

Faculty of Business and Management

STRATEGIC MANAGEMENT COURSE WORK

Assessment

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## 1.Introduction to the Following Discussion

Taking into account the emerging organisational environment of the present era, it is important to understand the fact that organisations are racing in terms of competition with the adaptation of latest technology which not only enhances their efficiency but also looks forward towards attaining successful profitability objectives and deploy strategic objectives frequently (Friedewald and Raabe, 2011). Several businesses from the practical aspect have been deploying new strategies frequently with major investments in research and development which indeed becomes another significant element of competitiveness and hence has been impacting adversely for different entities, enforcing them out from the market. In such a context, it is important to understand that an organisation needs to look forward to adapting different techniques through planning them strategically while adhering to different theoretical models which have been put forward for implementation and professional use by some of the known scholars and researchers from the past business environment.

Similarly, the following discussion has been established in the light of a business idea which has been developed by an individual student of the business segment, namely Bamiduro, who has been looking forward to starting a new business known as MAX (Metro Africa Xpress), which will initiate with delivery services through using motorbikes within the city of Lagos, Nigeria. The following business idea has emerged from the recurring environmental needs of technological adaptation and implementation, which includes e-commerce and the enhanced use of smart technology through smartphone applications (Bradley, Fudge and Leach, 2016).

However, it needs to be acknowledged by the management of MAX and the users of the following report that technology has been adapted and implemented by some of the known organisations of the world at a greater extent whereas their capability to remain unique and provide the required quality has enabled them to reach the mere success levels as desired.

Hence, by the end of the following discussion, the aspect which has allowed the management of MAX, Bamiduro, to develop successful strategies and implement them effectively will be outlined and evaluated with the assistance of different theoretical tools such as Porter's Five Force Analysis, PESTEL Analysis, SWOT analysis, and VRIO analysis and encourage the use of such frameworks in the practical aspect frequently, to reach similar business targets in the professional environment. Strategic management and implementation of different strategies that have been planned with discussion and critical evaluation as justified for MAX are indeed important, especially keeping in view the highly competitive environment of the present era.

## **2.Detailed Discussion and Critical Evaluation of the Context**

### **2.1 Background of the Organisation and the Main Business Idea**

Moving along with the essence of the following discussion, which is to analyse the strategic implementation of a plan that has been designed to aim for the success objectives of the organisation, it is important to initially establish a mere understanding of the organisation, its activities and the major idea which has been stimulated towards the achievement of the long term goals. The business idea is referred to in the following discussion is represented as MAX (Metro African Xpress) whereas the main purpose of the business will be in terms of providing online delivery services for the customers through motorbikes and also impacting the lives of its stake holder through lifting people out of poverty or creating sustainable value for Nigeria.

The business is being planned for implementation within the city of Lagos, Nigeria, which is a developing country and has sufficient amount of population along with a struggling potential workforce which will be responding efficiently towards the growing demands of the potential customers of the region (Waldman-Brown and Flatter, 2017). The business has been planned by an individual namely Bamiduro who had a business idea in his mind, which was further materialised when he met the co-founder of MAX, Chinedu Azodoh, in a meeting where he had to give out his business presentation.

However, the idea was further adapted by the co-founder to be taken further in a partnership agreement along with Bamiduro. The business idea had several aspects to consider, whereas one of the prime areas of consideration was the offering and the structure (Nikolov and Hrovatin, 2013). The individuals looking forward to initiating the business idea had been inclined to adopt the latest technology within the infrastructure and base it completely on the e-commerce platform while allowing the users to benefit through the aspect of convenience and adhere with the technological elements which they have easy access towards.

Hence, the company took its start from July in the year 2017 whereas the management had initially focussed for starting it on a smaller scale and then gradually increasing the size and the area of operations through planning every activity strategically. The company had a total of \$1-\$2 million available for initial investment which has allowed the management to purchase the main asset, motorbikes, for 25-full time employees that had been retained by the end of July 2017 along with paying sufficiently with attractive incentives for the contract-based employees hired by MAX. The company had been growing significantly, whereas an increase

in the overall deliveries and demand from customers in Lagos had been witnessed by the end of the financial year.

