

Analysis of marketing strategies in closed economy conditions in the banking industry

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Abstract

The impact of sanctions on the banking industry has been the impact on foreign exchange reserves, the increase in the risk of financing the bank, restrictions on withdrawals from the bank's financial resources abroad, increased credit risks. In this regard, the purpose of this study was to develop and present Bank Mellat marketing strategies taking into account the five competitive forces of the bank and the impact of sanctions on these forces. The statistical population of the study is 50 experts of Bank Mellat in Tehran, which has been used with two questionnaire tools in the field of strong competitive components for Bank Mellat in the conditions of sanctions and then evaluating the strategic position of these competitive components. In order to determine the superior competitive components of the mean comparison test and to examine the strategic position of each of the strong competitive components in the

conditions of sanctions that were determined in the previous stage, internal, external environment and action and strategic position evaluation matrices were used. The results showed that from the component that creates competition, 10 components from other components have more competitive power in closed economy conditions and all 10 components were approved. From the point of view of experts in the area of strategic position, they have been aggressive for this bank. Among these, the two competing components "changing customers 'tendency to invest in the stock market instead of bank deposits" and "customers' incentives to make a profit from their capital" have the best and most aggressive position in this matrix and "application change cost" Bank Mellat services and products have had the least aggressive position in this matrix. The results also showed that the most important competitive power for Bank Mellat in closed conditions is "power "Customer bargaining" and "the power of alternative products and services", which is quite logical given the current economic and financial uncertainties for customers to use banking services.

Keywords: Marketing Strategy, Closed Economy, Bank Mellat

Introduction

In the competitive environment between financial and credit institutions in the country,

in order to increase the market share of "resources and consumption" markets and also determine the marketing strategy of a bank, in itself and in comparison with other banks are essential and needed by bank managers. In order to identify, monitor and continuously analyze the activities of competitors, continuously evaluate their strengths and weaknesses, predict appropriate patterns and develop competitive marketing tactics to achieve the goals of banks. Since marketing in banks, in attracting deposits (equipping resources) and granting facilities (Resource allocation) is crystallized, so based on the success rate of banks in the markets of resources and consumption, while calculating their relative productivity, it is possible to determine the strategies needed by banks to achieve the desired situation and develop an action plan (Keyvan Shokouhi & Ranjbar, 2015: 2). Objectives and necessity of research Factors affecting the competitiveness of an industry help the company to know its strengths and weaknesses in the structure of the industry. In fact, from a strategic point of view, the strengths and weaknesses of the organization in relation to the root causes of each of the competitive factors. A strategic action is also related to offensive or defensive actions against these forces. Therefore, companies analyze the position of the company in the face of competitive factors by analyzing the forces affecting competition, and then improve their relative position with appropriate strategic measures. In the last step, with the predictions that they make based on competitive factors and the factors that create these factors, they determine the solutions to react to them by adopting appropriate strategies, and in doing so, they try to create a new competitive balance. Knowing these capabilities and the origins of competitive

factors also reveals the areas in which the company should enter or avoid. The importance of formulating superior strategies in the context of economic sanctions for large service enterprises such as banks that have suffered the negative effects of sanctions. Also due to the differences that exist in the target markets of banks and due to the fact that different banks in the target markets shared with the bank, use a variety of strategies. It is necessary for Bank Mellat to be able to use appropriate strategies according to its competitive advantages, which are somehow reminiscent of the distinction of this bank with rival banks. Also, due to the extensive presence of public and private banks in the financial services market in order to increase market share, it is necessary that Bank Mellat, while protecting its market share, also consider new and potential strategies to maintain its position. Plan to increase its current market share. Achieving these goals requires a well-codified marketing plan and strategy based on recognizing the most important forces creating competition and weakening or intensifying the competitive power of this bank in the market. Therefore, it is necessary for research to examine the most important types of marketing strategies for important banks with more market share in the country in order to minimize the negative effects of sanctions in this area and to develop and plan appropriate strategic tools in their strategic planning.

Research questions

- In the current situation in which Iran is under sanctions, does Bank Mellat have proper strategic planning and accountability?
- What are the five competitive forces for Bank Mellat?

- What has been the impact of sanctions on Bank Mellat's five competitive forces in the current situation?
- What have been the strengths and weaknesses of Bank Mellat against any of the competing forces in the face of sanctions?
 - What is the appropriate strategic action against each of the competitive forces, taking into account the strengths and weaknesses of Bank Mellat?
 - What are the appropriate competitive, defensive, offensive or conservative marketing strategies for Bank Mellat based on the previous steps?

