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Jyothy Institute of Commerce and Management

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Bangalore University

An ISO 21001:2018 Certified Institution



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HERE'S WHY

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Here's Why You Need a Sustainable Competitive Advantage

Introduction to Competitive advantage

- A sustainable competitive advantage refers to a company's unique superiority over its competitors, allowing it to maintain its leading position in the market.
- This upper hand can stem from various sources, including branding, customer service, technology, product design, and distribution channels.

What makes a competitive advantage sustainable?

- A company that has patented a unique technology may have this enviable edge because it is challenging to replicate without infringing on the patent.
- A business with a good brand reputation may also have a sustainable advantage, as it is difficult for competitors to match recognition and loyalty.

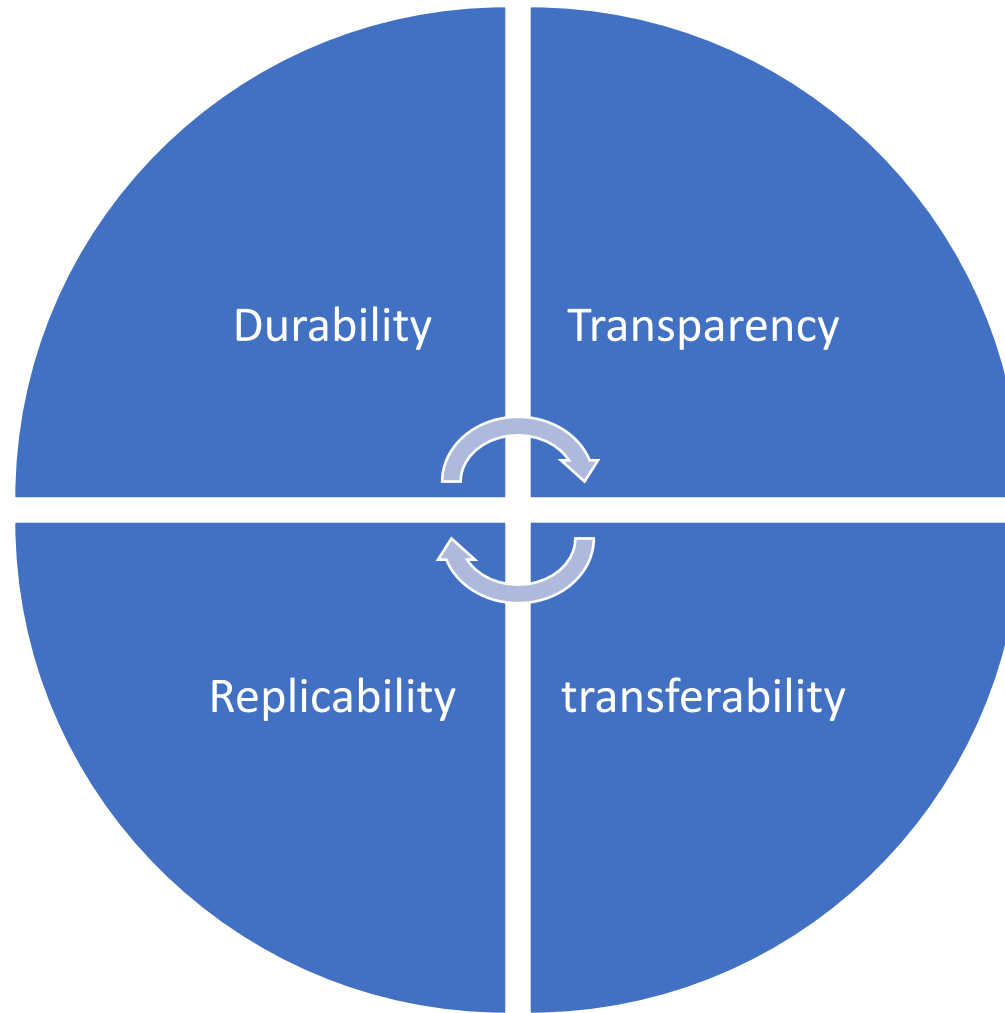
SOURCES OF SUSTAINABLE COMPETITIVE ADVANTAGE



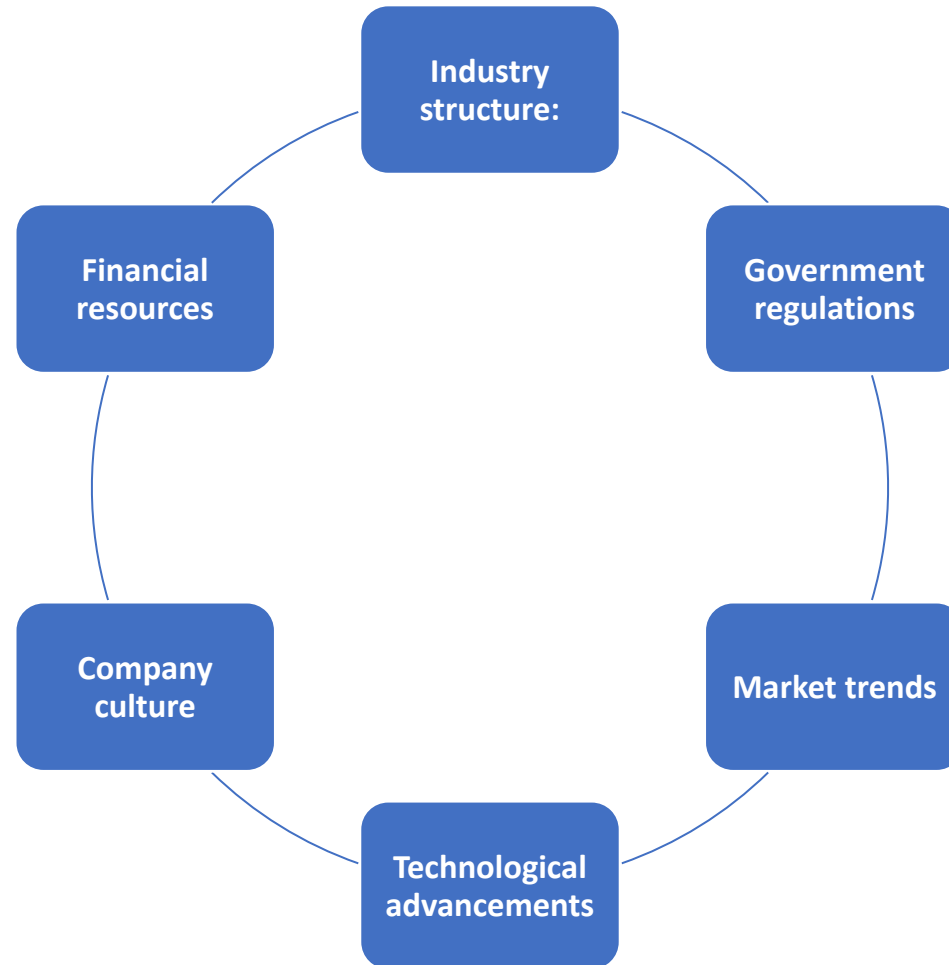
Resources required for DSCA



Four Characteristics of resources and capabilities creating sustainable competitive advantage



Factors Influencing a Company's Sustainable Competitive Advantage



Sustaining Competitive Advantage for Long-Term Growth



Case Study on Building a Sustainable Competitive Advantage – The Journey of GreenTech Solutions

- In an era of rapidly evolving markets, businesses are constantly seeking ways to maintain a competitive edge. GreenTech Solutions, a mid-sized renewable energy firm, embarked on a journey to create a sustainable competitive advantage in the energy sector. This case explores how the company leveraged innovation, strategic partnerships, and corporate sustainability to establish itself as a leader in the industry.

- **Background**

- GreenTech Solutions was founded in 2010 with a mission to provide clean and affordable energy solutions. The company started with a small team of engineers and sustainability experts who were passionate about reducing carbon footprints through innovative solar and wind energy technologies.
- Despite initial success, GreenTech faced intense competition from larger corporations with superior financial resources. Recognizing the need to differentiate itself,