### **3. Analysis and Evaluation of the Competitive Advantage Secured by MAX through its Organisational Practices and Performance in the Long Term**

In continuance with the discussion provided as above, it is important to understand that the success of MAX which has been witnessed shortly after its initiation in the year 2017 has been reported due to the tactic of planning carefully. Bamiduro had been inclined towards the organisational achievements with robust planning that he undertook through his skills which he had developed while studying at MIT pursuing his business degree. The investment was shared between the two partners whereas the main benefit came through the planning skills of the partners allowing them to establish benchmarks of objectives that were aimed accordingly (Wagner III and Hollenbeck, 2014). In light of evaluating the growth of an organisation, it is recommended to analyse the current competitive advantage being secured.

Competitive advantage refers to all those areas of planning and practice in an entity that had been benefiting one organisation within the similar industry uniquely (Deardorff, 2011). Practically, there is nothing unique, but it is solely based on how effectively an organisation has been planning and implementing its strategies. However, the competitive advantage which MAX attained through its reign of success needs to be evaluated, and it can be traced through the adaptation and implementation of different strategic analysis tools which are identified as PESTEL, Porter's Five Force, SWOT and VRIO Analysis Tools. These frameworks are indeed significant for their application and purpose in terms of reporting and can be effective in the professional context for the users as well. Hence, a detailed evaluation and analysis of the competitive advantage through the frameworks is provided below.

#### **3.1 PESTEL Analysis Tool**

Moving along with the discussion provided as above, it is important to identify and evaluate the effectiveness of MAX in attaining competitive advantage through its strategies by viewing and conducting an in-depth analysis of the external factors which have shaped the objective accordingly. To analyse the external environment extensively, it is important to adapt and implement PESTEL analysis tool which focuses on six major factors which are Political Factors, Economic Factors, Social Factors, Technological Factors, Environmental Factors and Legal Factors (Yüksel, 2012). These are further linked with the evaluation and analysis of MAX for its success in attaining competitive advantage within Nigeria, as follows:

### ***3.1.1 Political Factors***

The very initial element of the PESTEL analysis tool is referred to as the political factors. In general, political factors relates to all the elements that politically influence the practices of an organisation positively or negatively. Political factors can be surrounded by the reforms of political bodies such as governmental organisations or those organisations which have sufficient legal powers (Carter and Bélanger, 2012).

Similarly, considering the example of MAX, there were certain elements which have been considered as supportive of the company as political influences. Initially, the economy of Nigeria was considered as struggling towards development were keeping in view the total population; the employment level was low. In comparison with similar competitors for e-commerce delivery services in Nigeria such as Push, MSF and Gbelo, MAX also had the benefit of hiring both full-time and contract-based drivers for its delivery services. In an overcrowded location, which is overloaded with traffic, it has been highlighted by the considerate individuals comprising of governmental bodies and the customers, that delivery was a compelling problem in Lagos while it was an opportunity to implement enhance techniques and benefit through the profitability opportunities available within the industry.

This initiative was further supported by the political bodies in terms of providing incentives for MAX as an initial start-up, such as assisting the company with experienced bike riders who had an in-depth knowledge of the city and its closely-linked areas which can be short-cuts for delivery purposes (Nilsson, 2017).

Moreover, the fact that Nigeria's economy is developing, there were several incentives sent out for the e-commerce industry by supporting political bodies which eased up the research and developmental goals for MAX, allowing the company to simultaneously focus on other commercial activities as well, including delivery for food, courier services and taxi services accordingly. However, comparatively, it is a sensitive context as the majority of the countries has conflicting political powers which ultimately tend to restrict the practices of an organisation due to their interest being involved, which was ultimately benefited in the case of MAX (Geiger and Pécoud, 2014).

### ***3.1.2 Economic Factors***

Moving along with the following discussion, the next critical element of the PESTEL analysis tool is referred to as economic factors. Economic factors tend to highlight the current situation of an economy within which a business is planning to work or is currently operating in

(Chittithaworn, Islam, Keawchana and Yusuf, 2011). It is the current economic scenario which predicts the success of the organisation in the future accordingly.

