STRATEGIC MANAGEMENT CONCEPTS AND CASES: A COMPETITIVE ADVANTAGE APPROACH

by

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* JOIN HUNDREDS IN ADOPTING THE 17TH EDITION

* AVAILABLE FOR USE IN CLASSES JANUARY 2, 2019

* SEE MANY GREAT REASONS BELOW TO ADOPT THE 17TH EDITION FOR THE SPRING 2019 SEMESTER

* CONTACT DR. FRED DAVID WITH ANY QUESTIONS

* THANK YOU!

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The 17\textsuperscript{TH} Edition Table of Contents

PART 1  Overview of Strategic Management  
  Chapter 1  The Nature of Strategic Management  

THE COHESION CASE: THE COCA-COLA COMPANY, 2018 (STOCK SYMBOL: KO)  

PART 2  Strategy Formulation  
  Chapter 2  Business Vision and Mission  
  Chapter 3  The External Assessment  
  Chapter 4  The Internal Assessment  
  Chapter 5  Strategies in Action  
  Chapter 6  Strategy Analysis and Choice  

PART 3  Strategy Implementation  
  Chapter 7  Implementing Strategies: Management and Marketing Issues  
  Chapter 8  Implementing Strategies: Finance and Accounting Issues  

PART 4  Strategy Evaluation and Governance  
  Chapter 9  Strategy Evaluation and Governance  

PART 5  Key Strategic-Management Topics  
  Chapter 10  Business Ethics, Environmental Sustainability, and Social Responsibility  
  Chapter 11  Global and International Issues  

PART 6  Strategic-Management Case Analysis  
  How to Prepare and Present a Case Analysis  

THE ALL-NEW (NO REPEATS FROM 16\textsuperscript{TH} EDITION), 17\textsuperscript{TH} ED. CASES ARE ALL 2018-BASED AND WRITTEN ON STUDENT-FRIENDLY FIRMS IN THE NEWS AND NEEDING A CLEAR STRATEGIC PLAN  

The Outstanding 17\textsuperscript{th} Edition Case Lineup  

Service Companies  

Clothing Stores  

1. Macy’s, Inc. (M)  
2. The Gap, Inc. (GPS)  

Supply Stores
3. Lowe’s Companies, Inc. (LOW)  
4. Office Depot, Inc. (ODP)  
5. Dick’s Sporting Goods, Inc. (DKS)  

**Financial Institutions**  
6. Bank of America Corporation (BAC)  
7. JPMorgan Chase & Co. (JPM)  

**Restaurants**  
8. Chipotle Mexican Grill (CMG)  
9. Cracker Barrel Old Country Store (CBRL)  
10. Domino’s Pizza, Inc. (DPZ)  

**Medical**  
11. PetMed Express, Inc. (PETS)  
12. CVS Health Corporation (CVS)  
13. Ulta Beauty, Inc. (ULTA)  

**Hospitality/Entertainment**  
14. The Walt Disney Company (DIS)  
15. Caesars Entertainment Corporation (CZR)  

**Airlines**  
16. Spirit Airlines, Inc. (SAVE)  
17. Southwest Airlines Company (LUV)  

**Online Technology**  
18. Microsoft Corporation (MSFT)  
19. Amazon.com, Inc. (AMZN)  

**Manufacturing Companies**  

**Sports**  
20. Nike, Inc. (NKE)  
21. Under Armour, Inc. (UA)  
22. Polaris Industries Inc. (PII)  

**Personal Care**
23. The Estee Lauder Companies (EL)
24. L’Oreal SA (LRLCF)

Diversified Machinery

25. General Electric Company (GE)
26. Whirlpool Corporation (WHR)

Food and Drink

27. Starbucks Corporation (SBUX)
28. PepsiCo, Inc. (PEP)

Nonprofit Organizations

29. National Audubon Society (www.audubon.org)
30. Ducks Unlimited (www.ducks.org)

Why Adopt The David Text?

• The David text is the most practical, skills-oriented strategic management textbook on the market. All chapters unfold from a widely used integrative model of strategic planning, so students learn the “process of doing strategic planning,” rather than focusing on seminal theories in strategy. The David approach is “learning by doing” - students develop skills that can enhance their own employability through numerous features, such as 62 new Assurance of Learning end-of-chapter exercises in this edition.

• The David text offers more coverage of business ethics, social responsibility, and sustainability than any other strategic management textbook, including topics such as bribery, workplace romance, devising codes of ethics, taking a position (or not) on social issues, and preserving wildlife – topics that other textbooks do not mention, even though companies continually face strategic decisions in these areas. A new Ethics Capsule appears in each chapter in this edition, to supplement Chapter 10 on business ethics, environmental sustainability, and social responsibility.

• The David text offers more coverage of global/international issues than any other strategic management textbook, including topics such as how business culture, taxes, tariffs, political stability, and economic conditions vary across countries – all framed from a strategic planning perspective. A new Global Capsule appears in each chapter in this edition, to supplement Chapter 11 on global and international issues.

• The David text offers a conversational, concise writing style supported by hundreds of current examples, all aimed at arousing and maintaining the reader’s interest as the “process” unfolds.
from start to finish. The fun, exciting writing style complements the logical flow of chapter material that emulates the actual practice of strategic planning.

• This textbook is trusted across five continents to provide students (and managers) the latest skills and concepts needed to effectively formulate and efficiently implement a strategic plan—a game plan, if you will—that can lead to sustainable competitive advantages for any type of business. The Association to Advance Collegiate Schools of Business (AACSB) International increasingly advocates a more skills-oriented, practical approach in business books, which this text provides, rather than a theory-based approach. This text meets all AACSB International guidelines for the strategic-management course at both the graduate and undergraduate levels, and previous editions have been used at more than 500 colleges and universities globally.

