TRENDY EKONOMIKY A MANAGEMENTU
TRENDS ECONOMICS AND MANAGEMENT
ISSN 1802-8527 (Print) / ISSN 2336-6508 (Online)

2018 32(2): 111–124
DOI: http://dx.doi.org/10.13164/trends.2018.32.111

An Application of the Principle of the Competitive Space Demands Accelerator to the Assessment of the Mobile Communication Market Development in the Czech Republic

Robert Zich, Karolína Svobodová, Jitka Veselá

Abstract

Purpose of the article: The article presents the conclusions of an empirical study focused on the dynamics of changes of the Czech mobile communication market at the moment of significant change of the pricing policy in 2013. The evaluation of the dynamics of changes is based on the competitive space demands accelerator mechanism, which is a theoretically developed concept explaining specific links between the growing customer demands and company competiveness development. The study presented in this article has verified the validity of this concept.
Methodology/methods: The presented results are significantly supported by ten years of the intensive research activity mapping aspects of competitive behaviour of mobile service providers in the Czech Republic. The research methodology is based on a qualitative research case study.
Scientific aim: The main scientific aim is an empirical verification of the theoretically developed concept explaining the paradox of accelerated growth of customers' demand caused by the company endeavour to increase its competitiveness in the mobile communication industry.
Findings: The development of the mobile communication market in the Czech Republic at the moment of principle change in the structure and form of offered subscriptions in associations with the pricing policy in the year 2013 proved the validity of the mechanism of the influence of the competitive space demands accelerator.
Conclusions: The main conclusion can be summarised into three points. The first is the fact that a significant part of the increase in requirements and demands of the market is called by the activity of companies rather than the natural growth of customers' requirements. The second, extremely intensive depreciation of the potential advantage in the sense of competitive differentiation and perceived value can be explain by the mechanism of the accelerator. The third is confirmation of validity of criticism of the concept of sustainable advantage especially in the context of the created customer value.

Keywords: competitive space, demand acceleration, competitiveness, competitive advantage, deprivation of advantage, convergence of competitive behaviour

JEL Classification: L1, L14

Introduction

The key objective of introduced article is to verify the possibility of the application of the principle of the Competitive Space Demands Accelerator for an assessment of a selected market. The research has focused on the assessment of development in the mobile communication market in the Czech Republic. Monitoring the mobile market development, with the emphasis on behaviour of mobile service providers in the Czech Republic, constitutes the part of long-term research activities, aiming at the development of the success-ability concept. The application of the Competitive Space Demands Accelerator has primarily aimed at the formulation of principles of competitive space development (Zich, 2014). The ongoing research has been running since 2002 both within the framework of research projects and partial research activities. The individual stages can be classified into three periods depending on the market development. The first evaluated period falls within the period from 2002 until 2006 (*i.e.* the period when operators gradually became parts of multi-national groups); the second period from 2007 until 2009 (*i.e.* the period of gradual unification of competitive behaviour) and the third period from 2010 until 2013 (*i.e.* the period of the birth of mobile virtual networks operators and change in the type of subscrioptions). The subject matter of this research is primarily represented by the study of competitive behaviour of mobile network operators and the impact of such behaviour on the overall development of the competitive space. Three basic research questions were formulated at the beginning of the research:

- How are established competitive rules within the framework of the competitive space in the context of behaviour of operators?
- How can be described the principles of changes in the character of competitive rules in the mobile network market in the Czech Republic?
- How are the competitive rules taken into account in the approach to strengthening the competitiveness of the operators?

The main output of the first and second period (from the perspective of the research questions) has been the identification of the development of competitive rules and the assessment of competitive behaviour. The research, undertaken in the third period, mainly focused on the spirit of the competitive environment and comparison between the behaviour of the mobile network operators in the Czech Republic and abroad. The Assessment of the companies' behaviour in the strategic development of competitiveness and the evaluation of mechanisms of the development of the competitive environment

Table 1. Overview of the methods applied for the research of the competitive space of the mobile network communication market.

Research stage	Applied key methods	Characteristics of use
2013 Application of the competitive space demands accelerator	Research case study Content analysis of the sources Focused group interviews	The evaluation of information in relation to changes in the subscriptions structure introduced by the operators in 2013. The analysis of relevant articles, published on two key websites focusing on the mobile network communication in the Czech Republic – www.mobilmania.cz and www.mobil.idnes.cz – and reports published on the websites of individual operators. The purpose of focused group interviews has been to compare the behaviour of the operators in the market in the Czech Republic and abroad. The comparison included Finland, Spain, France and Germany; the respondents have been the users of services living in these particular countries. Furthermore, the evaluation of the perception of convergence in the behaviour of the operators from the perspective of advertising activities and customer requirements.