Similarly, reflecting the example of MAX in the following discussion, it has been aimed for its practices and activities in the boundaries of Nigeria, in the city of Lagos, which is the most popular and the financial hub of the African continent. Through various researches on the economic structure of Nigeria, it has been evaluated that the country is struggling towards its developing goals which is a good opportunity, to begin with, new businesses (Olajide, Agunbiade and Bishi, 2018). Through the financial statistics representing a total of US\$510 billion associated with GDP for the country, Nigeria has been welcoming new businesses who had been attracted with the growth opportunities in the long term. Similarly, MAX is an organisation that has been planned with the implementation of a business plan focussing on the emergence of e-commerce industry whereas the majority of the population of Nigeria reflects the middle-class social group who are attracted towards the introduction of new technology (Faloye, 2014).

Moreover, as the Lagos is the financial hub, it does not just attract businesses, but it also enhances the consideration of customers towards trying new products and hence the demand for delivery services in Lagos had been predicted on a higher level. There were sufficient employment opportunities for individuals through a business starting in Lagos, allowing MAX to obtain relevant skills in affordable remuneration packages. Furthermore, it has been analysed through the experience of the co-founder that organisations within Lagos precisely had been focussed towards team-working which enabled MAX to achieve its objectives in teams ultimately resulting in high efficiency and effectiveness through a pooling of available resources (Hurst, et al., 2015).

### ***3.1.3 Social Factors***

In continuance with the discussion being provided in the light of PESTEL Analysis, the next element of prime focus is referred to as social factors. Social factors considers the social perceptions of the general environment regarding a particular organisation which needs to be penetrated by the management accordingly (Tur-Porcar, Roig-Tierno and Llorca Mestre, 2018). The practices and initiatives of an organisation regarding its social well-being are within the hands of the entity, which can be framed either positive or negative. Similarly, taking into consideration the example of MAX, it can be evaluated that the company was able to socially reframe the organisational practices positively.

Initially, it can be highlighted that MAX stressed the major focus in the light of assisting the need for delivery services which due to the emerging traffic conditions in the city were becoming highly challenging. The availability of a precise bike-run delivery service allowed the individuals to extend their trust, whereas commercial practices were witnessing a boost as well. Simultaneously, another social factor which attracted the stakeholders of MAX was the opening of sufficient job opportunities for individuals of Lagos who were able to operate a bike and were thoroughly acknowledged about different areas of the city (Sin, Nor and Al-Agaga, 2012). The employment opportunities were not limited to any constraint, such as both the genders, males and females, were encouraged to be a part of MAX's team and start with their earning regularly. Another important social factor which elevated the success level of MAX was its adherence towards team building and working collaboratively.

Since the early initiation of the company, Bamiduro had been inclined towards forming teams to pool in individual skills and work with enhanced coordination. This aspect benefitted the company to welcome new ideas from the workforces, such as the food delivery service, transportation service, etc. (Liang, Ho, Li and Turban, 2011). As it has been associated with MAX that the company had been focussing on the use of advanced technology, the overall efficiency and quality of services were improved significantly which allowed the customers to remain connected with the management and convey their recommendations effectively.

#### ***3.1.4 Technological Factors***

Probably the most important factor within the aspect of the PESTEL analysis tool is identified as the technological factors, about the emerging requirements of the modern era. Technological factors refer to the capability of an organisation to adapt technology and reflect it within its routine practices (Chittithaworn, Islam, Keawchana and Yusuf, 2011). Technology can be expensive at the initial stage of adaptation and implementation and requires training for the existing workforces or even encourage recruitment from scratch however its impacts in the long term for efficiency goals are indeed greater and beneficial (Sila, 2013).

Similarly, linking the following aspect with the example discussion of MAX, the company has been evaluated as having its major focus in terms of deploying the latest technology whereas its intentions are stimulated for the e-commerce industry. The company has spared a budget of \$200,000 with regards to developing a user-friendly smartphone application along with a web-based platform as well which will provide all related assistance a potential customer is looking forward for. The initial budget which MAX had associated with response to establishing a

technological infrastructure in its activity zone is indeed beneficial as it accounts for training and development costs as well which is commonly ignored by some of the known e-commerce organisations (Laudon and Traver, 2016).