We believe you will find the seventeenth edition to be the most effective textbook available for communicating both the excitement and value of strategic management. Concise and exceptionally well organized, this text is now available in English, Chinese, Spanish, Thai, German, Japanese, Farsi, Indonesian, Indian, Vietnamese, and Arabic. In addition to universities, hundreds of companies, organizations, and governmental bodies also use this text as a management guide.

Eric Seiden, an MBA student that recently used this text wrote the following:

Dear Dr. David: I am in the midst of my MBA at Adams State University here in Colorado. I’m 7 of 12 classes in with a 4.0 average. As a result, I’ve been through about 14 textbooks (not to mention the 60 or so I went through for my BBA at the University of California (UC)-Berkeley. This is the first time I’ve written to the author of a textbook. Why? Because the David book is by far the best textbook I have ever used. It’s clear. It’s accurate. It’s not full of opinion masquerading as fact! You, sir, are to be commended. Usually when I spend an insane amount of money on a text, I’m broke. But your text is worth every cent, and I’ll keep it forever. Well done sir! Respectively, Eric Seiden, MBA Student in Littleton, Colorado (August 10, 2015)

Eric N. Sims, a professor who has used this text in his classes at Sonoma State University in California, says:

I have read many strategy books. I am going to use the David book. What I like—to steal a line from Alabama coach Nick Saban—is your book teaches “a process.” I believe at the end of your book, you can actually help a company do strategic planning. In contrast, other books teach a number of near and far concepts related to strategy.

A recent reviewer of this textbook shares his opinion:

One thing I admire most about the David text is that it follows the fundamental sequence of strategy formulation, implementation, and evaluation. There is a basic flow from vision/mission to internal/external environmental scanning, to strategy development, selection, implementation, and evaluation. This has been, and continues to be, a hallmark of the David text. Many other strategy texts are more disjointed in their presentation, and thus confusing to the student, especially at the undergraduate level.
Why Switch to the 17th Edition? The New 17th Edition Chapter Features Are:

1. This 17th edition provides 40 percent new chapter material, 30 brand new comprehensive student-friendly cases, 11 new end-of-chapter mini-cases, and virtually all new examples in the chapters. Special features of this edition include the following:

2. A brand new COHESION CASE on Coca-Cola Company (2018) is provided at the end of Chapter One. Students apply strategy concepts to Coca-Cola through 25 new, innovative Assurance of Learning Exercises at the end of each chapter. Coca-Cola is one of the most successful, well-known, and best-managed global companies in the world.

3. Eleven brand new, one-page MINI-CASES are included, one at the end of each chapter, complete with questions designed to apply chapter concepts. The new mini-cases focus on the following companies:

Chapter 1: Tesla, Inc.
Chapter 2: Ford Motor Company
Chapter 3: Walmart, Inc.
Chapter 4: Procter & Gamble (P&G)
Chapter 5: Facebook, Inc.
Chapter 6: Boston Consulting Group
Chapter 7: De Beers Group
Chapter 8: Hasbro, Inc.
Chapter 9: TJX Companies, Inc.
Chapter 10: Chick-fil-A
Chapter 11: Lynk and Company

4. Eleven brand new EXEMPLARY STRATEGIST CAPSULES are provided, one at the beginning of each chapter, to showcase an individual that is employing strategic management exceptionally well. The capsules focus on the following persons:

Chapter 1: Legendary Coach of the Green Bay Packers – Vince Lombardi
Chapter 2: CEO and Founder of FedEx Corporation - Frederick Smith,
Chapter 3: CEO and Cofounder of Pinterest - Ben Silbermann,
Chapter 4: CEO and Cofounder of Tesla and SpaceX – Elon Musk
Chapter 5: CEO of Apple, Inc. - Tim Cook,
Chapter 6: CEO of Hobby Lobby - David Green,
Chapter 7: CEO of PepsiCo - Indra Nooyi,
Chapter 8: CEO of JPMorgan Chase, Jamie Diamond
Chapter 9: CEO and Founder of Roku Inc. – Anthony Wood
Chapter 10: CEO (former) and Chairman of Microsoft – Bill Gates
Chapter 11: CEO of Philip Morris International – Andre Calantzopoulos

5. Eleven brand new GLOBAL CAPSULES are provided, one in each chapter, to showcase the strategic relevance of material to global operations, issues, and conditions. The global capsules focus on the following topics:
Chapter 1: Mobike - Global Bike Renting Takes Off Like a Jet Plane
Chapter 2: LinkedIn - Clear Core Values, Vision, and Mission Lead to Global Prominence
Chapter 3: Netflix – What Company is Growing Fastest Globally?
Chapter 4: Bitcoin – The New Global Currency.
Chapter 5: How Can a Firm Determine Where to Initiate New Business Use GDP?
Chapter 6: India’s Economy is Booming
Chapter 7: Four Guidelines to Follow in Global Marketing
Chapter 8: The Most and Least Corrupt Countries in the World
Chapter 9: What Country’s New Strategy is Called Vision 2030?
Chapter 10: The 20 Least (and Most) Corrupt Countries in the World for Doing Business
Chapter 11: The Strategic Plan of a Country: China Aims for Superiority in Quantum Computing

6. Eleven brand new ETHICS CAPSULES are provided, one in each chapter, to bring chapter material to life from an ethics perspective. The ethics capsules focus on the following topics:

Chapter 1: What Ethics Variable is Most Important in Doing Business?
Chapter 2: Facebook - Changing Our Mission to Enhance Our Ethics and Integrity
Chapter 3: Preserve Alaska Wildlife or Boost Alaska Economy?
Chapter 4: The Sagebrush Lizard Versus The Big Oil Man
Chapter 5: Are CEOs Less Ethical Today Than in the Past?
Chapter 6: As We Strategize We Must Not Jeopardize Animal Welfare
Chapter 7: Do Firms Need a Policy Against Workplace Phubbing?
Chapter 8: Projected Financial Statement Manipulation
Chapter 9: Achieving Exemplary Business Ethics Through Exemplary Transparency
Chapter 10: TOMS Shoes, Inc. – Shoes are Magic - Put Shoes on Every Child on the Planet
Chapter 11: What Airlines are Worst on Customer Service?