Source: Authors' own study.

with the application of the competitive space demands accelerator was made in 2013 within the framework of the research called "Determinants of the Development of Management and Marketing in the Context of Transforming the European Union", conducted by the Faculty of Business and Management of the Brno University of Technology. The objective consisted in the practical verification of this concept.

The applied methods have employed qualitative approaches to research case studies; data collection has been based mainly on the content analysis of sources, special-purpose group interviews, semi-structured interviews, experiments, observation, and the application of continuously developed approaches to the assessment of the companies' behaviour on the basis of the success-ability concept. Another specific approach to the market situation assessment has been the assignment of a case study elaboration in the form of a project, constituting the part of the teaching process. Nevertheless, this approach has represented only a partial and complementary source. For more detailed specification of the use of the above-mentioned method, see the table (Table 1).

1. Theoretical background

The mechanism of a growing level of demands of the competitive environment is probably the key aspect, influencing the importance of competitive advantages and, in this context, also the behaviour of companies developing such advantages. There might be two opposing perspectives. The first one focuses on the growth of demands of the competitive environment; the second one focuses on the effort of the companies to develop competitive advantage to be used on more and more demanding markets. However, the basis for the problem solution consists in the synthesis of both points of view. Schumpeter's understanding of competition, and mainly innovation, can constitute the starting point of this synthesis. Schumpeter states that the competition can stimulate innovation, improve effectiveness or decrease prices (Samuelson, Nordhaus, 1995). In such an environment, an innovating company comes with technological improvements and implements them successfully into the practice and, finally, generates profits. According to Becker and Huselid, a synergic system can contribute to the organisational performance, such as firm productivity and innovativeness, thereby helping the organization to obtain sustained competitive advantages and enhance performance (Becker, Huselid, 2006). The key aspect is the fact that such a situation is a short-term status, as imitating competitors will deprive these innovators of such profit (Samuelson, Nordhaus, 1995, pp. 871). Generally, the theory solves the problem of the deprivation applying two aspects. The first one is usually associated with the term "a sustainable competitive advantage". Ordinarily, this approach is linked with traditional approaches to competitiveness, coming out from the Porter's model. In spite of the fact that the approaches, preferring a resource-based view or core competence, are considered as certain polar opposite concepts, the applications of these approaches have a similar feature of the effort for sustainable, or at least long-term, advantage. Most of the previous studies investigated the factors facilitating a firm's sustainable competitive advantage, such as intellectual capital (Hsu, Wang, 2012), innovation (Barrett, Sexton, 2006), or dynamic capabilities (Bowman, Ambrosini, 2003; Easterby-Smith, Prieto, 2008; Macher, Mowery, 2009; Panza, Thorpe, 2009). The downside of these approaches is that they rarely attempt to look into the different natures of a temporary competitive advantage and a sustainable competitive advantage. That competitive advantage is attained if the firm has a strong market position in an industry compared to competitors, created *e.g.* through economies of scale (Caves, Porter, 1977; Porter, 1980). Nickerson *et al.* (2001) investigated how a firm moves from a temporary competitive advantage to a sustainable competitive advantage and for example Barney's (1991) and Wiggins, Ruefli's study (2005) distinguishes these two types of advantage. D'Aveni *et al.* (2010) tend to remind the researchers of the distinction between them through the issue: what if the sustainable advantage does not exist? An answer to their question is ensuring a string of temporary advantages. Further research suggests that the temporary component of the competitive advantage is rising compared to the long-run component of the sustainable competitive advantage (Thomas, D'Aveni, 2009).

