



THE ROLE OF THE BLUE OCEAN STRATEGY IN CREATING A NEW MARKET SPACE - A CASE STUDY OF A SIMPLE OF FOOD PRODUCTS MARKETING COMPANIES IN IRAQ

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| Article history: | Abstract: |
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| <p>Received: February 11th 2023 Accepted: March 11th 2023 Published: April 17th 2023</p> | <p>Traditional marketing strategies refer to the plans and situations that the company can take to establish itself in the market, or to increase its market share, while it is struggling with In order to achieve these goals, it is in constant conflict with competitors, the marketing strategy that this research draws attention to is the blue ocean strategy. In the modern business environment, competition has become intense, reaching the point of "blood fighting," so the business environment has become like a red ocean, so the company that wants to succeed should leave the competition aside and find new markets (creating new demand) that is, go to the blue ocean, and this happens through innovation and value creation. This research is a scientific attempt to link between the blue ocean strategy and the company's market share, and this was applied to a sample of food marketing companies operating in Iraq. A random sample was selected from 7 companies specialized in marketing food products, and the questionnaire was used as a data collection tool, The number of measurable retrieved questionnaires reached 200. And used spss v.25 program to analyse the data. The researchers concluded that the rate of application of this strategy in Iraq is average, and that the companies that applied the blue ocean strategy had a positive impact on their market position.</p> |

Keywords: blue ocean strategy: creating a new market space: blue ocean and the red ocean.

INTRODUCTION

There are many competitive marketing strategies adopted by organizations that compete with each other. One widely accepted reality is that numerous organizations operate in fiercely competitive markets, also known as "red oceans." W. Chan Kim and Renee Mauborgne, who have made notable contributions to the field of strategy in recent years, have emphasized the negative effects that arise when corporate rivals engage in cutthroat competition within the same market environment. Their proposed alternative, the "blue ocean strategy," has garnered significant attention in academic literature. (Barutçu, 2014; Ergen, 2011; Motley, 2008; Savut, 2016; Naeem, 2016; Oztürk, 2015). Since its history in modern business strategy and management, it has focused on research, practice, market competition and gaining a broader market share. The blue ocean strategy, developed by W. Chan Kim and Renee Mauborgne, involves dividing the business environment into two

distinct parts: the red ocean and the blue ocean (Kim and Mauborgne, 2005). In other words, the red ocean is the area in which companies struggle to catch prey (demand), and companies often invent new ways and methods of struggle (competition), while the idea of the blue ocean depends on leaving competition to competitors and discovering new markets free of conflicts, through "Value innovation", the important thing is the idea is to take the company to a blue water free of conflict. (Naeem, 2016: 3). The phrase "blue ocean" is used to refer to a vast and unexplored area with great potential. (Kim and Mauborgne, 2005: 106).

The aim of this study is to study the blue ocean strategy, which is used to make competition meaningless and create uncontested market areas, by giving examples from the world, within the scope of the strategy paradox. The strategic contradiction discussed in this study is the structuralist view (environmental determinism) and the restructuring



view in strategy development. Thus, it aims to exemplify the two approaches in strategy development with blue and red ocean strategies, to illustrate them with examples from the world, and to contribute to the literature in the field.

The problem

Despite the spread of the blue ocean strategy in academic circles and in business applications worldwide, developing countries - including Iraq - are still far from it, as well as marketing strategies are still far from linking their concepts with the concepts of the blue ocean, and research is still scarce in our country in this field.

Objectives

The main objective of the research is to make a scientific attempt to adopt the blue ocean strategy as a marketing strategy, through which the company is trying to create a new market space for it. It also aims to reveal the extent to which this strategy has been adopted in Iraq, and to present and discuss the most important modern concepts related to the subject.

Importance

The research derives its importance from the novelty of the subject in question, and from the importance of such studies for the entrepreneurial businesses that lead the economies of countries.

hypotheses

In order to achieve the goal of the research, the researcher assumed the following:

- (H1): Food marketing companies in Iraq apply the blue ocean strategy with its four dimensions (exclusion, reduction, increase, innovation).
- (H2): The implementation of the four-dimensional blue ocean strategy by food marketing companies in Iraq (exclusion, reduction, increase, innovation) helps create value for these companies.
- (H3): The implementation of the four-dimensional blue ocean strategy by food marketing companies in Iraq (exclusion, reduction, increase, innovation) helps to increase the market share of these companies.