7. The 62 end-of-chapter ASSURANCE OF LEARNING EXERCISES are nearly all new, and, for the first time ever, are organized into four sets as follows that apply chapter concepts, tools, and techniques:

Set 1: Strategic Planning for Coca-Cola – 25 exercises apply chapter material to the Coca-Cola Cohesion Case Company to ready students for doing case analysis in for-profit companies

Set 2: Strategic Planning for My University – 12 exercises apply chapter material to your college or university to ready students for doing case analysis in nonprofit organizations

Set 3: Strategic Planning to Enhance My Employability – 14 exercises apply chapter material to individuals instead of companies to prepare students for making career choices

Set 4: Individual vs Group Strategic Planning – 11 exercises apply chapter material by comparing the effectiveness of individual vs group decisions; these are fun, in-class group exercises that yield “a winning individual and winning group for each activity.”

8. Each chapter ends with REVIEW QUESTIONS that apply chapter content. In total there are 475
review questions, mostly new and dispersed across the eleven chapters as follows: 52, 36, 40, 54, 56, 56, 55, 32, 31, 25, and 38.

9. The continually updated **AUTHOR WEBSITE** at [www.strategyclub.com](http://www.strategyclub.com) provides author videos, case and chapter updates, sample case analyses, and the popular, **FREE EXCEL STUDENT TEMPLATE**. The template enables students to more easily develop strategic-planning matrices, tables, and analyses needed for case analysis.

10. A brand new **WEB RESOURCES** section appears at the end of each chapter to reveal special places on the Internet where additional information can be located regarding chapter content.

11. All new **CURRENT READINGS** at the end of chapters (18 readings on average per chapter) are new with research and theories of seminal thinkers highlighted; however, practical aspects of strategic management are center stage and the trademark of this text.

12. A new, written-by-the-authors, **CHAPTER INSTRUCTOR'S RESOURCE MANUAL** is available to professors to reveal answers to all exercises, mini-cases, review questions, and more.

**OTHER KEY CHANGES IN THE 17TH EDITION CHAPTERS ARE:**

Chapter 1 – _THE NATURE OF STRATEGIC MANAGEMENT_ – SWOT analysis is introduced; the integrative comprehensive strategic-management model is repositioned to the opening page of each chapter; the model is enhanced to accent the process of strategic planning being fluid rather than merely a sequence of silo activities

Chapter 2 – _BUSINESS VISION AND MISSION_ – new material is provided on core value statements; new examples abound throughout

Chapter 3 – _THE EXTERNAL ASSESSMENT_ – new material is provided on Porter’s Five-Forces Model; more guidance is provided regarding how to assign weights and ratings in matrices; new examples abound throughout; the ratings for a Competitive Profile Matrix now match the EFE Matrix in form and meaning

Chapter 4 – _THE INTERNAL ASSESSMENT_ - this chapter has been revamped and shortened; the marketing material is enhanced; new examples abound throughout; the ratings for an IFE Matrix now match the EFE Matrix ratings in form and meaning

Chapter 5 – _STRATEGIES IN ACTION_ - new material includes Blue Ocean Strategy, Value Chain Analysis, Porter’s Two Generic Strategies, and the need for firms to “BUILD, BORROW, or BUY”

Chapter 6 – _STRATEGY ANALYSIS AND CHOICE_ - the presentation of this chapter that includes SWOT, BCG, IE, SPACE, GRAND, and QSPM analyses is enhanced and shortened; two new pages reveal how to estimate costs of recommendations

Chapter 7 – _IMPLEMENTATING STRATEGIES: MANAGEMENT AND MARKETING ISSUES_; the title of this chapter changed to reflect new marketing material; our new coauthor is a marketing
professor at Baylor University; this chapter is fully updated and enhanced, especially with new target marketing, segmentation, and positioning analyses.

Chapter 8 – IMPLEMENTATING STRATEGIES: FINANCE AND ACCOUNTING ISSUES - the title of this chapter changed since marketing material moved; there is enhanced presentation of financial and accounting tools, such as EPS/EBIT analysis, Corporate Valuation, and Projected Financial Statements; a new running example for P&G is provided; numerous author comments are given regarding the strategic planning template at www.strategyclub.com

Chapter 9 – STRATEGY EVALUATION AND GOVERNANCE - the title of this chapter changed to include governance; new material on corporate governance is excellent

Chapter 10 – BUSINESS ETHICS, ENVIRONMENTAL SUSTAINABILITY, AND SOCIAL RESPONSIBILITY – this chapter provides updated and new coverage of ethics, workplace romance, hiring rival firms’ employees, wildlife welfare, and sustainability. This text reveals why “good ethics is good business” and why this is a strategic issue. The sustainability discussion is improved to promote and encourage firms to conduct operations with respect for the environment, an important concern for consumers, companies, society, and AACSB.

Chapter 11 – GLOBAL AND INTERNATIONAL ISSUES – this chapter is enhanced and shortened but provides new coverage of cultural and conceptual strategic-management differences across countries. Doing business globally has become a necessity in most industries.

Part 6 – STRATEGIC MANAGEMENT CASE ANALYSIS – this section that follows all chapters and has been totally re-written to be more concise and revealing for students performing case analysis.