Moreover, the company has also benefited comparatively with other organisations as they tend to attract skilled and experienced individuals from the technology segment who have contributed generously to the company. For instance, the Nigerian consultants who had agreed to manage the company while both co-founders went to the US for TechStars the company was able to reflect practices which had been reported during the normal situation. Similarly, it has also been evaluated that MAX has been looking forward towards constant updates to its existing technical infrastructure, extending its investment for efficiency and engaging customers frequently to respond with their feedback which can be incorporated accordingly.

### ***3.1.5 Environmental Factors***

Similarly, another critical element of the PESTEL Analysis Framework is known as environmental factors. Environmental factors tend to deal with how the practices and activities of an organisation influence the general surrounding. Environmental factors are perceived as being amongst the critical forces which influence the stakeholder group's decisions regarding obtaining its products and services in the long term (Hillary, 2017). Hence, moving along with the example of MAX, it can be evaluated that different perceptions from the environment had surrounded the company positively, which influenced the decisions of the stakeholder groups under benefit for MAX. Initially, it can be outlined that the company's aim to provide delivery services across the city through bikes would generate employment for both gender groups, allowing them to grow successfully.

Moreover, one of the additional recurring comparative advantages which MAX gained was that the Nigerian customers were not inclined towards fast delivery services as they believed that safety within the city of the drivers due to unpredictable traffic terms was more important (Savrul, Incekara and Sener, 2014). Hence, MAX's bikers were compliant towards traffic rules appropriately. Furthermore, another important initiative of taxi service introduced by MAX was an opportunity to encourage working individuals to take bike service rather than using their cars, which contributed towards eliminating carbon extracts into the surrounding. However, Bamiduro and the co-founder of MAX had been constantly involved in the practice of searching for ways in which environmental benefits could be encouraged, involving

consumers to be a part of the recommendation process and taking action on the feedback received (Ghobakhloo, Arias-Aranda and Benitez-Amado, 2011).

Additionally, to reflect efficient practices carried out under the supervision of skilled and experienced individuals, MAX had branded its drivers as MAX Champions, who are well-aware of the environmental requirements and they are assured over adhering to them and following them strictly.

### **3.1.6 Legal Factors**

One last element from the PESTEL analysis framework tool is known as legal factors. Legal factors are significant as well as very much critical in terms of being acknowledged and followed as they are regulated by the governmental authorities. Legal factors evaluate the compliance of an organisation in terms of following the regulatory requirements of initiating a business idea formally (Nawaser, et al., 2011). Similarly, contrasting the example of MAX, there are certain aspects through which the company was able to secure certain comparative advantages.

Initially, the company was able to brand its employees as MAX Champions, which meant that any imposter which could potentially degrade the image of the business could be identified easily with their registration check at MAX. Moreover, the company also acted strictly in terms of legally registering its motorbikes as it has been reported that almost 98% of the bikes running in Lagos did not meet the minimum standards set by the state. MAX ensured that its motorbikes, being the primary asset of the company, were maintained frequently so that the quality of the product being delivered is ensured along with concerning the passenger's safety as well in case a customer opts for the taxi service through MAX (Li and Xie, 2012).

Keeping in view the discussion provided as above, these are some of the critical external environment factors which can influence the activities of a business significantly evaluated through the PESTEL analysis approach. However, certain competitive factors are existing in the external environment as well, which need to be identified and assessed accordingly, which will be initiated through another framework tool discussed in detail as below.

## **3.2 Porter's Five Force Analysis Framework Tool**

In the light of analysing and evaluating the external environment forces for an organisation which can identify the competitive situation, a significant framework tool referred to as Porter's Five Force Analysis tool is recommended to be adopted and implemented. This particular

framework analyses five different forces which can stimulate the activities of an entity positively or negatively while the future sustainability can become dependent on addressing the following factors accordingly (Dobbs, 2014). These factors are further listed and evaluated in detail, reflecting the strategic competitive advantages gained by MAX, as follows:



**Figure 1 Adapted: Porters Fives Forces Analysis of MAX.**

### **3.2.1 Buyer Power-Low**

One of the major aspects of Porter's five force analysis tool is referred to as buyer power. Buyer power represents the sovereignty of the consumers who are associated with a particular product. Through the demand and supply mechanism, it has been ascertained that the success of a business can be reported through its capability for being purchased by the potential buyers (Kapooria, 2017).