THEORETICAL FRAMEWORK OF THE RESEARCH

1- Blue Ocean Strategy

1-1- What is the blue ocean?

The primary objective of companies is to gain a competitive edge and operate efficiently, profitably, and productively. To achieve this objective, companies often engage in a cutthroat competition with their rivals, vying for supremacy in areas such as price, quality, speed, and cost. In this intense struggle, all

competitors operate in a fiercely competitive environment resembling a red ocean, incurring significant losses. The term "red ocean" is used to describe this highly controversial and competitive atmosphere. On the other hand, the term blue ocean strategy has recently been used, which means getting out of the current competitive struggles and making competition meaningless. The term "blue ocean" refers to products or markets that have yet to be discovered, representing untapped potential for profit and expansion in blue oceans (Barutçu, 2014: 43). Blue Ocean companies aim to explore new business areas that are lucrative for themselves and their customers by implementing measures that make competition unprofitable. (Bekmezci, 2013: 310). The essence of the blue ocean strategy is innovation, which entails moving away from the competition and creating something new. In essence, the concept of the blue ocean can be summarized as "breaking away from the struggle and forging a new path." (Motley, 2008: 10). The blue ocean strategy is a modified approach that emphasizes the significance of cost reduction. This strategy presents a groundbreaking solution to consumer product variety and market limitations. According to this strategy, companies should elevate their level of service above the norm and offer greater value propositions than their competitors. The blue ocean strategy suggests that companies should develop a strategy that defines their environment rather than crafting their strategies based on their environment. (Kalkan, 2009, 11-12). Kim and Mauborgne (2005), the creators of the blue ocean strategy, conducted an analysis of data from different organizations and blue oceans over the past 100 years to support their idea of capturing uncontested market areas. In their book "Blue Ocean Strategy," they argued that the emergence of new markets/products often arises from the use or modification of existing technologies within a particular field. They further categorized the competitive behavior of firms into four categories: cooperative, interactive, offensive, and defensive. Accordingly, firms can adopt various competitive approaches against their competitors. (Miles and Snow, 1978). On the contrary, the Blue Ocean Strategy presents a fresh perspective, deviating from the traditional competitive approach.

The Blue Ocean Strategy proposes that the key to escaping cutthroat competition and retaining a competitive edge is to redefine customer value by introducing innovative value propositions (Yiğit, 2015: 7). There are two factors that help the need to go to the blue ocean, and they are:



First: the advancement of manufacturing techniques, which made the supply greater than the demand..

Second: globalization, which caused the disappearance of barriers, and the movement of goods became easy, which made the egg produced in China to be eaten after a week in the Middle East (Taşkın, 2010: 41-42).

Sometimes it is very difficult to distinguish between a red ocean and a blue ocean. When you think you are in a blue ocean, it is possible that you will find yourself in a red ocean. Therefore, what is essential for a business that wants to be successful is to know where it actually is and to define a roadmap accordingly (Öztürk, 2015).

1-2- Comparison of the blue ocean and the red ocean

Red oceans versus blue oceans represent all industries that exist today. The boundaries of the Red Ocean Sector are defined and accepted, and the competitive rules of the game are set. In blue oceans, demand is built rather than fought and won. There is a large, profitable and rapid growth opportunity. Usually blue oceans consist of red ocean. The concept of 'blue ocean' has been used to describe the creation of a market space where no competition or demand exists. Although technological innovations do not always contribute to the success of a blue ocean project, technological innovations have important impacts on cost differentiation and cost reduction (Kim and Mauborgne, 2004: 164-165).

Table 1. Comparison of the red ocean and the blue ocean

| blue ocean strategy | red ocean strategy |
|---|--|
| Create a market area where there is no competition. | Compete at the current market level. Beat the competition. |
| Leave the competition out of the question | Take advantage of the current request. Trade in value/cost. |
| Create and pick up a new order. Break the value/cost swap. | Alignment of the company's activities with its strategic choice to differentiate |
| The complete system of company activities is used for differentiation or low cost tracking. | the entire system or at a lower cost. |

Source: Kim and Mauborgne, 2005.