Why Switch to the 17th Edition? The New 17th Edition Case Features Are:

1. All 30 case companies are brand new with this edition; no prior 16th edition cases are repeated; it’s a total fresh start; all cases have a 2018 setting, offering students up-to-date issues to evaluate.
2. All 30 cases focus on exciting, well-known, undisguised, in-the-news, student-friendly companies.
3. All 30 cases provide ample, excellent quantitative information, so students can prepare a defensible strategic plan.
4. All 30 cases are written in a lively, concise writing style that captures the reader’s interest.
5. All 30 cases are “comprehensive,” focusing on multiple business functions, rather than a single problem or issue. Every case includes (a) the firm’s vision/mission statements (if the firm has one); (b) the firm’s by-segment revenue breakdown (since allocating resources across divisions is a key strategy decision); (c) the firm’s organizational chart (since structure is a key strategy topic); and (d) the firm’s financial statements so students can show the impact of a proposed strategic plan on a firm’s financial statements. Thus, all 30 cases take a total-firm, multifunctional approach, which by definition is the nature of strategic management.
6. All 30 cases are supported by an excellent teacher’s note, provided to professors in a new, written-by-the-authors, Case Instructor’s Resource Manual.
7. All 30 cases are available for inclusion in a customized tailored text to meet the special needs of
some professors.

8. All 30 cases facilitate coverage of all strategy concepts, but as revealed in the new Concepts by Cases Matrix, some cases especially exemplify various concepts, enabling professors to effectively use an assortment of cases with various chapters in the text.

9. All 30 cases have been class-tested to ensure that they are interesting, challenging, and effective for illustrating strategy concepts.

10. All 30 cases appear in no other textbooks, thus offering a truly fresh, new, up-to-date, learning platform.

11. The 30 cases represent an excellent mix of firms performing exceptionally well and some performing very poorly, including 19 service-based organizations, 19 manufacturing-based firms, plus 2 nonprofit organizations (National Audubon Society and Ducks Unlimited); one case firm (L’Oreal SA) is headquartered outside the USA, but nearly all the case firms do business globally.

12. All 30 case companies have excellent websites in English that provide detailed financial information, history, sustainability statements, ethics statements, and press releases, so students can easily access current information to apply strategy concepts.

Solving Teaching and Learning Challenges

The primary challenge facing strategy professors is to keep students engaged while making sure business skills are learned. The David text leads all others in being practical, skills-oriented, and unfolding in the same manner as the process of actually doing strategic planning unfolds. Students and professors alike appreciate this practical approach presented in a concise, conversational, exciting manner – beginning with the integrative model of the strategic-management process that unifies all chapters. All 30 brand new cases are designed specifically to apply chapter concepts, as are the 11 end-of-chapter Mini-Cases, 471 Review Questions, and 62 Assurance of Learning exercises. All of these exercises are developed by the textbook authors themselves.

Developing Employability Skills

Developing employability skills is a major new thrust in the 17th edition. Using this text, students learn how to actually do strategic planning and this is a huge employability skill – because employers recognize the benefits of employees having an understanding of what a firm is trying to achieve and why. Nearly all students using this text also use the free strategic-planning template at the www.strategyclub.com author website; many students include this skill on their resume to showcase their experience using this excel software commonly used by businesses for actually doing strategic planning.

Instructor Teaching Resources

At the Instructor Resource Center, www.pearsonhighered.com/irc, instructors can easily register to gain access to a variety of instructor resources available with this text in downloadable format. If assistance is needed, our dedicated technical support team is ready to help with the media supple-
ments that accompany this text. Visit http://247.pearsoned.com for answers to frequently asked questions and toll-free user support phone numbers.

A chapters-only paperback and e-book version of this text are available.

Custom-case publishing is available with this text whereby an instructor can combine chapters from this text with cases from a variety of sources or select any number of the 30 cases provided.

Extensive, author-developed chapter MyLab and case MyLab testing products are available with this text to promote assurance of learning – including 750 Chapter MyLab and 750 Case MyLab questions – all aimed at applying strategic-management concepts, tools, and techniques. Mini-simulations and videos are also available in the MyLab.

The following supplements are available with this text:

- **Case Instructor’s Resource Manual**
- **Chapter Instructor’s Resource Manual**
- **Test Bank**
- **TestGen® Computerized Test Bank**
- **PowerPoint Presentation**

**Universities Currently or Recently Using This Textbook**

<table>
<thead>
<tr>
<th>University</th>
<th>City, State</th>
</tr>
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<tbody>
<tr>
<td>Abraham Baldwin Agricultural College</td>
<td>Tifton, Georgia</td>
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<tr>
<td>Adelphi University</td>
<td>Garden City, New York</td>
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Auburn University – Main Campus
Averett University
Avila University
Azusa Pacific University
Baker College—Flint
Baldwin Wallace College
Barry University
Belhaven University
Bellevue University
Belmont Abbey College
Benedictine University
Black Hills State University
Bloomsburg University
Bowie State University
Brazosport College
Briar Cliff University
Brooklyn College
Broward College—Central
Broward College—North
Broward College—South
Bryant & Stratton—Orchard Park
Buena Vista University
Caldwell University
California Polytechnic State University
California State University—Sacramento
California State University—San Bernadino
California University of PA
Calumet College of St. Joseph
Capella University
Carlow University
Carson-Newman College
Catawba College
Catholic University of America
Cedar Crest College
Central Connecticut State University
Central Michigan University
Central New Mexico Community College
Central Piedmont Community College
Central Washington University
Chatham University
Chestnut Hill College
Chicago State University
Christian Brothers University
Claflin University
Clarion University of Pennsylvania
Clarkson College