Nonetheless, the entire concept of the sustainable advantage has been criticised very often. In fact, already Schumpeter links competition with the substance of competition as a permanent destruction of the competitive advantages, *e.g.* (Busbin *et al.*, 2008; Panagiotou, 2006). Similarly, D'Aveni (1994) mentions in this context that the key aspect of success is a permanent liquidation and restoration of competitive advantages, always on the basis of new factors and not on the basis of exploitation and consolidation of sources and competences (Collis, Carr, 2011). Collis does not challenge the concept of the competitive advantage as such, but he points out three reasons why the position of the competitive advantage, generated by organisational skills, will not be sustainable. These reasons are as follows: the erosion of skills associated with the fact how a company tries to adapt to external competitive changes, skills are substituted for other skills and maybe are overreached by better skills (Busbin *et al.*, 2008). The success-ability concept develops the idea of three types of competitive advantages (Zich, 2009a; 2009b; 2010):

- purely competitive advantages – based on the internal ability of organisations,
- semi-competitive advantages – usually gained in association with an external partner,
- pseudo-competitive advantages – might be based on factors which can be considered as unacceptable either from the ethical or legal point of view.

Powell's consideration, based on logical framework and questioning the concept of the competitive advantage as such, represents a rather extreme opinion about the issue of the competitive advantage (Mintzberg, 1987). Approaches, operating with the term "dynamic ability", or "dynamic competences" (stress is put on the ability of restoration and development of sources and advantage) can be considered as a certain response to the need to substitute rather a static view on the formation of sustainable development (Augier, Teece, 2007; Hitt, 2011; Prieto, Rodriguez-Prado, 2009; Salunke, Weerawardena, McColl-Kennedy, 2011).

A competitive advantage is determined by two major forces: endogenous from resources and capabilities and exogenous from the market position (Crook *et al.*, 2008). The organisation environment has been characterised by high dynamism (Zahra *et al.*, 2006). Dynamic capabilities in terms of organisational routines can become measurable and distinct from a firm's competitive advantage (Eisenhardt, Martin, 2000). Terjesen, Patel, Covin (2011) report significant positive association between the environmental dynamism and the competitive advantage. Investing in organisational capabilities and the environment is a relatively stable concept for influencing the competitive advantage (Heimeriks, 2010). There have been studies how various variables affect firm performance but without the focus on detailed mapping of the performance itself (Wiggins, Ruefli, 2002).

The primary reason for searching for new competitive advantages is the factor of growing marking demands, demonstrated, for example, by increasing demands of customers. Market dynamics can be linked and described with many factors. The most frequently mentioned factors are:

- The connection of increasing intensity of competition and market uncertainty with a growing number of competitors being established (Chaiprasit, 2008).
- Globalization as a factor forcing companies to respond promptly to opportunities and threats by change in their strategies, competence, structure, *etc.* (Chaiprasit, 2008; Busbin *et al.*, 2008; Milichovský, Šimberová, 2015), with a need to develop global competitiveness (Drucker, 2000).
- An increase in the technological level linked with the customer needs (Piirainen *et al.*, 2010; Busbin *et al.*, 2008; Prieto, Rodríguez-Prado, 2009).
- The interconnection between organisations and their environment shaping a coherent system in which the environment operates as a source of pressure on organisations (O'Regan, Ghobadian, 2005).
- Competitive rivalry understood as a rivalry to achieve a certain position applying tactics such as price competition, advertising rivalry, launching of products onto the market, improvement of quality of services rendered to customers, *etc.* (Porter, 2004, p. 17). In most industries a competitive movement of one company would also influence other competitors (Porter, 2004, p. 17).
- Competitive dynamics as the entire competitive behaviour, *i.e.* all individual activities – operations of a company and responses from all companies competing in a particular market (Hitt *et al.*, 2004, p. 138).
- The competitive space as the complex approach analysing especially mutual links of competing entities representing the dynamic component, parameters forming the character of the individual components of the competitive space, and defined objectives of the company. These links create a necessary framework of the company behaviour. The individual components of the competitive space can be defined by factors of the general and industrial environment, competitive relations and regulations, the evaluation of the importance of the market for products and resources. The overall character of conduct of entities in the market is influenced and characterised by the so-called competitive rules, integrating legislative and ethical standards and customs (Zich, 2009a; 2009b; 2010).

