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Original Article (Mixed)

Presenting a Model of Competitive Advantage with a First Mover Approach in The Aviation Industry Of Iran

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Abstract

The aim of this research was to present a competitive advantage model with a leadership approach in the Iranian aviation industry. The present research is a mixed exploratory research. In this research, data was collected and research questions were examined using interview and questionnaire tools. Given that the present research is in two stages (quantitative and qualitative), the relevant population in the qualitative dimension includes experts such as senior managers and consultants of the Civil Aviation Organization of Iran as well as university professors, selected to saturation. In the quantitative dimension, the statistical population includes executive managers, department heads, consultants and employees of the Civil Aviation Organization of Iran, 620 people altogether, of whom 237 were selected by the Morgan table using simple random sampling. Based on the interpretive structural technique (ISM), the results showed that having a suitable network and scope of air, flight and airport services in the country, the possibility of sharing technology for the production of modern aircraft, the technical and technological capabilities of the industry for leadership, having a strategic management attitude and capabilities for the industry for leadership, having experience in joint cooperation with international consultants, companies and governments, the desire to lead in government officials and industry decision-makers, commitment to strategic plans in industry managers for leadership, learning, ability to adapt and foresight in the aviation industry for leadership, having skills and expertise in managers and human resources in the industry for leadership, the number and composition of the air transport fleet and having coherent, integrated and strategic marketing and branding plans in the industry have the greatest influence on the competitive advantage for leadership among the variables.

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Extended Abstract

Introduction

The aviation industry, as one of the vital pillars of the economic and social development of any country, plays a significant role in facilitating communications, trade, tourism, and the movement of people. In Iran, despite its geographical and strategic potential, this industry faces numerous challenges, including fleet obsolescence, international sanctions, and weak infrastructure. In the meantime, creating and maintaining a sustainable competitive advantage for domestic airlines, especially with a pioneering approach, seems essential (Alavi et al., 2020).

One of the prominent models in the field of competitive advantage is Porter's theory, which introduces three general strategies for gaining competitive advantage (butt et al., 2022): cost leadership, differentiation, and focus. In the meantime, the differentiation strategy by providing unique and high-quality services can be considered as a suitable approach for Iranian airlines. By focusing on the specific needs of customers and providing services that are different from competitors, this strategy can lead to creating a sustainable competitive advantage (Summerville et al., 2020).

On the other hand, according to the theory of first-mover advantage, in many industries, including the aviation industry, where there is the possibility of strategic management of organizational resources in order to be the best, providing innovative specialized services increases efficiency, that is, along with the increase in innovative services, the ability to obtain economies of scale also increases, leading to a reduction in the cost of providing services and, so to speak, being the best in the industry (lo et al., 2020).

One of the most important reasons for the backwardness of the Iranian aviation industry is the lack of development of commercial systems in transportation activities. The lack of a professional commercial aviation system in the aviation industry and the existence of the charter mafia and the black market are one of the major commercial problems in the field of air transportation. However, according to the 1990 diamond porter model, the proper design, application, and implementation of competitive advantage models can bring positive results to the industry, the most important of which are (Summerville et al., 2020): exceptional ability to obtain information from the organization's environment; exceptional ability to respond appropriately to environmental information and challenges; ability to learn quickly and discover new and potential customers; improving the level of business/marketing awareness - which mainly collects and analyzes information from customers, suppliers, etc.; improving the level of awareness of the situation of competitors - which focuses on issues such as pricing policies, substitute services, and competitor development policies; improving the level of technological and technical awareness - which deals with basic and applied research, processes, and norms, and the promotion of new technologies for providing services; improving the level of strategic and social awareness - which deals with issues such as laws, financial and tax issues, political and economic issues, and social aspects and human resources. Accordingly, the question arises: What is the competitive advantage model with a leadership approach in the Iranian aviation industry?

Theoretical Framework

Technical and Technological Capabilities and Infrastructure

Technical and technological capabilities are considered to be the main pillars of competitive advantage in the aviation industry. With rapid advances in technology, airlines can increase their productivity, reduce costs, and provide a better experience for passengers. The use of

artificial intelligence and Internet of Things systems to optimize flight operations and predict maintenance needs increases efficiency and reduces costs (Awamleh et al., 2021).

Strategic Management and Leadership

Strategic management and leadership play a decisive role in industrial leadership. Strategic planning, optimal resource management, and the organization's ability to learn and adapt to environmental changes are key factors in creating sustainable competitive advantage (Hamadamin et al., 2019). Airlines that have clear and coherent strategies are able to manage costs, increase operational efficiency, and improve their performance in a competitive market.

Human Resources and Skills Development

Highly skilled and specialized human resources are one of the main pillars of industrial leadership. Developing human capital through education, research, and succession planning increases the organization's efficiency and ability to adapt to environmental changes (Alfawaire Alfawaire et al., 2021). Organizations that continuously develop their human resources are able to create sustainable competitive advantage and perform better in a competitive market (Torres et al., 2019).