Auburn, Alabama
Danville, Virginia
Kansas City, Missouri
Azusa, California
Flint, Michigan
Berea, Ohio
Main Shores, Florida
Jackson, Mississippi
Bellevue, Nebraska
Belmont, North Carolina
Lisle, Illinois
Spearfish, South Dakota
Bloomsburg, Pennsylvania
Bowie, Maryland
Lake Jackson, Texas
Sioux City, Iowa
Brooklyn, New York
Davie, Florida
Coconut Creek, Florida
Pembroke Pines, Florida
Orchard Park, New York
Storm Lake, Iowa
Caldwell, New Jersey
San Luis Obispo, California
Sacramento, California
San Bernardino, California
California, Pennsylvania
Whiting, Indiana
Minneapolis, Minnesota
Pittsburgh, Pennsylvania
Jefferson City, Tennessee
Salisbury, North Carolina
Washington, DC
Allentown, Pennsylvania
New Britain, Connecticut
Mt. Pleasant, Michigan
Albuquerque, New Mexico
Charlotte, North Carolina
Ellensburg, Washington
Pittsburgh, Pennsylvania
Philadelphia, Pennsylvania
Chicago, Illinois
Memphis, Tennessee
Orangeburg, South Carolina
Clairion, Pennsylvania
Omaha, Nebraska
Clatsop Community College
Cleveland State University
College of William & Mary
College of Wooster
Colorado State University
Columbia College
Columbia Southern University—Online
Concordia University
Concordia University Wisconsin
Cornerstone University
Christian Brothers University
Curry College
Cuyahoga Community College - Metro
Cuyahoga Community College - East
Cuyahoga Community College – Western
Daniel Webster College
Daytona State College – Deland
Daytona State College – Main Campus
Davis & Elkins College
Delaware State University
Delaware Technology & Community College
Florida Agricultural & Mechanical University
Florida Gulf Coast University
Florida Southern College
Florida State University – Tallahassee
Florida Technical College—Deland
Florida Technical College—Kissimmee
Astoria, Oregon
Cleveland, Ohio
Williamsburg, Virginia
Wooster, Ohio
Pueblo, Colorado
Columbia, South Carolina
Orange Beach, Alabama
Seward, Nebraska
Mequon, Wisconsin
Grand Rapids, Michigan
Memphis, Tennessee
Milton, Massachusetts
Cleveland, Ohio
Highland Hills, Ohio
Parma Heights, Ohio
Nashua, New Hampshire
Deland, Florida
Daytona Beach, Florida
Elkins, West Virginia
Dover, Delaware
Dover, Delaware
Wilmington, Delaware
Chicago, Illinois
Orangeburg, New York
Des Moines, Iowa
Buffalo, New York
East Stroudsburg, Pennsylvania
Ypsilanti, Michigan
La Grande, Oregon
Cheney, Washington
North Charleston, South Carolina
Richmond, Virginia
Piqua, Ohio
Elmhurst, Illinois
Elmira, New York
Prescott, Arizona
East Syracuse, New York
Emporia, Kansas
Farmingdale, New York
Ferrum, Virginia
Tallahassee, Florida
Fort Myers, Florida
Lakeland, Florida
Tallahassee, Florida
Deland, Florida
Kissimmee, Florida
Florida Technical College—Orlando
Fort Valley State University
Francis Marion University
Fresno Pacific University
Frostburg State University
Gallaudet University
George Fox University
Georgetown College
Georgia Southern University
Georgia Southwestern State University
Grand Canyon University
Hampton University
Harding University
Harris Stowe State University
Herzing University - Akron
Herzing University - Madison
Herzing University - New Orleans
Herzing University - Winter Park
Herzing University – Atlanta
High Point University
Highline College
Hodges University
Hofstra University
Hood College
Hope International University
Houghton College
Huntingdon College
Indiana State University, Main Campus
Indiana University East
Indiana University
Indiana Wesleyan University
Iona College
Iowa Lakes Community College
Iowa State University, Main Campus
Jackson College
Jackson State University
John Brown University
Johnson C. Smith University
Johnson & Wales University—Charlotte
Johnson & Wales University – Denver
Johnson & Wales University—Miami
Johnson & Wales University—Rhode Island
Kalamazoo College
Kansas State University, Main Campus
Keene State College
Keiser University
Orlando, Florida
Fort Valley, Georgia
Florence, South Carolina
Fresno, California
Frostburg, Maryland
Washington, DC
Newberg, Oregon
Georgetown, Kentucky
Statesboro, Georgia
Americas, Georgia
Phoenix, Arizona
Hampton, Virginia
Searcy, Arizona
St. Louis, Missouri
Akron, Ohio
Madison, Wisconsin
New Orleans, Louisiana
Winter Park, Louisiana
Atlanta, Georgia
Highpoint, North Carolina
Des Moines, Washington
Fort Myers, Florida
Hempstead, New York
Frederick, Maryland
Fullerton, California
Houghton, New York
Montgomery, Alabama
Terre Haute, Indiana
Richmond, Indiana
Bloomington, Indiana
Marion, Indiana
New Rochelle, New York
Emmettsburg, Iowa
Ames, Iowa
Jackson, Mississippi
Jackson, Mississippi
Siloam Springs, Arkansas
Charlotte, North Carolina
Charlotte, North Carolina
Denver, Colorado
Miami, Florida
Providence, Rhode Island
Kalamazoo, Michigan
Manhattan, Kansas
Keene, New Hampshire
Ft. Lauderdale, Florida
Kellogg Community College
La Salle University
Lake Michigan College
Lebanon Valley College
Lee University
Lehman College of CUNY
Lewis University
Liberty University
Limestone College
Lincoln Memorial University
    Louisiana State University (LSU) Main Campus
    Loyola – Chicago
Loyola College—Chennai
Loyola University—Maryland
Lyndon State College
Madonna University
Manhattan College
Manhattanville College
Marian University
Marshall University
Marshall University Graduate College
Marymount University
Medgar Evers College
Medical Careers Institute
Mercer University—Atlanta
Mercer University—Macon
Miami-Dade College—Homestead
Miami-Dade College—Kendal
Miami-Dade College—North
Miami-Dade College—Wolfson
Michigan State University, Main Campus
Mid-America Christian University
Midlands Technical College
Millersville University
Mississippi University for Women
Missouri State University
Montana Technology
Moravian College
Morgan State University
Morningside College
Morrison College of Reno
Mount Marty College
Mount Mercy University
Mount Wachusett Community College
Mt. Hood Community College
Mt. Vernon Nazarene University
Battle Creek, Michigan
Philadelphia, Pennsylvania
Benton Harbor, Michigan
Annville, Pennsylvania
Cleveland, Tennessee
Bronx, New York
Romeoville, Illinois
Lynchburg, Virginia
Gaffney, South Carolina
Harrogate, Tennessee
Baton Rouge, Louisiana
Chicago, Illinois
Tamil Nadu, India
Baltimore, Maryland
Lyndonville, Vermont
Livonia, Michigan
Riverdale, New York
Harrison, New York
Indianapolis, Indiana
Huntington, West Virginia
Huntington, West Virginia
Arlington, Virginia
Brooklyn, New York
Newport News, Virginia
Atlanta, Georgia
Macon, Georgia
Homestead, Florida
Kendal, Florida
Miami, Florida
Miami, Florida
East Lansing, Michigan
Oklahoma City, Oklahoma
Columbia, South Carolina
Millersville, Pennsylvania
Columbus, Mississippi
Springfield, Missouri
Butte, Montana
Bethlehem, Pennsylvania
Baltimore, Maryland
Sioux City, Iowa
Reno, Nevada
Yankton, South Dakota
Cedar Rapids, Iowa
Gardner, Massachusetts
Gresham, Oregon
Mt. Vernon, Ohio
MTI Western Business College
Muhlenberg College
Murray State University
Nebraska Wesleyan University
New England College
New Mexico State University
New York Institute of Technology – New York
New Mexico State University
New York University
North Carolina Wesleyan College
North Central College
North Central State College
Northern Kentucky University
Northwest Arkansas Community College
Northwestern College
Northwood University — Cedar Hill
Notre Dame of Maryland University
Nova Southeastern University
Nyack College
Oakland University
Ohio Dominican University
Ohio State University – Main
Oklahoma Christian University
Oklahoma State University, Main Campus
Olivet College
Oral Roberts University
Orange Coast College
Pace University — Pleasantville
Palm Beach State College
Park University
Pellissippi State Community College
Penn State University — Abington
Penn State University — Hazleton
Penn State University — University Park
Pensacola State College
Philadelphia University
Point Park University
Prince George’s Community College
Purdue University
Queens College of CUNY
Rider University
Robert Morris University
Roger Williams University
Rollins College
Rutgers University, Main Campus
Sacramento City College
Sacramento, California
Allentown, Pennsylvania
Murray, Kentucky
Lincoln, Nebraska
Henniker, New Hampshire
Las Cruces, New Mexico
New York, New York
Las Cruces, New Mexico
New York, New York
Rocky Mount, North Carolina
Naperville, Illinois
Mansfield, Ohio
Newport, Kentucky
Bentonville, Arkansas
Orange City, Iowa
Cedar Hill, Texas
Baltimore, Maryland
Mt. Laurel, Florida
New York, New York
Rochester, Michigan
Columbus, Ohio
Columbus, Ohio
Edmond, Oklahoma
Stillwater, Oklahoma
Olivet, Michigan
Tulsa, Oklahoma
Costa Mesa, California
Pleasantville, New York
Lake Worth, Florida
Parkville, Missouri
Knoxville, Tennessee
Abington, Pennsylvania
Hazleton, Pennsylvania
University Park, Pennsylvania
Pensacola, Florida
Philadelphia, Pennsylvania
Pittsburgh, Pennsylvania
Largo, Maryland
Indianapolis, Indiana
Flushing, New York
Lawrenceville, New Jersey
Chicago, Illinois
Bristol, Rhode Island
Winter Park, Florida
Camden New Jersey
Sacramento, California
Saint Cloud State University
Saint Edwards University
Saint Leo University
Saint Mary’s College
Saint Xavier University
Salisbury University
Salve Regina University
Sam Houston State University
San Antonio College
San Joaquin Valley College
San Jose State University
Santa Fe College
Savannah State University
Shippensburg University
Siena Heights University
Sitting Bull College
Sonoma State University
South Florida University
Southeastern Oklahoma State University
Southern Maine Community College
Southern Nazarene University
Southern New Hampshire University
Southern Oregon University
Southern University
Southern Wesleyan University
Southwest Baptist University
Southwest University
Sowela Technical Community College
Spokane Community College
St. Bonaventure University
St. Francis University
St. Louis University
St. Mary’s University
St. Martin’s University
St. Thomas University
Sterling College
Stevenson University
Stockton University
Strayer University—DC
Texas A&M University—Commerce
Texas A&M University—Texarkana
Texas A&M—San Antonio
Texas Tech University, Main Campus
Texas State Technical College
Texas Wesleyan University
The College of New Jersey
Saint Cloud, Minnesota
Austin, Texas
St. Leo, Florida
Notre Dame, Indiana
Chicago, Illinois
Salisbury, Maryland
Newport, Rhode Island
Huntsville, Texas
San Antonio, Texas
Fresno, California
San Jose, California
Gainesville, Florida
Savannah, Georgia
Shippensburg, Pennsylvania
Adrian, Michigan
Fort Yates, North Dakota
Rohnert Park, California
Sarasota, Florida
Durant, Oklahoma
South Portland, Maine
Bethany, Oklahoma
Manchester, New Hampshire
Ashland, Oregon
Baton Rouge, Louisiana
Central, South Carolina
Bolivar, Missouri
El Paso, New Mexico
Lake Charles, Louisiana
Spokane, Washington
Saint Bonaventure, New York
Loretto, Pennsylvania
St. Louis, Missouri
Winona, Minnesota
Lacey, Washington
Miami Gardens, Florida
Sterling, Kansas
Greenspring Valley, Maryland
Galloway, New Jersey
Washington, DC
Commerce, Texas
Texarkana, Texas
San Antonio, Texas
Lubbock, Texas
Harlingen, Texas
Fort Worth, Texas
Ewing Township, New Jersey
The College of St. Rose
The Masters University
Towson University
Tri-County Technical College
Trinity Christian College
Thomas College
Trinity University
Troy University—Dothan
Troy University—Main Campus
Troy University—Montgomery
University at Buffalo
University of Alabama—Birmingham
University of Antelope Valley
University of Arkansas, Main Campus
University of Findlay
University of Hawaii – Manoa Campus
University of Houston—Clearlake
University of Louisiana at Monroe
University of Maine at Augusta
University of Maine—Fort Kent
University of Maryland, Main Campus
University of Massachusetts—Boston Harbor
University of Massachusetts
University of Miami, Main Campus
University of Michigan—Flint
University of Minnesota—Crookston
University of Mobile
University of Montevallo
University of Nebraska—Omaha
University of Nevada Las Vegas
University of New Mexico
University of New Orleans
University of North Texas—Dallas
University of North Texas—Denton
University of Pikeville
University of Sioux Falls
University of South Alabama
University of South Florida
University of Southern Maine
University of St. Joseph
University of Tampa
University of Texas—Pan American
University of Texas Rio Grande – Brownsville
University of Texas Rio Grande – Edinburg
University of The Cumberlands
University of The Incarnate Word

