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Developing Market as a Source of Competitive Advantage: The Role of Management Tools

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ABSTRACT

This study has explored 16 management tools and selected the key six; based on their innovation creation and customer satisfaction. The researcher's objective was to provide executives and managers with the information they need to know and identify, so that they can integrate such tools to improve bottom line results to respond to the increased competition. The method used was based on tracking of tools used by companies (both service & manufacturing companies) in Neiva-Colombia. Statistical test using frequency tables were used to find out how satisfied executives and managers were with their results and under what circumstances do firms need to use such tools. Findings indicate that managers with average score of 84.2% believe that management tools such as price optimization model, customer segmentation; supportive organizational culture, employee engagement survey, benchmarking & Balanced Scorecard, and technology are the most influential tools in terms of innovation creation and customer satisfaction. It was discovered that in difficult economic climates, these tools allow companies to monitor, identify and ensure that they are doing the right things. Throughout the study, the author focuses on the uses of management tools in developing markets as a source of competitive advantage for New and Existing Products.

Introduction

Management tool can be powerful enablers of actions and change in companies, if they are appropriately used. The tools can, for instance, help to execute and define the strategy, engage with employees and customers and monitor performance. Management tools are model base-structured technical mechanisms that are used to define firms' uniqueness and its perceived customer values. Though some of these tools have been in the realm of management for centuries now, few organizations know how to go through the options and select the right tools to assist them innovate, plan for future, improve quality, identify unmet customer needs, exploit competitor's vulnerabilities, and build distinctive capabilities that are non-imitable and idiosyncratic to spell the firm's uniqueness.

Drejer, (2002) argued that many firms strive to develop their market to outperform challenges like market uncertainty, customer satisfaction but lack knowledge as they go through options and select the right management tools. The secret here is not about selection but about learning which mechanism to use, when and how to use them. The selection itself is very complicated and that's why the researcher through the help of the 57 managers selected for the study in Neiva-Colombia has selected the six key management tools that play important role in developing markets to outperform the competition. These tools will help firms to identify the unmet customer needs, exploit the vulnerabilities of their customers and develop distinctive capabilities to extend their market share (Jervis 1975).

The purpose of this study is to inquire about the roles the six key management tools such as benchmarking & balanced scorecard, customer segmentation, employee engagement survey, Price optimization model, Supportive organizational culture, and Technology play in developing markets as a source of competitive advantage.

The author's objective was two-fold, (i) to provide executives and managers with the information they need to know and identify; such as how effectively those tools have performed in developing market as a source of competitive advantage so that they can integrate such tools to improve bottom line results to respond to the increased competition and. (ii) To propose a conceptual framework to provide the tools and information managers need to know, select, integrate and implement when developing market as a source of competitive advantage.

Since what the study seeks to address are the roles of management tools in developing market for firms, it wouldn't be surprised to see new and experienced researchers interested in learning about the range of research in market development making reference to it. The study will guide students in their academic writings, and broaden the horizon of new and existing entrepreneurs. Management can use the study to develop market capabilities that are non-imitable and idiosyncratic to spell their firms uniqueness.

Review on the Roles of Management Tools & how they have Effectively Performed in Developing Market

From a broader marketing and management perspective, firms that identify and integrate the necessary management tools are likely to be tuned with their customer's wants and needs. Asiedu (2015) supported that "winning market share in this competitive environment is not only about having money and technology, but it is about having the right management tools to redesign market to identify the unmet customer preferences and values".

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He argues that right management tools enable firms to focus its efforts on identifying the unmet customer preferences to build their market as a source of competitive advantage.

Cooper (1979) measured the success factors of new product development by analysing the variance between the successful projects and unsuccessful projects. The findings showed that the proficiency of information acquired through management tools during the market launch, and proto-test with customers played a major role on successful projects. He argued in 1980 that, the acquired information through management tools, most especially, on the knowledge of customers' price sensitivity, understanding of buyer behaviour and knowledge of customers' needs, specifications and wants for production; contributed immensely to the success factors of market development (Cooper, 1980).