The alternative to an assumption that companies primarily respond to an increasing pressure of the market, which is a generally accepted condition, is the focus on the assessment of the influence of the companies' behaviour to such an increase. It is quite obvious that organisations themselves must have a significant influence on the nature of the competitive environment, namely to the extent of the demands of the competitive environment. This fundamental question is just the mutual causality of the companies' behaviour and the growth of customer needs. Lindman states that development of many products goes far beyond customer preferences from the perspective of functionality of such products (Lindman *et al.*, 2008). The concept of success-ability defines the so-called "competitive space demands accelerator" (Zich, Veselá, 2013). The accelerator explains the increase in demands of the competitive space caused by the mutual influence of the level of the developed competitive advantage and customer requirements. The key influence of this accelerator is the consequence, exerted by the effort of the company to strengthen its own competitiveness. The basic aspect is that the increase in the level of competitiveness can trigger the increase in demands of the competitive space, specifically customer demand, practically immediately resulting in the devaluation of the level of the achieved competitive advantage. The real consequence of this theoretical principle is:

- an increase in the demand of the competitive environment, primarily caused by the companies' behaviour, not by customer demands,
- a practical impossibility to maintain the competitive advantage in the long-term horizon, or at least a substantial shortening

of the period for which a company can exploit its advantage,

- an extreme strain on the approach to the strategic development of competitiveness; a company – trying to strengthen its own competitiveness – can achieve rather quickly a deficit in abilities, either in relation to customer demands or the level of responding to competitors,
- the convergence in companies' behaviour, leading to the application of similar approaches and thus further potential depreciation of the level of the competitive advantage compared to rivals.

A mechanism by which the accelerator influences the market makes use of the following identification and terminology:

rCsN a range of customer's needs defined by the minimum level which a customer is willing to accept and maximum level which a customer expects,

ΔA the difference between the ability of the company and its competitor,

eCoA an excess of company ability – an excess of the ability/level of the advantage of the company compared to the customer demand,

sCoA a lack of the company's ability – a lack of the ability/level of the company's advantage compared to the customer demand,

CoA, CoA' – the company's ability – a starting level of CoA, a level after the change (CoA'),

CsN, CsN', CsN'', CsN''' – customer needs – a starting level of (CsN), a new level of demands of a customer (corresponding to the supply – CsN', lower than corresponding to the supply – CsN'', exceeding the supply – CsN'''),

ΔCoA a change in company's ability, a difference between a new and previous ability,

CtA the ability of a competitor,

t1 a moment when a company offers a higher level of its ability,

t2 a moment of the response from a customer,

t3 moment when the customer needs of reach/exceed a new company's ability,

t4 a moment of the response from a competitor,

t5 a moment when a competitor reaches/exceeds the company's ability,

t6 a moment when the competitor reaches the accelerated needs of a customer.

2. The essential characteristics of the market situation in 2013

The following facts established the essential characteristics of the mobile communication

Table 2. Basic characteristics and milestones in the history of subjects in the Czech market.

Brand used in the year 2013: "O2"	**Brand used in the year 2013: "T-Mobile"**	**Brand used in the year 2013: "Vodafone"**
Market entry in1991 First in the market Eurotel Praha, spol. s r.o. "Eurotel" brand The part of multinational group since 2006 Telefonica O2 Group Telefónica O2 Czech Republic, a.s. "O2" brand	Market entry in 1996 Second in the market RADIOMOBIL, a.s. "Paegas" brand The part of multinational group since 2002 Part of T-Mobile "T-Mobile" brand Since 2003, the trading company has been T-Mobile Czech Republic a.s.	Market entry in 2000 Third one in the market Český Mobil a.s. – brand "Oskar" Since 2004, the trading company was Oskar Mobil a.s.. Part of the multinational group since 2005/2006 Vodafone Czech Republic a.s. "Vodafone" brand

Source: Authors' own study.

Table 3. Market positions of the operators – active SIM cards as of 31 December of the particular year.

	2002	2004	2006	2008	2010	2011	2012
Eurotel/O2							
[‘000]	3,891	4,394	4,864	5,257	4,839	4,942	5,083
[%]	45.3%	41.5%	39.5%	38.7%	35.9%	36.2%	36.4%
T-Mobile							
[‘000]	3,510	4,360	5,049	5,422	5,475	5,381	5,498
[%]	40.9%	41.2%	41.0%	40.0%	40.6%	39.5%	39.4%
Oskar/Vodafone							
[‘000]	1,180	1,830	2,413	2,892	3,174	3,313	3,375
[%]	13.8%	17.3%	19.6%	21.3%	23.5%	24.3%	24.2%

Source: Authors’ own study.

Table 4. Selected characteristics of the mobile communication network market saturation in the Czech republic.