In a competitive economy, a red ocean represents a market with numerous competitors vying for a larger market share and more customers within a limited number of customers or target markets. The fundamental principle in such markets is to capture the

majority of the market share. Conversely, the blue ocean signifies an uncharted market space that is unblemished by competition and can be dominated by a single actor with a significantly large customer base, resulting in increased revenue without direct competitors. (Naeem, 2016: 24). Creating a new market space gives the company a natural monopoly position that they can enjoy for a while. Represents the area of restructuring of the strategy; That is, firms can change the boundaries of industries. However, the blue ocean strategy discourages companies from acting monopolistically as it may be affected in the long run. Likewise, companies must strategically define their pricing strategies in order to quickly acquire large numbers of customers and provide them with a significant competitive advantage (Kim and Mauborgne, 2004). It is ironic to describe the transition from the red ocean strategy to the blue ocean strategy. The rules of war apply in every environment where there are opponents and strategy is defined as the participation of a particular area by those who fight for that area. In the blue ocean strategy, new lands must be found instead of sharing the existing one. In this case, it was clear that those who remained in the Red Ocean must defeat their enemy in order to achieve success. The point to focus on in the blue ocean is to discover blue oceans where there is no or almost no competition and to keep them blue (Kim and Mauborgne, 2014, 185-186).

1-3- value innovation

The cornerstone of Blue Ocean is "Value Innovation". At Blue Ocean, the company is able to generate profits by creating value (for both seller and buyer). Note that the policies of the Blue Ocean are new, as most of today's products did not exist 20 years ago.

Numerous industries, such as automobiles, music recording, aviation, petroleum, chemistry, health, personal care, and management consulting, either did not exist or were in their nascent stages. For instance, three decades ago, cell phones, discount stores, natural gas-powered factories, biotechnology, express door-to-door delivery of goods, and home theater systems were yet to be developed. (Taşkın, 2010:41-42). Undoubtedly, many lines of business that do not exist today will appear in the near future. The emergence of these lines of business will appear with the creation of new markets by some companies by eliminating existing competitive struggles, in other words with the blue ocean strategy.

Despite the blue ocean strategy being positioned as the preferred strategy, it is difficult to explain the large number of organizations in the red ocean. Kim et



al. (2004) in their study of 108 newly established companies that 84% of these companies feel more comfortable in the red ocean, and only 14% are trying to establish new markets and industries.

(Kıyan and Özer, 2011: 107-108) According to their research, Kim and Mauborgne emphasized that in order to break free from competition, companies must create new market spaces that offer customers new value propositions. Furthermore, they argued that focusing solely on existing customers is not enough, as customers may not have the imagination to envision new markets.

1-4- innovation approach

The blue ocean strategy is also used synonymously with the value-based innovation approach. For companies to innovate, they must have an innovation-based structure. According to (Altuntuğ, 2007: 24-26), in order for the innovation process in organizations to be the primary component of organizational culture, management approach and organizational culture must allow for innovation. The elements that make up such a culture are briefly listed below:

- Ensure employee participation in policies and decisions taken against change.
- encourage new ideas and tolerate failure,
- Between managers and managers, and between employees themselves facilitating participation,
- To appreciate even the smallest achievements,
- Contribute to directing goals set in personal talent and innovation.

Besides the advantages of the blue ocean strategy, there are also criticisms against this strategy. The common point of these criticisms relates to the sustainability of the Blue Ocean Strategy. Blue ocean strategy has also been criticized for its strategy, implementation, management, and people dimensions, although value innovation is seen as a way to avoid innovation in the current market space. Because the idea that competition is "meaningless" in blue oceans is incompatible with the general innovation approach and the competitive nature of the industry. The advantage gained through differentiation will be temporary and the calmness of the blue ocean discovered will be disrupted over time as competitors shift to this area. Each firm's orientation towards differentiation strategy will change the overall industry value curve, some competitive factors will disappear over time, and the new competitive factors produced by firms that are accepted in the market will shape the overall industry value curve over time. Every blue ocean created in this case will inevitably turn red over

time. Therefore, only blue oceans are seen as areas of temporary superiority (Güneş, 2011: 4).