Brown & Scott (2005) argued that through outsourcing, a firm can avoid capital investment most especially under market uncertainty. This is because outsourcing release resources like people, capital and time to focus on core competencies and customer needs and wants. Core competences must also be difficult to copy by rivals and be willing to stand the test of time if a firm wants to develop its market share as a source of competitive advantage (Drejer, 2002). In that case, the core competence according to Alai et al., (2006) must be compatible with a firm's vision and mission statement. The vision and mission statement of a firm clearly defines the firm's objectives, and its approach towards the objects. This means that vision and mission statement can be used to motivate employees to work assiduously and productively by providing common goals and creating better communication with customers.

Kotler (1996) assessed that cultural differentiation such as personal differentiation (competence, courtesy, credibility, reliability, responsiveness and communication), products differentiation (conformance quality, features, performance quality, durability, reliability, style and design); image differentiation (such as symbol, atmosphere, and events) and service differentiation (like delivery, installation, customer training, consulting service, repair etc.) are critical management tools in developing market as a source of competitive advantage.

In trying to reduce 16 success variables into four (4) success dimensions on sales and market share performance, competitive performance, "other booster" and cost performance, De Brentani (1989) reported that balanced score-carding, benchmarking, culture and customer segmentation played important role in developing market for the successful firms. Calantone & de Benedetto (1988) divided their results into marketing activities and technical activities. To them, the successful firms had effective marketing activities regarding marketing resources and skills, competitive and market intelligence and the technical activities involve technical skills, competitive and market intelligence.

Parry & Song (1994) measured successful and unsuccessful markets on the basis of profitability by respondents. They ended their studies with a note that, the right use of management tools during the pre-development of market activities, pre-development of technical activities, market activities and technical activities helped the successful firms to develop their market.

Jervis (1975) supported this during his empirical studies on the selection of successful (commercial standpoint) and unsuccessful product (firm) by respondents. The researcher concluded that, the successful firms had more power on management tools like business innovation, vision & mission statement, diverse experience, core competences, enthusiasm, and a higher status due to their strong change management programmes; than their unsuccessful counterpart firms. Asiedu (2015) argued that "firms that channel their management tools in developing market always find out what really satisfies, motivates, bothers and challenges customers".

Kleinschmidt & Cooper (1986) came up with four (4) success variables: (i) Overall success rate (profitability), playback period, domestic market and foreign market. These two scholars drew a correlation between thirteen (13) new products process activities and success. At the end of their studies, it was reported that there was positive impact on the overall success rate (profitability) due to the use of right management tools during the initial screening, detailed market research, preliminary market assessment, in-house product testing (quality), business & financial analysis, and formal market launch stage.

Atuahene-Gima (1995) disclosed that, management tools enable firms to understand the collection and the use of market information, development of market oriented strategy and implementation of market oriented strategy to ensure competitive advantage. Balbontin et al., (1999) advocated this during his empirical selection of successful and unsuccessful projects by respondents. He supported that good proficiency of marketing, design activities, accurate market forecasts and predictions about customer requirements are success factors for developing market for products.

Other issues to be considered when developing market include; the understanding of market share and markets growth, implicating empirical research, managing international realities, and using the right management tools such as portfolio models, scenario analysis, experience curves, market structure analysis and technological forecasting (Aaker et al., 2004). He argued that, customer segmentation, employee engagement surveys, technology and price optimization model perform such roles. Philips (2005) added that, price optimization model allows firms to develop their market based on the provided information on price strategy, product strategy, distribution strategy, product & sales strategy, internet and direct marketing strategy.

Baker et al., (1986), Boyd (2007), and Kimi (2003) established that price optimization model (P.O.M) is a mathematical program that calculates how demand varies at different level of price and then puts that data together with information on inventory and cost levels to recommend prices that will position and develop market for the firm. Phillips (2005) and Sodhi (2007) believe that if a firm wants to position and develop its market share, it must use price optimization model to tailor pricing based on customer segments. To them the tool can be used to simulate how targeted buyers will respond to price changes. Baker (2006) & Kinni (2003) argued that the price optimization model assist firms to determine initial pricing, markdown or discount pricing and promotional pricing.