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Participants in the mobile telephone network – active SIM cards											
[‘000]	8,581	9,709	10,584	11,450	12,326	13,055	13,780	14,217	14,359	14,215	14,456
Participants in the mobile telephone network – SIM cards/100 inhabitants											
[pc/100 people]	84	95	104	112	120	126	132	135	136	135	137
Individuals in the Czech Republic over 16 years of age and older using mobile telephones											
[‘000]	–	5,717	–	6,592	7,178	7,443	7,744	8,053	–	8,295	8,252
[%]	–	66.0	–	75.8	83.1	85.5	87.9	90.6	–	93.9	96.0
Households in the Czech Republic with own mobile telephones											
[%]	60.8	70	77.2	81.2	87	90.2	92.4	94.6	95.6	96.2	97

Source: Authors’ own study.

network market in the Czech Republic:
- the existence of three key operators, members of multinational groups – see the Table 2,
- The characteristic feature of the allocation of positions of the operators is the condition of two stronger and one weaker company – see the development in the active SIM cards shown in the Table 3,
- An early-stage development of official virtual network operators,
- The market saturation from the perspective of users – see Table 4,
- The competitive behaviour of rivals showed a high level of unification, demonstrated (for instance) in the offer of subscriptions and forms of communication.

3. Evaluation of the Czech mobile market development in 2013 in the context of the influence of the accelerator of the demands of the competitive environment

Changes in 2013 are clearly associated with changes in the structure and form of offered subscriptions in association with the pricing policy. The company initialising changes was the Telefónica Czech Republic, a.s., which on 11 April 2013 officially presented its new subscriptions offer. Above all, the principal change was represented by the change of an unlimited subscription (Table 5).

Table 5. Introductory information from the Press release published by Thelefónica Czech republic, a.s. on 11 April 2013.

O2 is changing the Czech mobile market. People do not have to think any more when and whom to call. Unlimited calls and SMS in the O2 network for CZK 249/month. Unlimited calls and SMS anywhere plus 1 GB data for CZK 749/month. "FREE" subscriptions are for all new as well as existing customers. The "O2 Mobil" service is coming – a tailor-made purchase of a new telephone.

Source: O2, 2013.

Table 6. Immediate response of the competitors to the new subscriptions introduced by O2.

Response of T-Mobile: "T-Mobile has offered "S Námi" subscriptions following the identical logic – i.e. the combination of unlimited calls to the own or all networks for more than a year. As we have already mentioned, we have been considering further price advantages of unlimited subscriptions for a long time; within a few days we will publish a specific modality of the highest subscription, which will be at least comparable to the offer of the competitors. At the same time, within a short period of time we are preparing the introduction of instalment sale of telephones."
Response Vodafone: "Identically to Vodafone branches operating in many other countries, we will also place unlimited subscriptions on the market. We will offer these subscriptions to our company as well as non-company customers at the end of May. Among others, the offer will include a subscription with unlimited calls and unlimited SMS to all networks, in addition to 600 MB data plan without a subsidised telephone for the price of less than CZK 700. Moreover, we will keep offering our customers subsidised devices in the price range starting from one crown. In May, we will announce some more good news for our customers."

Source: T-Mobile, 2013; Vodafone, 2013.

Table 7. Identified key elements in the range from the absolutely positive to absolutely negative evaluation of changes in the subscriptions in discussion forums identified within two weeks after the change.

Type of response	Highlighted aspects	Note
Absolutely positive	Evaluation of profitability of the offer	emphasis on the fact that O2 introduces the change
Rather positive	Comparison with the original offer, emphasis on a lower price	demonstration of expectation of response of competitors
Rather negative	Primary stress on potentially higher demands of customers	comparison with operators active outside the territory of the Czech Republic
Absolutely negative	Emphasis on either higher need of customers, or different needs of customers not using the most expensive tariff	any positive perception of the change is missing emphasis on the fact that the change comes rather late compared to foreign markets

Source: Authors' own study.

From the point of the accelerator of the demands of the competitive environment, it represents the moment "t1"; *i.e.* the moment when the company shows an increased level of abilities to satisfy the needs of its customers. The increased level of abilities can be supported by the statement that the previous level of the standard price offer of an unlimited subscription oscillated around CZK 3,000 in the case of all operators. However, new the price level was subject to a two-year contract. The price without the concluded contract was approximately CZK 150 higher.