There are two strategic contradictions on which the blue ocean and red ocean strategies are based. These two paradoxes are related to managing the relationships of organizations with their environment. The two models in the relations between the organization and the environment can be summarized by the question: Do organizations shape their environment or does the environment determine the structure and strategy of organizations? According to (Ülgen and Mirze 2010: 1), organizations can act adaptively (reactive) or critically (proactively) towards their environment. The adaptive approach is considered as the environment that constitutes organizations (environmental determinism), and the impact of the organization on the environment is considered from the point of view of restructuring.

1-5- The structural view (environmental determinism)

Blue Ocean strategy is about doing business where there are no competitors. It is not about dividing an existing piece of land, it is about creating new land. Thus, focusing on red oceans meant accepting the main limitations of war. In the red oceans, the sector in which firms are forced to compete depends on the structural view or the view of environmental determinism. According to this view, firms and managers are at the mercy of economic forces rather than themselves (Kim and Mauborgne, 2004: 181). The structuralist view is based on the economics of industrial organization. The industrial organization analysis model proposes a model of structure, behavior and performance that emphasizes the causal flow from market structure to behavior and performance. The behavior of both sellers and buyers is shaped by the market structure that is created by the supply and demand conditions. This, in turn, determines the overall performance of the market. However, system-wide changes are also driven by factors that are outside the market structure, such as major technological breakthroughs or fundamental changes in underlying economic conditions (Savut, 2016: 19).

1-6- reconstructive vision

On the other hand, in the blue oceans, the perspective of restructuring prevails. This view is based on the global view that market boundaries and the actions and beliefs of industry players can be restructured (Kim and Mauborgne, 2004: 181). The restructuring view, based on the new growth theory, reveals how information and ideas are used in the



process of achieving the company's internal growth. In particular, he argues that the process can occur at any time in any organization by undertaking an entirely new cognitive restructuring of existing data and market elements (Savut, 2016: 25). For example you have.

Thanks to Blue Ocean's restructuring strategy, Dubai has achieved a profitable growth process, unprecedented in history. Dubai has emerged as the number one destination for the world's tourism and business world (Kalkan and Albarsan, 2009:5). This example shows that the blue ocean strategy is a strategy that can be applied not only to businesses but also to destinations.

1-7- The Blue Ocean Strategy: Examples from the World

It is possible to evaluate the strategies of the blue and red oceans with examples in terms of the global economy and the economy of our country. Some of these examples will be given here.

Ford T-Model: Ford's success with the Model T is a prime example of the blue ocean strategy in action. Prior to the Model T, luxury cars were unreliable and impractical for everyday use, leading to a preference for horse-drawn carriages. Ford disrupted the market by producing a car that was affordable, reliable, and durable, making it accessible to a wider audience. By producing the car in only one color and with limited options, Ford was able to streamline the production process and reduce costs. Additionally, Ford's implementation of the assembly line was revolutionary at the time, allowing them to produce cars at a much faster rate than the industry standard. These strategic decisions resulted in significant cost reductions and increased market share, from 9% in 1908 to 61% in 1921 (Capital, 2005).

Yellow Tail: The average American was intimidated by the sophisticated French and Italian wines, which were old and required specific knowledge and experience. However, Yellow Tail, an Australian wine brand, offered cheap but high-quality wine that was easy, aromatic, and uncomplicated, satisfying the American preference for simple drinks. Priced at \$6, Yellow Tail was more successful than American brands selling for \$10.99. With a straightforward and appealing logo featuring a kangaroo, along with a well-established distribution and packaging network, Yellow Tail quickly gained popularity among Americans new to wine culture. (The World, 2010).