Malcom McDonald (2015) agreed that the use of right tools help firms in their value creation process. To him, the tools are used to define markets and understand value, develop and prioritize the value propositions, plan and deliver the value as well as monitor the value delivered (see figure 1: The McDonald Value Process (2015).

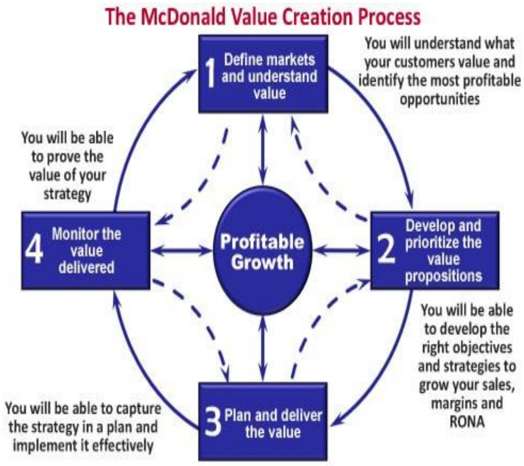

Figure 1. The MaDonald Value Creation Process

Contrary to the above assessment, Christensen (2013), and Peter Drucker (2014), argued that creative destruction lab (disruptive innovation) pushes firms beyond its incremental development stage. They believed that disruptive innovation lab must be activated when a firm faces new forms of competition that steal market share or reducing profitability. Keeley (2013) continued that a firm can apply disruptive innovation method when traditional innovation method is failing to deliver required results. However disruptive innovation is applied when management finds that the firm is growing complacent and needs bold innovations to transform the culture and raise the vision. Caudron et al., (2014) argued that digital transformation scrutinizes each link in the customer experience chain. It helps to explore new technology link to bolster the base business.

Dyer et al., (2001) and Kaplan (2010) disclosed that, firms through organizational culture of strategic alliance can form alliance with a wide variety of players such as competitors, universities, customers and suppliers to improve competitive positioning and developing of market. Strategic alliance helps firms to develop new market entry, share the risk and cost of major development projects and supplement critical skills. These scholars believe that in order to gain a market share, a firm must establish a strategic partnership with the emerging competitors and link up to form a league of nations to reduce cost through increased knowledge and economics of scale. Kuglin & Jeff (2002) opine that strategic alliance and mergers are used to cultivate more loyal and satisfied customers when developing market share for a company.

Research Question

What roles do management tools such as benchmarking & balanced scorecard, price optimization model, customer segmentation, supportive organizational culture, employee engagement survey, and technology play in developing market as a source of competitive advantage?

Research Methodology

The researcher, in an attempt to answer the research question, adopted a mixed-method design; combining qualitative and quantitative techniques. The qualitative data consisted of empirical reviews (documentary interpretation) (Jervis, 1975) and qualitative analysis (Dyer, 1979). Since many scholars have written much about the topic, it was therefore necessary to structure and limit the presentation of this study. The researcher limited the analysis of the study to those publications which have empirically studied and analyzed the potential unsuccessful and successful tools of developing market to face the competition. This was done on the basis of large sample which contain explicit information on the statistical significance of the empirical result (Holger Ernst, 2002).

However, this does not mean that the researcher excluded case studies such as de Cotiis & Dyer 1979 and those that focus only on success factors like Booz et al., (1982), Edgett et al., (1992). More so, other empirical studies on strategies for competitive advantage like Barone & de Carlo (2003), which were relevant to the study, were consulted. The study refused to use the works which were undertaken without a strong bottom line focus on the success factors of developing market for products and example of such works included Womack et al., (1990). The six management tools were selected based on their popularity in terms of innovation and customer satisfaction (see Bain & Company, Management tools & trends, 2015) and the most occurrence tool in the empirical studies.