However, the product is recommended to meet the buying characteristics of the potential buyer, which can be inclusive of certain elements such as affordability, preference, attraction, etc. Similarly, associating the following discussion with the case study of MAX, it can be analysed that Lagos is known to be the financial hub of the whole of African continent whereas it is one of the most popular cities of Nigeria. At the starting of its activities, MAX had provided for competitive pricing strategy which made its way in terms of attracting new customers who had tried the services and found them good in terms of quality and hence they were further encouraged for becoming loyal customers of MAX (Ogechukwu, 2013).

Furthermore, being situated in a country which is developing and the social class being stimulated towards brands, it has been analysed that the strategy of MAX in terms of establishing itself as a brand further expanded the buyer's attraction and their trust in MAX Champions for delivering quality services was improved. To maintain the interest of its buyers and keep them inclined, MAX adapts the technique of involving its customers in the aspect of feedback and suggestion and is also involved in developing strong communication with its buyers so that the management is aware of the required changes which could prove to be successful in the long term thus buyer's bargaining power is low. (Delina, Janke and Tkáč, 2012).

### ***3.2.2 Supplier Power-Low***

Moving along with the following discussion, another important element of Porter's Five Force Analysis framework tool that will be evaluated critically in the following discussion is referred to as supplier power. Like buyer power, supplier power reflects the sovereignty of the suppliers as they tend to influence the activities of businesses through their supply chain (Lacoste and Johnsen, 2015). It is highly recommended for organisations to maintain their relations with the suppliers as they have the prime control on the potential sales of an entity which ultimately reflects its earning, profitability and survival in the future.

Similarly, contrasting the example of MAX, it has been evaluated that the main suppliers of the company are the drivers and the contract bikers. According to the financial statistics, it has been evaluated that the drivers had been keeping 60%-70% of the total earnings with them. This applied for both men and women and was fair to be acknowledged. Moreover, several other incentives were also provided for the drivers, who are also referred to as the suppliers, which were inclusive of interest-free motorbike financing, allowing the potential candidates to sign up for their bike which they can keep even after their job does not continue with MAX anymore in the future (Terpend and Ashenbaum, 2012).

Moving along with the aspect of supplier power, it is also anticipated through extensive analysis that MAX has allowed no restriction for its association as it encourages potential individual drivers to either sign up as permanent full-time drivers or temporary contract-based drivers whereas the only focus of MAX is to ensure the quality which it successfully manages to while giving leniency in work for the riders and adhering to their interests effectively. What encourages suppliers effectively is the formal management which has been undertaken by MAX effectively providing a formal identity to its workforces which makes them feel they are

linked to a professional system compared with other competitors, whereas riders usually contrast themselves with Uber (Zelnik, et al., 2012). The above analysis made the suppliers bargaining power to be low.

### ***3.2.3 Threat of Substitutes-Medium***

Probably one of the most significant factors while assessing the five forces within Porter's strategic analysis tool of competition is referred to as the threat of substitutes. In general, a substitute is known as the alternative which can be used when a particular product or service is unavailable or is comparatively less beneficial. Similarly, the threat of substitute can always remain persistent in a free market, where MAX is currently operating in (Dälken, 2014). Unless the organisation tends to have a monopolistic characteristic, the threat of substitute needs to be identified and assisted accordingly. MAX is a business idea which focuses on initiation as a delivery organisation through the use of motorbikes. The company is operating in a free market zone where there are sufficient competitors for MAX already listed with a secure consumer base as well. These competitors are inclusive of Kwik, ACE, Mile12, etc. (Chiejina and Olamide, 2014).

However, the key consideration in the light of managing substitute power efficiently allowed MAX to remain successful in gaining comparative advantage making threat of substitution Medium. The very initial element which can be associated with the comparative advantage is the fact that MAX has been providing different services for its employees, comprised of a formal uniform for the riders, sufficient pay rates which included pay based on the millage, keeping in view the distance of Lagos and its traffic. These were some critical areas which ultimately attracted the attention and interest of the employees, which ultimately motivated them to work with greater efforts. Hence, the efforts of riders in providing quality services were ultimately reflected on the customer's satisfaction and hence existing customers of well-known competitors, such as Uber and Kwik, switched their routine travel partner (Nwachukwu, 2014).