Albany, New York
Santa Clarita, California
Towson, Maryland
Pendleton, South Carolina
Palos Heights, Illinois
Waterville, Maine
Washington, DC
Dothan, Alabama
Troy, Alabama
Montgomery, Alabama
Buffalo, New York
Birmingham, Alabama
Lancaster, California
Fayetteville, Arkansas
Findlay, Ohio
Honolulu, Hawaii
Clearlake, Texas
Monroe, Louisiana
Augusta, Maine
Fort Kent, Maine
College Park, Maryland
Boston, Massachusetts
Dartmouth, Massachusetts
Miami, Florida
Flint, Michigan
Crookston, Minnesota
Mobile, Alabama
Montevallo, Alabama
Omaha, Nebraska
Las Vegas, Nevada
Albuquerque, New Mexico
New Orleans, Louisiana
Dallas, Texas
Denton, Texas
Pikeville, Kentucky
Sioux Falls, South Dakota
Mobile, Alabama
Tampa, Florida
Portland, Maine
West Hartford, Connecticut
Tampa, Florida
Edinburg, Texas
Brownsville, Texas
Edinburg, Texas
Williamsburg, Kentucky
San Antonio, Texas
University of Toledo
University of West Alabama
University of West Florida
Upper Iowa University
Valley City State University
Virginia Community College System
Virginia State University
Virginia Tech
Wagner College
Wake Forest University
Washington State University, Main Campus
Washington University
Webber International University
Webster University – Saint Louis
West Chester University
West Liberty University
West Valley College
West Virginia Wesleyan College
Western Connecticut State University
Western New Mexico University
Western Kentucky University
Western Piedmont College
Western Michigan University, Main Campus
Western Washington University
Widener University
William Jewell College
William Penn University
Williams Baptist College
Winona State University
Winston-Salem State University
WSU Vancouver
Zane State College