In an attempt to justify the results, the researcher employed a quantitative analysis by investigating the research question through interviews, survey and discussions with fifty-seven (57) prolific managers from both service and manufacture industries in Colombia on the six (6) key influential tools and their roles in developing market as a source of competitive advantage. These managers were selected based on their experience for the past 6-10 years. The 57 managers through the interviews and discussions were also asked to select the best six management tools from the 19 management tools presented to them. The selection was based on the most influential and popularly used tools in organizations in terms of innovation and customer satisfaction (see table 1 for the management tools presented).

Based on the above results, the tools such as price optimization model, customer segmentation; supportive organizational culture, employee engagement survey, benchmarking & Balanced Scorecarding, and technology were selected as the key six tools that can be applied whenever executives and managers want to innovate and satisfy their customers to improve performance. Besides, these managers and their companies were found in the building of San Juan Plaza and San Pedro Building respectively, in Neiva, Huila in Colombia, South America.

The San Juan Plaza Mall has 118 shops within the building with both international and local brands. It has a total construction area of 55,000 square meters. On the opposite-side of the street, San Pedro Plaza Mall has 88 outlets with over 57 both local and international brands (Wikipedia, 2015). Financial services, utilities & energy companies, consumer products and food and beverage industries were all found in these two buildings. The 57 managers in these firms were informed one month before the interview and survey took place and they were selected randomly due to the human nature of the research. The questions for the interview were open-ended and closed ended; thus, the researcher did not only ask questions and allow these experienced managers to give their answers (see appendix for the open-ended questions), but also gave them multiple-choice questions to answer. The questions were developed based on the research framework; the roles of benchmarking & balanced scorecard, price optimization model, customer segmentation, supportive organizational culture, employee engagement survey, and technology on market development.

Table 1. Most Influential Tools in terms of Innovation & Customer Satisfaction

Management Tools	*Frequency (F)N:57*	*Percentage (%)*
Change Management Programs	*20*	*35.1%*
Supportive Organizational Culture (Strategic Alliances, Outsourcing & Differentiation)	*49*	*85.9%*
Vision & Mission Statements	*27*	*47.4%*
Satisfaction & Loyalty Management	*28*	*49.1%*
Employee Engagement Surveys	*52*	*91.2%*
Core Competencies	*31*	*54.4%*
Strategic Planning	*29*	*50.9%*
Scenario & Contingency Planning	*22*	*38.6%*
Total Quality Management	*22*	*38.6%*
Complex Reduction	*27*	*47.4%*
Benchmarking & Balanced Scorecarding	*53*	*92.9%*
Customer Relationship Management	*31*	*54.4%*
Organizational Time Management	*27*	*47.4%*
Customer Segmentation	*55*	*96.5%*
Price Optimization Model	*55*	*96.5%*
Technology (Digital Transformation & Disruptive Innovation Lab)	*40*	*70.2%*

Source: 57 Managers and Executives from Service & Manufacturing Industry in Neiva-Colombia, 2015.

The questions were designed to elicit the views of respondents' on the roles of management tools in developing market as a source of competitive advantage as discussed in the empirical studies. The researcher spent 1 hour maximum on each manager, thereby using one month to finish the field work. The researcher adopted this strategy due to its popularity in management and business studies, to measure the validity, authenticity and reliability of information. Chaney & Derinney, (1992) argued that, this strategy is very popular due to its large amount of data which is in high economic way; relatively from large population. The researcher distributed 105 questionnaires randomly among all the managers in both San Juan Plaza and San Pedro Plaza Building in Neiva, Colombia. This was done to exceed the requirement of the sample size. However, out of the 105 questions, 57 were returned with the response rate of 54.29%. See table 2 for demographic details of the respondents.