The responses of the competitors – moment "t4" – were immediate. Both competitors responded through their press agents practically immediately after the publication of the new subscriptions – see the table. In spite of a certain delay – most likely caused by administrative and technical problems – the competitors were able to offer price competitive alternatives immediately and complete subscription offers within weeks. Already on 15 April 2013, the server www.mobilmania.cz published a "post-revolution" comparison of subscriptions of all operators, showing comparable offers. The competitors were making partial modifications until the moment when on 23 May 2013, Vodafone introduced its complete offer of new subscriptions called "RED", and on 24 May 2013, the server www.mobil.idnes.cz presented the final form of the comparison of offers, introduced by all operators (iDnes, 2013; MobilMania, 2013).

The moment "t5", described by the demand accelerator as the moment when the competitors are able (at least) to match their ability to the first change, can be identified either with the date of 15 April 2013 or 23 May 2013. The first date represents only a theoretical alternative; the offers are not practically comparable and other changes are in process or should be announced later. This means that the requirement for the full comparability of the abilities was met rather on 23 May 2013; thus, the moment "t5" is defined by this latter date. Nevertheless, the period for which O2 could practically take advantage of its better offer was not too long. Furthermore, O2 competitors were able to offer slightly better subscription parameters in certain aspects (price, volume of data, scope of services, *etc.*). However, both competitors followed the set rule – a tradition of more advantageous price for a two-year commitment and approximately CZK 150 increase in the case of services without any commitment.

Positive responses of the customers, *i.e.* the acceptance of the new offer, which means the moment identified in the accelerator as "t2", were also practically immediate. Nevertheless, responses associated with a potential demand for even more favourable offer, *i.e.* the moment "t3" in the accelerator, were immediate as well. This statement is confirmed both by the selected reactions of customers shown in the analysed discussions and certain published evaluations of the new offer – see Table 7. The responses were selected from the individual discussions to present both positive and negative evaluations. The key of the analysis was finding corresponding clearly formulated response as soon as possible from the start of discussion.

4. Summary evaluation of the market response according to the principles of the competitive space demands accelerator

Generally speaking, it can be said that the response of customers clearly confirms the prerequisite of formatting an accelerated growth of customer demand, practically immediately overreaching the newly offered level of services, *i.e.* the newly formulated level of abilities of a particular company. The necessity of response of other operators is logical and, among others, is the manifestation of the convergence in the development of competitive rules. The situation in the market (from the perspective of competitive responses) did not cause topping-up of accelerated demands of customers– *i.e.* the moment defined by the theoretical delimitation of the accelerator as "t6". The influence of convergence in the development of competitive rules and the principle of unification of competitive behaviour won the majority significance from the moment "t5". The accelerator of demands of the competitive environment formed the market as shown in Figure 1, which is due to several factors.

One of the factors is undoubtedly the market structure, primarily controlled by three strong companies. From the perspective of evaluating the development of competitiveness, the essential element is that in order to fulfil company's objectives, the "useless" increase in the ability to satisfy needs of customers is not necessary. At the same time, it is rather obvious that this effort would practically immediately devaluate such developed