Toledo, Ohio
Livingston, Alabama
Pensacola, Florida
Fayette, Iowa
Valley City, North Dakota
Franklin, Virginia
Petersburg, Florida
Blacksburg, Virginia
Staten Island, New York
Winston-Salem, North Carolina
Pullman, Washington
Saint Louis, Missouri
Babson Park, Florida
St. Louis, Missouri
West Chester, Pennsylvania
West Liberty, West Virginia
Saratoga, California
Buckhannon, West Virginia
Danbury, Connecticut
Silver City, New Mexico
Bowling Green, Kentucky
Morganton, North Carolina
Kalamazoo, Michigan
Bellingham, Washington
Chester, Pennsylvania
Liberty, Missouri
Oskaloosa, Iowa
Walnut Ridge, Arkansas
Winona, Minnesota
Winston-Salem, North Carolina
Vancouver, Washington
Zanesville, Ohio

Sample of Countries Outside the United States Where This Text Is Widely Used

Mexico, China, Japan, Australia, Singapore, Canada, Indonesia, Pakistan, Iran, Kenya, Congo, Hong Kong, India, United Kingdom, Argentina, Equador, Zambia, Guam, Italy, Cyprus, Colombia, Philippines, South Africa, Peru, Turkey, Malaysia, Egypt, and Germany. For example more than 40 universities in China currently use this textbook and more than 20 colleges in Malaysia. In Egypt, two universities currently using this text are Cairo University and Beni Suwaf University; two universities in Germany currently using this text are International School of Management ISM and University of Applied Sciences Augsburg. The huge Monterrey Institute of Technology and Higher Education in Mexico is among scores of institutions in Mexico that use this text.
The Case Rationale

Case analysis remains the primary learning vehicle used in most strategic-management classes, for five important reasons:

1. Analyzing cases gives students the opportunity to work in teams to evaluate the internal operations and external issues facing various organizations and to craft strategies that can lead these firms to success. Working in teams gives students practical experience in solving problems as part of a group. In the business world, important decisions are generally made within groups; strategic-management students learn to deal with overly aggressive group members as well as timid, noncontributing group members. This experience is valuable because strategic-management students are near graduation and soon enter the working world full time.

2. Analyzing cases enables students to improve their oral and written communication skills as well as their analytical and interpersonal skills by proposing and defending particular courses of action for the case companies.