### ***3.2.4 The threat of New Entrants- Medium***

Similar to the element of the threat of substitute identified and evaluated as above, another significant factor which exists within Porter's five force analysis tool is known as the threat of new entrants. In a fast-paced organisational environment of the present era, which is sufficiently surrounded by several opportunities of growth and success keeping in view the globalisation impacts, it is indeed assessed that potential organisations are available with different growth opportunities. They tend to be attracted with the success and demand structure

of the market and hence take the action of infiltrating into an existing market (Cozzolino and Rothaermel, 2018).

However, such organisations are rather prepared and have planned accordingly over the aspects which existing organisations in the industry have been failing to achieve. In this way, an existing organisation is vulnerable to losing its existing customers to the new entrant. Similarly, there had been a threat of new entrants for MAX as well which the company overcame through its strategic planning effectively. Pertaining with the example of average earnings of the riders, which started from \$20 weekly and has been raised to \$300 weekly became one of the major attraction towards MAX whereas having sufficient riders available in the desired location tends to be the major element of attraction for the customers of such services. Moreover, the expansion strategies of MAX are indeed extensive, comprising of courier service, taxi service and food delivery service, which can become critical for implementation for newcomers at the initial phase of their activity (Kumar, Eidem and Perdomo, 2012). Making the threat of new Entrance to be Medium

### *3.2.5 Competitive Rivalry-High*

Probably one of the most important and highly significant factors of Porter's five force analysis tool is referred to as competitive rivalry. Competitive rivalry is evaluated as the extent of competition available between organisations within a given market scenario. Competition is the key element of a free market structure, focussing on competing with one another in terms of selling their products extensively and attracting a higher customer base, probably those who are already existing customers of the competitors (King, 2014).

However, it is highly suggested that competitive rivalry needs to be managed strategically, without the other party being harmed directly on its well-being. Similarly, keeping in view the fact that MAX is situated in a fast-paced country, Lagos, which is known to be the financial hub of the African continent, there are various e-commerce delivery providers, from both local and international markets which have been competing on a high level. Competitors such as Kwik and Uber are also available within the boundaries of Lagos, which are international organisations while equal competition amongst the local businesses can be reported as well inclusive of Push, MSF, Gbelo, etc. However, there are different strategies which have been employed by MAX to remain affirmative in the competitive environment, whereas one of its main strategies identified is to provide fast delivery services at a slight additional rate.

### 3.3 SWOT Analysis

Furthermore, the next critical analysis tool, which is important to be employed and implemented for the following discussion is referred to as SWOT Analysis. SWOT Analysis tool takes into consideration four major elements which are identified as Strengths, Weaknesses, Opportunities and Threats (Gürel and Tat, 2017). Similarly, a detailed context of SWOT Analysis for MAX is provided as follows:

#### 3.3.1 *Strengths*

Strength is the initial element of the SWOT Analysis tool, which relates to the factors that relatively benefit an organisation towards its long-term objectives and success levels. Keeping in view the success factors for MAX, the company has the competitive advantage over the fact that it is ranked amongst the highly efficient providers of e-commerce delivery services due to its unique strategies. This means that the company has in-depth knowledge of the product, its quality services provided, its costs and the potential demand schedule of the industry (Chand, Prasanna and Singh, 2011). The company is also associated with having beneficial commercial terms with its suppliers so that its supply chain management aspect can be approved strategically with utmost interaction, comprising of food delivery schedules and courier services as well.

#### 3.3.2 *Weaknesses*

Similarly, another critical element of the SWOT Analysis aspect is referred to as weaknesses. Weaknesses relate to the factors that tend to restrict an organisation from attaining its success factors. Similarly, there are certain factors of weaknesses associated with MAX as well within which one main weakness is identified as the failure of the organisation in terms of being responsive towards innovation. Innovation is one of the key elements of the modern and advanced organisational environment to remain competitive (Theodore, 2013). However, the restricting force for MAX in terms of being innovative is the lack of relevant competency from the management.

The management is failing to deploy different tactics, such as the employment of technology in the light of being creative and innovative in some of its department specifically the Human Resource, which needs to have sufficient knowledge to identify the recurring needs in terms of recruitment that could support the organisation's perception for innovation and creativity reflecting uniqueness within its products and practices. The recruiting process MAX champions being slow is a great weakness that can hinder the growth of MAX. Apart from

being a company involved in the e-commerce industry, it believes that the costs and process can be a big hinder.