International Networks, Markets, and Communications

International networks and communications are key factors in creating and maintaining competitive advantage. Active presence in international markets, establishing cooperation with foreign companies and institutions, and adopting internationally oriented approaches increase access to resources, technology, and new markets (Cavusgil et al., 2014). Organizations that have extensive and sustainable relationships with international partners are better able to respond to market changes and global competition.

Infrastructure and organizational resilience

Operational infrastructure and organizational resilience play an important role in maintaining and developing competitive advantage. Investment in modern equipment and technologies, optimal information management, and strategic planning increase organizational efficiency and reduce vulnerability to environmental changes. Organizations with strong infrastructure are able to maintain their performance in adverse conditions and exploit market opportunities (haseeb et al., 2019).

Research Background

Abdulwase et al. (2024) conducted a study titled "The Role of Business Strategy in Creating Competitive Advantage". The findings showed that business strategy plays a vital role in creating competitive advantage and increasing market share. Also, the organization's market was affected by a strategy with a desirable quality.

Kashefarzaagh et al. (2024) conducted a study titled "The Effect of the Brand of Islamic Azad University, Electronics Branch on Competitive Advantage with the Mediating Role of Positioning and Market Orientation". The findings confirmed the effect of audience recognition of the brand on positioning and market orientation and the effect of these two variables on competitive advantage.

Research Methodology

This research is applicable in terms of purpose, and qualitative-quantitative approach. Considering that the present research is in two stages, (quantitative - qualitative), the research community is different in both dimensions; in the qualitative dimension, the relevant community includes experts such as senior managers and consultants of the Civil Aviation Organization of Iran and university professors, selected to saturation; and in the quantitative dimension, the statistical community includes executive managers, department heads,

consultants and employees of the Civil Aviation Organization of Iran, totaling 620 people, of which 237 people were selected by the Morgan table using simple random sampling.

Research Findings

The findings of the present study showed that the capabilities of research and development and investment for leadership in the aviation industry, learning, ability to adapt and foresight of the aviation industry for leadership, the possibility (ability) of sharing technology for the production of modern aircraft, management of income and costs in the industry for leadership, having experience in joint cooperation with international consultants, companies and governments, having skills and expertise in managers and human resources in the industry for leadership, forming a comprehensive database (customer, product, service and market) with a high level of safety for the industry, the number and composition of the air transport fleet, the existence of educational and research centers in accordance with international standards for the development and replacement of technical and staff forces in the industry and having coherent, integrated and strategic marketing and branding programs in the industry are at the eighth level of the competitive advantage model with a leadership approach. Also, managerial stability in the industry is at the first level of this model, which interacts with political and economic stability in the country and restrictions on the transfer of specific technology and the import of new aircraft due to sanctions conditions.

Conclusion

The results of the study showed that leadership in the Iranian industry is mainly based on internal and organizational capabilities. Technical capabilities, human resources, strategic management and organizational infrastructure are the basis for creating and maintaining competitive advantage. Unlike some studies that highlight macro-political and economic factors, the present findings showed that long-term success depends more on innovation, organizational skills and the use of technology, which is in line with the research of Teece (2007), Porter (1985), and Awamleh et al. (2021).

The results showed that the breadth and quality of the domestic and international service network play an important role in industry leadership. Awamleh et al. (2021) and Santos et al. (2024) have also shown that an extensive operational network increases productivity and customer satisfaction. The results showed that a competitive position in the global market increases the organization's ability to exploit international opportunities and reduce environmental risks. Porter (1985) and Teece (2007) have also shown that a strong presence in global markets facilitates access to new resources and technologies, and the present findings are consistent with these studies.

The results showed that the development of technical and technological capabilities improves the operational performance and efficiency of the organization and provides the basis for creating competitive advantage. Awamleh et al. (2021) and Santos et al. (2024) have also emphasized that investment in technology and technological infrastructure provides the basis for competitive differentiation and increased productivity, and the present findings are consistent with these studies.

Studies by Hamadamin et al. (2019) and Mahdi et al. (2019) have also emphasized that effective strategic management increases productivity, resource coordination, and rapid response to environmental changes. The results showed that adopting an international approach increases access to new technologies and markets and strengthens the organization in global competition.

Cavusgil et al. (2014) have shown that companies that are internationally oriented have a better ability to exploit opportunities and reduce risks. The results showed that the desire and motivation of government officials and decision makers to lead facilitates the implementation of strategies and creates institutional support.

Research by Mahdi et al. (2019) has also stated that the support of key decision makers for strategic plans facilitates the successful implementation of strategies and the consolidation of competitive advantage. The results showed that the commitment of managers to the implementation of strategic plans causes the continuity of activities and strengthens competitive advantage.

Hamadamin et al. (2019) have shown that the commitment of managers to strategies reduces internal conflict, and increases resource coordination and productivity. The results showed that investment in R&D and innovative capabilities provides the basis for leadership and competitive advantage.

Awamleh et al. (2021) and Santos et al. (2024) have also emphasized that continuous investment in R&D leads to sustainable innovation and strengthening competitive position.