Joint Strike Fighter: The Joint Strike Fighter Program is an organization that manufactures warplanes for the defense industry. This organization is among those who do the opposite of "Red Ocean"

companies. Small markets for products and services are created through segregation in traditional firms. But the "vagrants" develop joint strategies for segmented markets. Thus, a wider demand of customers in various sectors is created and profit is made. The Joint Strike Fighter did just that. The Navy has succeeded in developing warplanes that can be used by the air and land forces. The secret lies in the answers to the questions "what do customers want" and "how can we separate them" (Capital, 2005).

Lufthansa Airlines - Shop & Miles: Lufthansa Airlines is the world's first "Shop & Miles - Earn while Flying" system. And the company has achieved a competitive advantage with this system, which earns points for companies that prefer to travel with it and offers discounts on subsequent flights with these points (FMA Academy, 2016).

1-8- Red Ocean Strategy: Examples from the World

P&G: Protector & Gamble Company is a company that manufactures in markets such as personal care and beauty products (\$26.3 billion), health products (\$16.7 billion) and home care products (\$37.3 billion). By providing high-quality, value-added products and services that improve the lives of global consumers, Procter & Gamble has expanded the framework of its sustainability goals. Operating in more than 80 countries, P&G takes important steps to use 100% recycled or edible raw materials in its factories. 10-year goals are set in line with the new long-term goals. It also added new elements to its new 2020 goals on eliminating waste from production and consumption sent to landfills and designing products that satisfy consumers using resources in the most efficient way (P&G, 2016).

Samsung: It may seem like Samsung has 4/1 of the entire phone market, but there are also points where it bleeds. While its integration with Android creates a certain problem, the cost of high-quality Samsung models is increasing just to compete with Apple. Now, the economical devices we know are being replaced by giant and expensive devices. This is not something consumers would agree to. Only Note 5, S6 Edge+, S4, and S4

It is enough to look at the gaps between Zoom. At this point, while Samsung is trying to widen the gap with Apple, it is also distancing itself from consumers. Now, consumers don't go into long lists when buying a smartphone and separate their purchases to see which phone has the features. The brand concept is more prominent. Every penny Samsung spends to keep the brand concept updated is reflected in phone costs, and of course, expensive products continue to be faced.



On the other hand, the number of Samsung devices launched in the third quarter of 2015, reached 84.5 million. In the previous quarter, this number was calculated as 73.2 million. Desiring to close the last quarter of 2015 with a profit, Samsung is trying to create demand in the market (Ezgimen, 2015).

Volvo Cars: The new Volvo XC90 has been awarded a Top Safety Pick+ by the American Insurance Institute for Highway Safety (IIHS). Cecilia Larsson, Director of the Gutenberg Safety Center at Volvo Cars, said: "IIHS independent testing results show once again that what we have accomplished at Volvo Cars has taken vehicle safety to a new level. The IIHS crash resistance class, where safety is standard, includes crash tests. Slight, medium collisions, side and roof power, front restraints, and seats. The Volvo XC90 earned the highest scores in all of these tests and achieved a "Superior" score in the frontal collision avoidance test, thanks to the City Safety System found in all new Volvo cars. The XC90's "Superior" frontal collision prevention is one of the few cars to receive the 2015 Top Safety Pick award with standard equipment (Volvocars, 2015).

2- PRACTICAL PART

2-1- Study Approach

The researcher used the descriptive and practical (statistical) approaches, so he used the first by referring to the subject literature and discussing previous studies and their findings, and used the questionnaire method to collect the primary data for the study, and then used the statistical researcher to describe the research sample and then analyze the results and test the hypotheses.

2-2- research community

All employees of the selected Iraqi companies operating in the food products marketing sector, and they are 7 companies (table), and the number of employees is 533 workers and officials.

2-3- The research sample

A random sample was taken from the above community, amounting to 266 individuals (workers and officials), which constituted 42% of the community. A questionnaire was distributed to them, and 217 questionnaires were returned, i.e., 96%, 17 questionnaires were neglected (not matching specifications), and 200 questionnaires were subjected to analysis, i.e. 88 percent of the distributed questionnaires, and 92 percent of the retrieved questionnaires.