3. Analyzing cases allows students to view a company, its competitors, and its industry concurrently, thus simulating the complex business world. Through case analysis, students learn how to apply concepts, evaluate situations, formulate strategies, and resolve implementation problems.

4. Analyzing cases allows students to apply concepts learned in many business courses. Students gain experience dealing with a wide range of organizational problems that impact all the business functions.

5. Analyzing cases gives students practice in applying concepts, evaluating situations, formulating a “game plan,” and resolving implementation problems in a variety of business and industry settings.

The Case MyLab Testing Feature

The new Concepts by Cases matrix presented in the Preface facilitates student learning of 30 key strategic-management concepts applied to 30 cases. The new Case MyLab Testing feature assures that the cases are excellent for testing student learning of the key strategic-management concepts, thus serving as a great mechanism for professors to achieve AACSB’s Assurance of Learning Objectives. This new testing feature simplifies grading for professors in both traditional and online class settings.

The Case MyLab testing feature with this textbook includes 25 multiple-choice questions for each case, comprised of 10 Basic questions that simply test whether the student read the case before class, and 15 Applied questions that test the student’s ability to apply various strategic-management concepts. In addition, there are 2 Discussion questions per case. The 15 Applied questions are presented in three sets of five that pertain to key concepts of particular importance for the respective case. This testing feature enables professors to determine, before class if desired, whether students (1) read the case in Basic terms, and/or (2) are able to Apply strategy concepts to resolve issues in the case. For example, the MyLab case Basic question may be: In what country is Dominos Pizza headquartered? Whereas a MyLab case Applied question may be: What are three aspects of the organizational chart given in the Dominos Pizza case that violate strategic-management guidelines?

All 30 cases facilitate coverage of all strategy concepts, but as revealed by purple cell, some cases especially exemplify particular key strategy concepts. The purple cells reveal which concepts are tested with multiple-choice questions in the MyLab. The Concepts by Cases matrix enables pro-
fessors to effectively utilize different cases to assure student learning of various chapter concepts. Note from the purple boxes that two, three, or four cases are used to test each strategic-management concept. This new, innovative ancillary promises to elevate the case learning method to new heights in teaching strategic management.

Acknowledgments

Many persons have contributed time, energy, ideas, and suggestions for improving this text over many editions, especially professors at the colleges and universities listed above. The strength of this text is largely attributed to the collective wisdom, work, and experiences of strategic-management professors, researchers, students, and practitioners. Names of particular individuals whose published research is referenced in this edition are listed alphabetically in the Name Index. To all individuals involved in making this text so popular and successful, we are indebted and thankful. Thank you also Dr. Yajiang Wang at Hebei University for your emails to us regarding the IFE Matrix.

Many special persons and reviewers contributed valuable material and suggestions for this edition. We would like to thank our colleagues and friends at Baylor University, Auburn University, Mississippi State University, East Carolina University, the University of South Carolina, Campbell University, the University of North Carolina at Pembroke, and Francis Marion University. We have taught strategic management or marketing courses at all these universities. Scores of students and professors at these schools helped shape the development of this text.

We thank you, the reader, for investing the time and effort to read and study this text. It will help you formulate, implement, and evaluate strategies for any organization with which you become associated. We hope you come to share our enthusiasm for the rich subject area of strategic management and for the systematic learning approach taken in this text. We want to welcome and invite your suggestions, ideas, thoughts, comments, and questions regarding any part of this text or the ancillary materials.

Please contact Dr. Fred R. David at freddavid9@gmail.com, or write him at the School of Business, Francis Marion University, Florence, SC 29501. We sincerely appreciate and need your input to continually improve this text in future editions. Your willingness to draw our attention to specific errors or deficiencies in coverage or exposition will especially be appreciated. Thank you for using this text.

Fred R. David, Forest R. David, and Meredith E. David

About the Authors

Fred R. David, Forest R. David, and Meredith E. David are a father–son-daughter team that have published more than 50 articles in journals such as Academy of Management Review, Academy of Management Executive, Journal of Applied Psychology, Long Range Planning, International Journal of Management, Journal of Business Strategy, and Advanced Management Journal. Two recent articles, listed below, are changing the way some strategic management courses are taught.


**Fred R. David**

Fred has been lead author of this textbook for three decades. This text is a global leader in the field of strategic management providing an applications, practitioner-approach to the discipline. Nearly 500 colleges and universities currently use this textbook across about 20 countries. With a Ph.D. in Management from the University of South Carolina, Dr. David is currently the TranSouth Professor of Strategic Planning at Francis Marion University in Florence, South Carolina. He has published more than 40 academic journal articles.

**Forest R. David**

Forest has been sole author of the *Case Instructor’s Resource Manual* for seven editions of this textbook. This Manual provides extensive teachers’ notes (solutions) for all the cases. Forest has also been sole author of the *Chapter Instructor’s Manual*, Case MyLab Questions, and Chapter MyLab Questions, as well as the free Excel Student Template found on the author website (www.strategyclub.com). Forest has published more than 80 strategic management cases, articles, and papers. He has taught strategic-management courses at Mississippi State University and Francis Marion University, and management courses at Campbell University.

**Meredith E. David**

Meredith holds a PhD in Business Administration from the University of South Carolina and an MBA Degree from Wake Forest University. She currently is an Assistant Professor Marketing at Baylor University in Waco, Texas, and for Summer 2018 is teaching strategic management at the prominent Jiao Tong University in Shanghai, China. She has published more than 30 articles, cases, and papers on marketing and strategic management in such journals as *Journal of Consumer Behavior, Journal of Advertising, Journal of Strategic Marketing, European Journal of Marketing,* and *Journal of Business Research*. Meredith has traveled the world over as a professor and student. Before joining the coauthor team on this textbook, Meredith received the prestigious Young Researcher Award in the Hankamer School of Business at Baylor University.