the company focused on three key strategies:

1. **Innovation and R&D:** Investing heavily in cutting-edge technology to improve energy efficiency and storage solutions.
2. **Strategic Partnerships:** Collaborating with government bodies, NGOs, and technology firms to enhance market penetration
3. and credibility.
4. **Sustainability Commitment:** Establishing itself as a leader in ethical business practices by adopting environmentally friendly
5. manufacturing processes and promoting community-based energy projects.

Challenges

While these strategies proved beneficial, GreenTech faced several challenges:

- **High R&D Costs:** The need for continuous investment in research placed financial strain on the company.
- **Market Adoption:** Convincing consumers and businesses to switch to renewable energy required extensive education and
- marketing efforts.
- **Regulatory Hurdles:** Navigating complex energy regulations and securing necessary approvals slowed down expansion.

Solutions Implemented

To address these challenges, GreenTech adopted a multi-faceted approach:

1. **Cost Optimization:** Partnering with suppliers to reduce manufacturing costs while maintaining product quality.
2. **Customer-Centric Approach:** Developing flexible financing options for businesses and households to encourage adoption.
3. **Government Incentives:** Actively lobbying for subsidies and tax benefits to make renewable energy more attractive.

Outcomes

By 2023, GreenTech had successfully expanded to multiple countries, significantly increased its market share, and gained recognition as a top player in the renewable energy space. The company's commitment to sustainability and innovation allowed it to build a loyal customer base and strengthen its brand reputation.

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Discussion Questions

1. What key factors contributed to GreenTech Solutions' sustainable competitive advantage?
2. How did strategic partnerships help the company differentiate itself in a competitive market?
3. What alternative strategies could GreenTech have adopted to overcome its challenges?
4. How important is sustainability in gaining a long-term competitive edge?
5. What lessons can other businesses learn from GreenTech's approach to innovation and sustainability?

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Thank You!