2-4- Study tool (questionnaire)

The questionnaire is the best way to collect primary data for this type of study, so the researcher

designed a questionnaire of three main sections, and followed the following scientific steps to test, review and correct the questionnaire until it was put into its final form. The questionnaire was designed in a way by which we examine the hypotheses of the study and as an attempt to answer the research questions, as well as by being guided by the previous studies that were presented. The research tool (the questionnaire) consisted of two parts, the first part included data on the personality of the respondents in terms of certificate, years of experience and academic degree, while the second part consisted of 25 questions distributed into 3 parts. It covers the examination of research hypotheses.

2-5- The accuracy of the resolution

The questionnaire was presented to a panel of arbitrators consisting of (7) PhD holders, working as faculty members in Iraqi universities with specialization in Business administration. Their opinions were sought and their comments were taken, then the questionnaire was modified and finalised. The answers to the paragraphs of the fields of study in the second part of the study tool were classified according to the five-point Likert scale, and it was determined by five answers according to their numerical weights and the degree of approval as follows:

Table 2: Likert scale numerical weights

| Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-------------------|----------|---------|-------|----------------|
| 1 | 2 | 3 | 4 | 5 |

Source: by the researchers.

2-6- Study tool stability

After data collection, Cronbach's Alpha coefficient of internal consistency was extracted for each field of the study tool as well as for the overall level to ensure the stability of the study tool. Table 3 presents the results, which indicate that the stability coefficients of the study tool are within acceptable values for research purposes.

Table 3: Study instrument stability coefficients according to domains

| The field | Cronbach Alpha |
|--------------------------------------|----------------|
| Blue ocean strategy implementation | 0.88 |
| Blue mat strategy and innovation | 0.86 |
| Blue ocean strategy and market space | 0.85 |



Source: spss v.25 output.

2-7- Study application procedures

After ensuring the validity and reliability of the research instrument, the study sample was given questionnaires. To evaluate the statistical significance of the extent to which blue ocean strategies are implemented, the researchers used the following criteria to describe the levels: Low (less than 2.33), Weak (between 2.33 and 3.66), and High (greater than 3.66).

2-8- Description of the study sample

The following table (No. 4) summarizes the results of the data of the first section of the questionnaire, which is related to the biographical information of the respondents. It is clear from the table the numbers (and percentages) for each paragraph, such as gender, occupation, years of experience and educational attainment.

Table (4): Description of the characteristics of the study sample

| % | N. | variable class | Variable |
|-------------|------------|----------------------|-------------------------|
| %80 | 160 | M | social |
| %20 | 40 | F | |
| 100% | 200 | Total | |
| %15 | 30 | Branch Manager | Occupation |
| %25 | 50 | Sales Manager | |
| %40 | 80 | Sales Representative | |
| %20 | 40 | Employer | |
| 100% | 200 | Total | |
| %45 | 90 | Lees 5 | Years of service |
| %40 | 80 | 6-10 from | |
| %15 | 30 | or more 11 | |
| 100% | 200 | Total | |
| %20 | 40 | Postgraduate | Qualification |
| %44 | 88 | BS | |
| %17 | 35 | guide | |
| %19 | 37 | without | |
| 100% | 200 | Tota | |

Source: spss v.25 output.

2-9- data analysis

2-9-1-Analysis of the data of the first hypothesis:

((Food marketing companies in Iraq apply the blue ocean strategy with its four dimensions {exclusion, reduction, increase, innovation})).

For the purpose of analysing the data related to the first hypothesis, the results we obtained from the questionnaires were unloaded, and the numbers, arithmetic averages, standard deviations, and range

related to the hypothesis questions were extracted, as shown in Table No. 5 .

It was found that the degree of application of the Iraqi companies working in the marketing of food products to the Blue Ocean method (with a medium degree), where the total arithmetic average reached 2.19 degrees on the overall scale of the research (5) degrees, and when expanding the analysis of the results to know the strength of the application of each of the four paragraphs , it was found that the paragraphs slipped downward in the following way: "increase" with an arithmetic mean (2.49), then "innovation" with an arithmetic mean (2.12), then "reduce" with an arithmetic mean (2.06), then "exclusion" with an arithmetic mean (2) only.