Respondents' Demographics	**Frequency (F) : (No. of Respondents)**	**Percentage (%)**
Gender	(N=57)	
Male	37	35.09%
Female	20	64.91%
Age	(N=57)	
30-40	17	29.82%
40-50	15	26.32%
50-above	25	41.86%
Qualification	(N=57)	
1st Degree + Professional Cert	17	29.82%
2nd Degree + Professional Cert	25	26.32%
Others	15	41.86%
Work Experience	(N=57)	
6-8 Years	17	29.82%
8-10 Years	20	35.09%
10 Years-Above	20	35.09%
Companies	(N=57)	
San Juan Plaza Building	37	35.09%
San Pedro Plaza Building	20	64.91%

(Table 2: Demographic details of the respondents)

The data was collected through personal contacts and questionnaires from managers found at the selected companies in Neiva-Huila, Colombia. McQuitty argued that sampling size of this kind of study is considered to be critical in achieving sufficient power. However, the estimation methods and normalization of the data requires a minimum sample size (Schreiber et al., (2006). The survey questions had five (5) likert scales ranging from *"strongly agree to strongly disagree"* and were based on demographic variables and items related to developing market as a competitive advantage. The first four questions were adapted from Asiedu (2015); and (Specter), on the roles of management tools on market development. There was pre-test on a few individuals to prevent any possible influence on trial respondents before the main survey. The researcher used frequency tables and descriptive statistics to analyse the data. Descriptive statistics were used due to its generalization of data to give vivid account of the characteristics of the population as stated in the sample.

Proposed Framework

The researcher, in an attempt to assist managers to developing market through the right management tools, composed a conceptual model called "*The Six (6) Management Tools for Market Development* (SMTMD)". These tools will help firms to identify and integrate the needed management tools to improve customer satisfaction through provision of good value, high quality products, convenience, entertainment, socialization and specialty (Asiedu, 2015). It should be noted that "*customer satisfaction develops firms' market share and value*". The framework proposes that successful market development requires the use of these six-key tools and they are as follows:

1. Customer Segmentation. According to the researcher, customer segmentation is a management tool that enables firms to subdivide their market based on the same behaviour of consumers into discrete consumer groups. The tool helps firms to identify unmet customer and employee needs and attend to them. Effective customer segmentation allows companies to develop pricing strategies and marketing campaigns to extract value from both low and high-profit customers. Firms can adopt this tool as the main basis for allocating resources for marketing, delivery and service programs as well as product development. It is mostly done by using SWOT analysis and the methodology defined by Malcom McDonald & Ian Dunbar in their work entitled, "*market segmentation: How to do it, How to profit from it*". This tool allows firms to understand customer's value and identify the most profitable opportunities. This tool is seen as the bedrock of firms' success in developing market.
2. Benchmarking & Balanced Scorecard. The framework suggests that organizations can adopt benchmarking to compare its products to other best-class competitors to understand their best practices and processes. Benchmarks can come from within the company through comparing business units and departments or can come from industry research or best practices studies. They can incorporate these best practices and processes into their own operations without necessarily coping but rather innovating to develop their market share. Key Performance Indicators (KPI) can only generate meaningful insight if they are compared with target and benchmarks. Companies need to make sure they stay close or ahead to the competition by introducing some competitiveness into their systems with benchmarked performance goals and targets for everyone to boost productivity. Balanced scorecard on the other-hand is used to define and monitor performance value such as customer value

performance, internal business performance, and employee value performance. The tool can take the output from strategic planning and turn it into something the firms can executive. No wonder it is ranked as the No.1 tool in Africa, Middle East and Europe (Brains Management Tools & Trend Survey, 2014). Besides, the tools can be used to translate the vision and mission statement of the firm into a comprehensive set of objectives, and measure customer value performance to know the firms market share, customer satisfaction and loyalty. The core competence, vision and mission statement enable firms to deliver unique customer value and create sustainable competitive advantage through comparing itself with other firms with the same skills, pursuing alliances, and communicating the message in simple, clear and homely language. The tools allow firms to set strategies that are unique and invest in their strengths that differentiate them from other competitors. It also enable firms to execute their strategies through (i) creating a simple one-page strategy map that outlines the most important strategic objectives, (ii) monitoring the execution with meaning as relevant Key Performance Indicators, and (iii) ensuring the correct actions plans are in place to deliver the strategic priorities.