### ***3.3.3 Opportunities***

Another critical aspect of the SWOT Analysis tool is referred to as opportunities. Opportunities can be reported as the capability of an organisation to interpret future needs relevant for development and enhancements. Similarly, the lack of a well organised e-commerce bike delivery services in Nigeria that was very efficient was a big opportunity for MAX to exploit. Another major opportunity was the absence of a well organised online platform which the management exploited, and it led to the creation organised online platforms like MAXeats and MAX's B2B portal launch page which enhanced the organisation's performance in different ways. It will allow the company to be innovative through extensive research and conduct cost-effective and efficient production (Paroutis, Bennett and Heracleous, 2014). Moreover, the adaptation of technology also allows the company to reflect a beneficial and successful image within the industry which highly attracted stakeholder groups opening further opportunities in the future.

### ***3.3.4 Threats***

Probably one of the most significant factors of the SWOT Analysis tool is referred to as threats available for an organisation. The threat includes the futuristic factors that can restrict the success factors of an organisation and ultimately force it out from the competition. Similarly, there are certain threats associated with MAX as well, whereas one of the major threats is the intense competition between different e-commerce delivery providers who originally had been involved in just delivery services but have expanded in using food delivery and transportation as well such as the example of Uber, Lyft, etc., but have adapted the market with enhanced practices (Reynolds-Pearson and Hyman, 2020). Thus, it has been making competition further critical for being managed accordingly.

## **3.4 VRIO Analysis Tool**

To be able to successfully implement the success-related strategies within an organisation, it is important to adhere with the VRIO Analysis tool which is comprised of four major elements (Lin, Tsai, Wu and Kiang, 2012), that are further identified and evaluated in response to the case study based on MAX, as follows:

