationship.

Reputation and competitive advantage at a significance level of 0.039 and 0.95, with a regression coefficient is positive and significant. It can be noted between reputation and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced reputation, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>3</sub>. Between human resources and competitive edge in the automotive business, there is a direct relationship.

Human resources and competitive advantage at a significance level of 0.011 and 0.71, with a regression coefficient is positive and significant. It can be noted between human resources and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced human resources, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>4</sub>. Between quality of service and competitive edge in the automotive business, there is a direct relationship.

Quality of service and competitive advantage at a significance level of 0.005 and 0.81, with a regression coefficient is positive and significant. It can be noted between quality of service and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced quality of service, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>5</sub>. Between responding to customer and competitive edge in the automotive business, there is a direct relationship.

Responding to customer and competitive advantage at a significance level of 0.000 and 0.75, with a regression coefficient is positive and significant. It can be noted between responding to customer and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced responding to customer, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>6</sub>. Between technology and competitive edge in the automotive business, there is a direct relationship. Technology and competitive advantage at a significance level of 0.015 and 0.70, with a regression coefficient is positive and significant. It can be noted between technology and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced technology, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>7</sub>. Between advertising and competitive edge in the automotive business, there is a direct relationship. Advertising and competitive advantage at a significance level of 0.005 and 0.91, with a regression coefficient is positive and significant. It can be noted between advertising and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced advertising, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

H<sub>8</sub>. Between innovation and competitive edge in the automotive business, there is a direct relationship. Innovation and competitive advantage at a significance level of 0.035 and 0.64, with a regression coefficient is positive and significant. It can be noted between innovation and competitive advantage, there is a strong correlation between the two variables is the regression coefficients of the direct (positive); in conclusion we can say that fame will affect the competitive advantage of the views of employees and managers, as the result of enhanced innovation, competitive advantage to the positive side of the sails. So the hypothesis is accepted.

Proposals for future research

Effects of e-marketing on competitive advantage of organizations.  
Effects of organizational culture and create a competitive advantage.  
The relationship between competitive advantage and build customer loyalty.

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