3. Technology. Based on the interview stats, empirical review and discussions, technology was selected as another important tool for market development. The use of technology such as digital transformation and disruptive innovation labs in today's business helps to reinvent and examine the link of each customer experience chain. Firms can use technology to achieve their goals, from increasing customer loyalty to better supply chain management. He argued that executives of various firms can use technology to identify new markets and improve security of data in this period of volatility and growing risks. Most successful firms are using advanced technologies such disruptive innovation labs and digital transformation to transform their marketing strategies to capture competitive advantage.

4. Employee Engagement Survey. The most expensive and valuable assets of a firm is its employees. Due to global war on top-talents, every firm wants to keep to the talent it has already built and developed. Every company is aware that it cost huge sums of money to recruit and train new employees. Employee engagement survey on the allow firms to measure employee satisfaction and loyalty towards their work and company. This is very important in market development because emotionally and intellectually engaged employees always create loyal and satisfied customers to improve market share and productivity. Engaged employees are not only loyal but also productive. It is obviously known that employee engagement survey is closely linked to customer engagement; therefore, firms can develop and cultivate more satisfied and loyal customers through employee engagement. The researcher confirmed that managers through this tool can transform the overall business model, decrease customer service problems, increase competitive advantage, and build lasting relationship with customers to capture a larger market share. Similarly to the customer information, the data from employee engagement survey feeds into the people perspective of the balanced scorecard. As a business consultant and lecturer, I enjoy helping firms to improve their performance, by advising them to manage their customers through employee engagement survey.

5. Supportive Organizational Culture of outsourcing, forming strategic alliances and differentiation in terms of image, personality and product synergy are very important when developing market as a source of competitive advantage. The researcher argued that firms with the culture of using third parties to perform non-core business activities always reduces operating cost; avoid capital investment under market uncertainty, and releases resources like capital, people and time to focus on their core competences to build its market share. To buttress the point, he continued that most established market firms across Europe and North America are strong users of outsourcing, alliance formation and differentiation in terms of product synergy, personality, image and branding (Chaney & Derinney, 1992). A firm can form strategic alliances with a variety of players like suppliers, customers, competitors, divisions of government and schools to extend its market tentacles to improve competitive positioning, and gain entry to new market as a source of competitive advantage.

6. Price Optimization Model (POM) is another important tool that allows managers to calculate how demand varies at different price levels. To do this (see figure 4), managers have to combine data found at the various price levels such as product volumes, promotions, competitor's prices, economic conditions, product availability, and seasonal conditions, with the information on inventory and cost levels to determine prices that will welcome customers. The tool allows firms to use price as a powerful weapon to build their market and improve profit. The tool enables firms to determine promotional pricing, initial pricing, and discount pricing (Markdown pricing). Figure 5 shows "The Six (6) Management Tools for Market Development (SMTMD)"

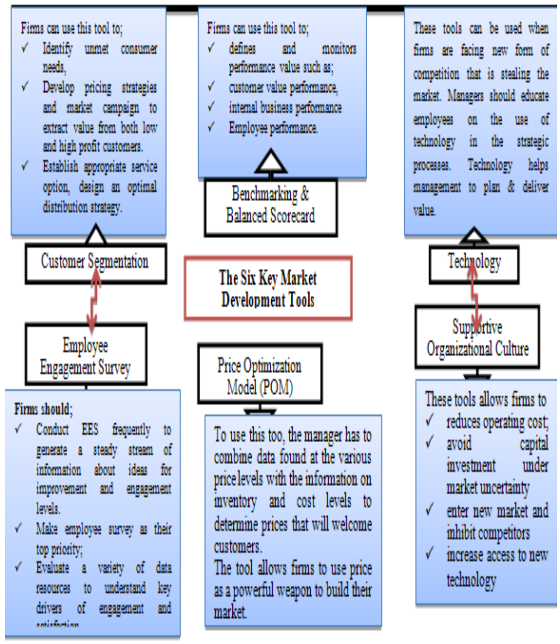

Figure 5: The Market Entry will be Successful When Right Management Tools are applied

Empirical Findings and Discussions

This part of the research reveals the findings obtained through the analysis of the responses from the respondents. It presents an extensive discussion of the results whiles making reference to the early empirical review in the study. The table 3 answers the Research Question on the roles those management tools play in developing market as a source of competitive advantage.