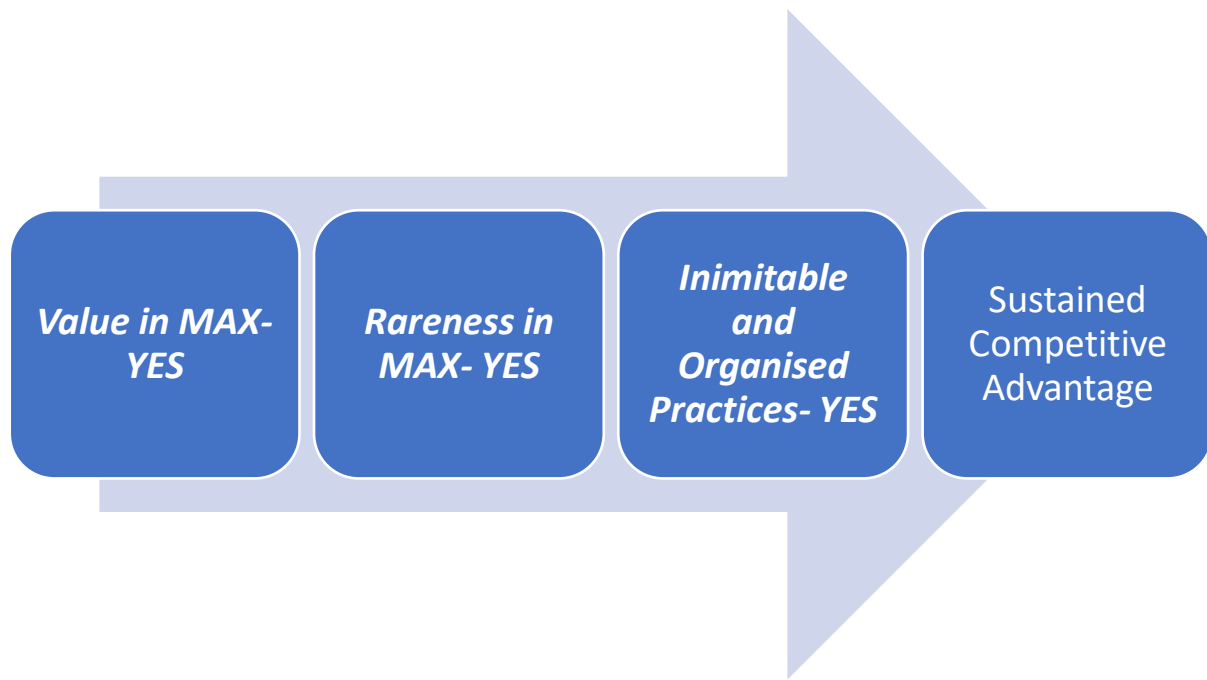


**Figure 2 Adapted: VRIO Analysis Tool of MAX.**

#### **3.4.1 Value**

The main element of the VRIO framework is known as value. Value relates to the aspects of an organisation that are valuable to the company. Hence, for the example of MAX, the main value is devoted to the organisation's vision being amongst one of the most efficient e-bike delivery providers within the Africa lifting people out of poverty or creating sustainable for Nigeria also maintaining profitability. This means that the company can research into innovative ways to continue to maintain a competitive advantage over its competitors; hence continuing to improve the current provisioning aspect.

#### **3.4.2 Rare**

Rarity refers to the aspect of being unique, which brings about the competitive advantage to an organisation. Similarly, Uniqueness is clearly evident in MAX. their unique strategy of identifying their motorcycle drivers as MAX Champions thus bringing some pride and respect to their job and also Bamiduro's close interaction with its motorcycle drivers on a personal level bring about employee loyalty which is clearly seen in MAX. It can be evaluated that, the reliable full-time income of around US\$300 per month. That amount was three to four times the average earnings for independent motorcycle couriers was a spot on strategy by MAX which worked effectively to bring about employee and contractor retention. This can be analysed that MAX innovative and unique strategies and practices were unique and rare .

### ***3.4.3 Imitable and Organised Practices***

Imitable refers to the ability of competitors and other organisations to copy the practices of an organisation. However, from the analysis MAX'S practices were inimitable at moment because they continued to maintained competitive advantage as they were fast growing and successful and Bamiduro that his team was well positioned for expanding their network despite the ecommerce firms were continuing to grow at record speeds across Africa.

Also, It can be analysed that the organised principles of MAX was highly successful because they succeeded to maintained competitive advantage over their competitors maintain company profitability, employee and contractor retention and customer loyalty have been failing to become highly imitable as new entrants are rushing into the industry of e-commerce delivery services which has resulted in declining sales for the company.

## **4 Recommendations and Conclusion**

Concluding the discussion provided as above, it can be analysed that strategic planning is much important for an organisation, especially for those entities which are situated in a highly competitive environment. The highly competitive environment of the present era has been made much complex and challenging through the availability of the option of adapting and implementing technology extensively that has opened up doors to new opportunities for different achievements within the professional environment. However, keeping in view the discussion provided as above in the light of the company named MAX, it is important to plan every step of an organisation strategically, which can be adapted in various ways. Strategic planning and implementation is certainly not a single-time approach, whereas it needs to be evaluated frequently. There are several examples from within the professional field which has benefited through competitive advantage and hence a detailed analysis of their success can be traced through the adaptation of different strategic analysis tools such as PESTEL and Porter's Five Force Analysis. There are other options available as well, such as SWOT Analysis tool and VRIO analysis tool, which can be aimed and adapted depending on the choice of the evaluator. These frameworks allow the scanning of the internal and the external environment of an organisation and the market it is currently operating in and then stimulate its decisions accordingly. Through the detailed implementation of these frameworks, the users will be able to understand different forces which can be acting as potential barriers towards the achievements of the organisational objectives and then compare these factors within the industry to identify what measures have been taken by the competitor firms to successfully

overcome these constraints which can be further enhanced by the entity of focus for adaptation and implementation accordingly. However, the process of analysis and evaluation is not easy, whereas the ability to conduct it efficiently and effectively requires sufficient skills and capabilities within the individuals planning to carry it successfully. Referring to the example of MAX, it can be perceived that Bamiduro had been skilled through appropriate knowledge when he opted for his business degree at MIT, which allowed him to scan for the strategic factors critically. Hence, it is recommended for practising organisations and its management to identify such individuals comprising managerial skills and then enhancing their skills through different initiatives such as training and development and engaging in communication and formal interaction occasionally to remain updated with the current situation and allow different decisions to be implemented by the strategic individuals, which can be tactical.

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