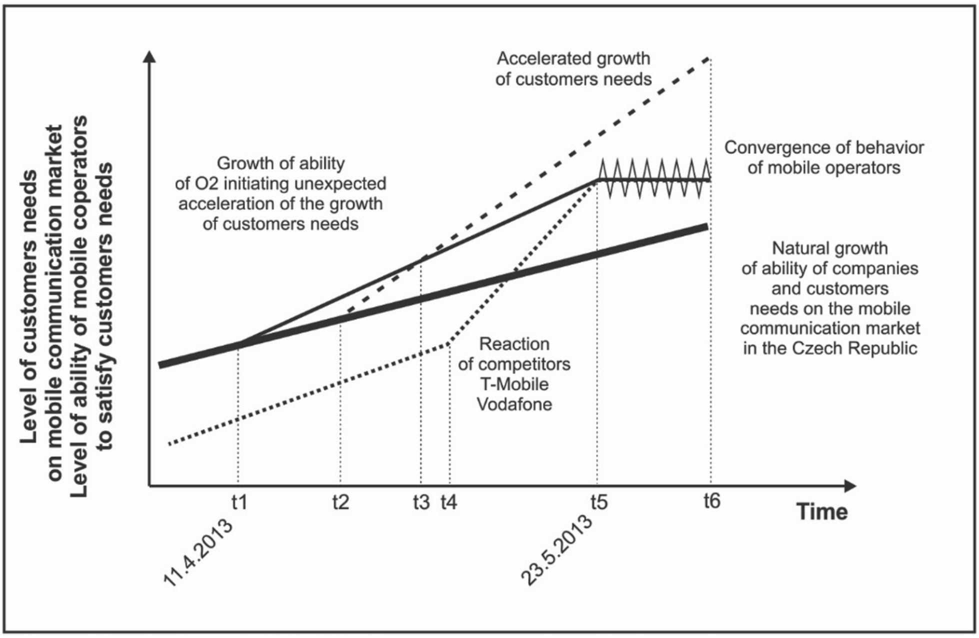

Figure 1. Graphical illustration of application of the accelerator of demands of the competitive environment to the situation in the mobile communication market in the Czech republic in the case of the change of types of subscriptions. Source: Authors' own study.

advantage. Identically, we can assume that speculations of customers on potential fear of entry of another operator or the influence of virtual network operators can be associated with the principles of the development of competitive rules. The existing operators did not strengthen their competitive ability against one another, but by factual reduction of space in the area of the pricing policy, they set up barriers against potential new competitors. The effect of the increased demand of customers, either realistic or only pretended, is a very dangerous factor from the perspective of the development of own competitiveness, as – paradoxically – it makes a space for new competitors.

5. Conclusion

Most of the considerations as regards strengthening the company competitiveness are based on the need to respond to the increase in demands of the competitive environment, which is usually associated with increasing demands of customers. Companies usually play the role of responding entities or, as the case may be, anticipating such increase. The assessment of the market situation, employing the principle of the accelerator of demands of the competitive environment, anticipates that – to a large extent – this increase in requirements and demands is caused, on the contrary, by the activity of companies and paradoxically, especially by their effort to strengthen their own competitiveness. Several important aspects are included. Primarily, the criticism of the concept of the sustainable competitive advantage is confirmed. The influence of the accelerator explains the mechanism of depreciation of the advantage occurring also in the case that the offer of the company is in principle attractive and complies with the original setting of the market before the change. The problem lies in the fact that the effort of the company to strengthen its own competitive advantage naturally opens the space for fast depreciation in two levels, *i.e.* in the level of requirements of customers and the level of the response from competitors. Subsequently, another aspect is that the strategic development of competitiveness must take into account rather fast changes in the dynamics of an increase in demands of the competitive environment. This conclusion is most likely absolutely correct from the theoretical point of view; however, its reflection in the actual behaviour of companies is rather problematic. The limiting factor of the presented conclusions is – to a certain extent – the focus on a specific industry, in the particular in the context perceived as the industry of services. The change which Telefónica O2 Czech Republic, a.s. introduced as the first one has neither changed nor innovated the pure substance of the provided service. This fact was reflected in an extremely short span between the moments "t1" and "t5". We can assume that this span might be longer in the case of another type industry, technologically focusing on innovations or a generally lower imitation possibility. Nevertheless, the principle of change and, in particular, acceleration, would still be maintained. Moreover, we can also assume that more demanding changes would be associated with higher costs; thus, a relatively longer period of time would not mean a sufficient advantage. This fact ultimately means that the principle of an increase in demands of the competitive environment caused by the activity of the company and resulting in a natural decrease in the significance of the internal advantage is generally valid. Last but not least, it is possible to work with the assumption of the described company management that it may be responsible for managing the development of market requirements. The focus of the company is to drive the market in a certain direction, which may thus greatly affect the demands and satisfaction of the customers, as well as eliminate the space for the emergence of new competition.

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Received: 16. 11. 2018
Reviewed: 10. 12. 2018
Accepted: 27. 12. 2018

doc. Ing. Robert Zich, Ph.D.
Brno University of Technology
Faculty of Business and Management
Department of Management
Kolejní 2906/4, Královo Pole, 612 00
Brno
Czech Republic
Phone: +420 54114 3757, +420 724 764 813
E-mail: zich@fbm.vutbr.cz

Ing. Karolína Svobodová
Brno University of Technology
Faculty of Business and Management
Department of Management
Kolejní 2906/4, Královo Pole, 612 00
Brno
Czech Republic
Phone: +421 903 907 009
E-mail: xpsvobo36@vutbr.cz

Ing. Jitka Veselá, Ph.D.
Private College of Economic Studies
Znojmo
Department of Marketing and
Management
Loucká 656/21, 669 02 Znojmo
Czech Republic
Phone: +420 736 269 273
E-mail: vesela@svse.cz