Based on the statistical analysis, it was discovered that, out of the 57 managers, 47 of them representing 82.4% of the population strongly agreed (strongly agreed + agreed) that, the use of benchmarking and balanced scorecard improves firm's customer value performance.

They argued that managers can compare their products with other market winners with the aim of understanding their best processes and practices.

These best practices and processes can be incorporated into the firm's operations without copying but innovating to win more market share. Boxwell (1994) and Cooper & Kleinshmidt (1995a) argued that improving customer value performance of a firm means improving its market share, customer satisfaction and loyalty. 3 (5.2%) of the population neither agreed nor disagreed and 7 (12.2%) strongly disagreed + disagreed.

When managers were asked whether firms can develop an optimal distribution strategy and determine appropriate product pricing without adopting customer segmentation practices, 9 (15.8%) strongly agreed, whiles 3 (5.3%) neither agreed nor disagreed. However, the majority of the population, thus 42 (78.9%) managers strongly disagreed. They explained that, customer segmentation is the only tool that can be used to subdivide market into discrete consumer groups with the same characteristics. To them, proper consumer segmentation can be a powerful tool to detect the unmet consumer needs and wants. Chaney & Derinney (1992) supported that firms that are able to detect their unmet customer needs and wants can outperform the competition through developing market capabilities that are non-imitable and idiosyncratic to spell the firms uniqueness.

More so, the managers were certain that proper employee engagement surveys enable firms to establish appropriate service options and cultivate more satisfied and loyal customers. The managers with an average score of 70.1% confirmed that firms with these tools are able to create satisfied, more loyal customers and build their market share as a source of competitive advantage. They argued that employee engagement survey enables firms to identify and develop their talents and strengths of their workforce to gain a competitive advantage. Asiedu, (2015) buttressed that employee engagement surveys are linked closely to customer engagement and are measured in the same way. It should be noted that, when customers are engaged in a firm, then it means that firm has got the opportunity to develop its market to outperform the competition. He continued that employee engagement surveys help firms to create an emotional safe environment, develop more satisfied and motivated employees to develop its market as a source of competitive advantage.

In addition, the survey question four on table 3 indicates that 40 (70.2%) of the respondents strongly agreed that a firm with culture of forming strategic alliances, outsourcing and differentiating its products, image, brand and personality are likely to improve products quality and enter into new market. According to Asiedu (2015), developing innovative products and services allow firms to differentiate themselves from other competitors to keep consumers coming back. The respondents believe that the culture of outsourcing, and forming strategic alliances allow firms to use its third parties to perform non-core business activities. This will help the firm to release resources such as people, capital, and time to focus on its core competences to design competitive strategies and positions (Kaplan & Bjarne 2010). They argued that the use of these tools play very important role in market development through improving research and development efforts, improving quality, and inhibiting competitors to enter new market. 5 (8.8%) respondents neither agreed nor disagreed, however, 12 (21.1%) strongly disagreed.

Contrary to the above assessment, majority of the respondents with average score of 82.4% doubted whether firms can improve on competitive advantage, supplement critical skills, gain entry to new market and avoid capital investment under market uncertainty without the help of differentiation, outsourcing or formation of strategic alliances. 9 of the respondents representing 15.8% however disagreed and 1(1.8%) neither agreed nor disagreed. Also, nearly all the managers strongly agreed that price optimization model allow firms to implement major strategic initiatives to tackle the changes in customer and market preferences. They argued that China and India are leading the rest of the world in using these tools to develop their market as a source of competitive advantage. Meanwhile, 6 (10.6%) neither agreed nor disagreed and 5 (8.8) strongly opposed the question.