2-9-2- Data analysis of the second hypothesis

((The implementation of the four-dimensional blue ocean strategy by food marketing companies in Iraq {exclusion, reduction, increase, innovation} helps create value for these companies)).

For the purpose of testing the second hypothesis, the companies that do not apply the blue ocean policy were excluded, the data and numbers related to the companies applied to it were unloaded, and the arithmetic averages were extracted. It was found that there is a strong relationship between the company's implementation of the blue ocean policy and innovation, as the total arithmetic mean reached 4.19 degrees, out of the overall scale of 5 degrees.

2-9-3- To test the validity of the third hypothesis

((The implementation of the four-dimensional blue ocean strategy by food marketing companies in Iraq {exclusion, reduction, increase, innovation} helps to increase the market share of these companies.))

parameter extracted {Person relationship} Which amounted to 0.8, and the statistical significance is zero, and this indicates a strong positive correlation between the application of blue ocean policies and the increase in market share. Table No. 5 summarises the results of the tables mentioned in the appendix

Table 5: summarises the main results

| Variable | N. | Average Arithmetic | Deviation normative | Classes |
|---|-----|--------------------|---------------------|---------|
| The extent of the application of companies in the sample search blue ocean strategy | 200 | 2.19 | 0.16 | middle |



| | | | | | |
|-------------|--|------|------|------|----------------|
| Dimensi ons | Extent of applicat ion of the exclusio n | 20 0 | 2 | 0.21 | midd le |
| | Extent of applicat ion of the reductio n | 20 0 | 2.03 | 0.17 | wea k |
| | Extent of applicat ion of the increas e | 20 0 | 2.25 | 0.17 | wea k |
| | Extent of applicat ion of innovati on | 20 0 | 2.06 | 0.27 | Midd le |

Source: spss v.25 output.

3- CONCLUSIONS AND RECOMMENDATIONS

3-1- Conclusions and recommendations of the practical section

Based on the previous paragraph, the researcher concludes the following:

- The degree of application of the policies of the blue ocean by Iraqi companies working in marketing food products is medium.
- The application of these companies to the blue ocean policy helps them to innovate.
- There is a strong positive correlation between companies' implementation of the blue ocean policy and increasing their market share.

Therefore, the researcher recommends:

- Encouraging other companies to create value and move away from competition and towards blue ocean policies.
- Spreading the blue ocean culture, especially among youth entrepreneurship projects, and encouraging it through financing facilities.

3-1- Conclusions and recommendations of the theoretical part

The competitive position of firms in the market they operate is a key topic of debate in the field of competition. The market structure and the nature of

competition with rivals can significantly impact a firm's ability to gain a competitive advantage. Some firms may engage in intense competition with their rivals, while others may seek opportunities beyond the existing market. The Blue Ocean Strategy challenges the notion that competition in existing markets only leads to reciprocal losses and suggests that the primary gain lies in exploring opportunities beyond existing markets. According to this strategy, the focus should be on creating new market spaces, rendering competition irrelevant, and offering value-based innovations to customers. This involves navigating uncharted waters where competitors cannot easily enter and finding ways to make competition meaningless. These should be the primary approaches for firms looking to gain a competitive edge.

As can be seen from the examples on this topic, companies implementing a blue ocean strategy are gaining a unique position in the market and are understood to bring value-oriented innovations to their customers. However, it is debatable to what extent companies implementing this strategy can maintain their position. The most important thing here is the depth and protection of the blue ocean. Whenever innovation can be imitated and protected in a way that competitors cannot enter, the long-term gains of this strategy will be for companies. The innovation-oriented work of business managers and the combination of their organizations with an innovative culture will provide a significant advantage in that the blue ocean strategy is the main business strategy. Are all innovations original in the sectors in which the companies are located? What can be done other than what has been done? Is imitation no longer a problem? His questions are the main challenges facing the blue ocean strategy. In the face of these challenges, companies must not stop dreaming of better deliverables for their customers and must act with the idea that there is always a bigger game to play. In the words of Steve Jobs, the legendary CEO of Apple, "bigger is not better, but better is better," and he will always keep the blue ocean strategy on the agenda. There is still a need for academic and sectoral studies in this field.

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