Taking a critical look at the survey question (8), the information provided reveals that majority of the managers with a frequency rate of 45 (78.9%) strongly supported that the use of technology allow firms to face new forms of competition that are stealing market share in this 21st century. They explained that any company seeking to challenge the already established giant firms in the global market must see innovation as their best strategy. They argued that disruptive innovation labs in firms allow disruptive innovation from high risk to high return breakthroughs that seldom begin at the bottom of a market but gradually displace the already established competitors. 2 (3.5%) neither agreed nor disagreed and a frequency of 10 (17.6%) strongly disagreed. When managers were asked whether technology allow firms to reinvent each link sin the customer experience chain, 30 (52.6%) of the respondents strongly agreed, 5 (8.8%) neither agreed nor disagreed and 22 (38.6%) strongly disagreed.

Finally, the managers were certain that management tools play an important role in developing market as a source of competitive advantage. The managers with average score of 84.2% strongly agreed, 3 (5.3%) neither agreed nor disagreed and 6 (10.5%) disagreed. They explained that firms that want to pull away and develop market positions to create competitive edge must take a measured approach and invest in the right management tools as mentioned in this study to develop market as a source of competitive advantage. The managers argued that China and India are taking over the market because they are the countries that use the highest number of tools with an average score of (8.0) as compared with Europe (6.6), North America (6.2) and Latin America (6.2) when Darrell Rigby in partnership with Bain & Company conducted a survey around the world about the use of management tools and how effectively those tools have performed (Source: Bain & Company, 2015).

Conclusion

The findings indicate that managers and executives need the six key management tools to identify what goods and services customers want and value, so that the firm can produces exactly what is valued and demanded. The tools according to the empirical review enable firms to add value to their performance and context to information as they work to build market as a source of competitive advantage. It was revealed that, any firm with the ambition of building its market share through winning new and retaining old customers must learn to apply the aforementioned tools. However, the study emphasized that any firm that does not pay attention to these tools are likely to lose the loyalty and commitment of its customers since the firm would not be able to provide what their customers need and demand.

To amass everything, the empirical review, the interviews, survey questionnaires and discussions with top managers in Neiva, Colombia proved that, the six management tools mentioned in this study play an important role in developing market as a source of competitive advantage. Executives and managers must therefore learn to use these tools to build a sustained competitive advantage to respond to the increased competition. The study concluded that the use of these management tools will enable firms to define the two essential elements of competitive advantage; that's, uniqueness and perceived customer values to sustain and attain competitive advantage in the marketplace.

Notes/Recommendations

Market development according to the managers must be supported by; building market differentiation, gaining and maintaining credibility, developing distribution and selling, linking with large customers, speed to market entry and managing market efforts. However, to ascertain such information require firms to adapt the six management tools to define the market and understand customer value (customer segmentation), monitor the value performance (benchmarking & balanced scorecard), plan and deliver the value of customer needs (organizational culture of outsourcing, strategic alliance and differentiation), develop the value of workers (employee engagement survey), identify the objectives for each part of the marketing plan such as product, price, promotion and place (price optimization model) and transform their marketing strategies to capture competitive advantage (technology).

It is recommended that, managers can apply these tools all the time most especially when firms are simultaneously confronted with a high degree of market uncertainty and volatility with a large amount of information. The tools can be used when a firm needs to re-evaluate, generate and prioritize in light of a new market entrant. Managers should adopt these tools to assist them innovate, plan for future, improve quality, identify unmet customer needs, exploit competitor's vulnerabilities, and build a distinctive capabilities that are non-imitable and idiosyncratic to spell the firm's uniqueness.

It is also recommended that firms must learn to understand the full effects of each tool, since each of the tools has its weaknesses and strengths. To succeed, firms must use the right tools at the right time. Firms must learn to champion realistic directions and view tools, not as panacea but as aid. Managers must select the best tools for their job. This can be done by taking a rational approach to implement and select tools. Firm that is eager to develop its market as a source of competitive advantage will invest in the right tools for growth.

Limitations

Managers should be aware that a tool can only improve results when unmet customer needs are identified, breakthrough strategies are developed, distinctive capabilities are exploited and competitor's vulnerabilities are built. It should be noted that tools for satisfaction can vary based on firm region and size.

Further Research

This study opens doors for future researchers who might be interested in undertaking further research to redefine the cobwebs found in this study and orient it to more specific context such as time, business and locations.

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