Strategic planning in banks and financial institutions (Milani, 2010: 1-9)

The planning process in a financial institution such as a bank is a regular process to achieve the goals of maximizing equity. Simply put, this type of planning involves the interrelationships of risk and return in managerial decisions. As shown in Figure (1). The planning process can be divided into three stages or time horizons. The strategic plan often covers a period of 3 years or more, but profit planning or budgeting is an annual process. Operational policies also cover the day-to-day planning activities of commercial banks,

guiding middle managers and heads of bank branches and defining the scope of their tasks. One of the main tasks of planners in the executive phase is to determine the effects of constant changes in the public space of the industry in profit planning and strategic planning. Changes in long-term plans usually lead to re-evaluations of short-term executive policies. On the other hand, changes in the implementation stages are ignored and therefore have no effect on strategic planning activities. (Milani, 2010: 2). These programs must have the appropriate flexibility in the face of these changes.

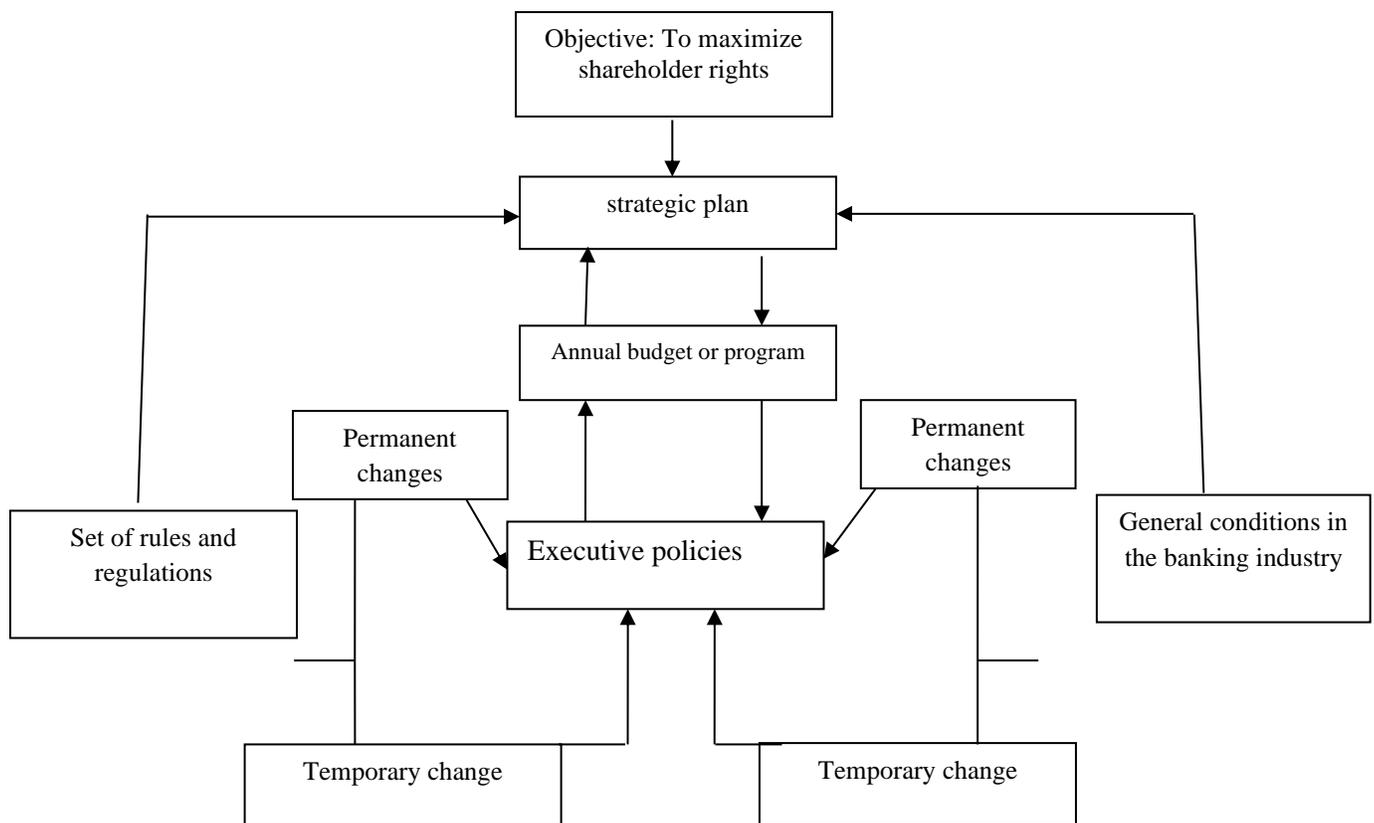


Figure 1: Strategic planning process in the bank (Milani, 2010: 3)

The place of strategic planning

The current state of strategic planning in enterprises shows that this type of planning has not received much attention and has been replaced by issues related to the culture of the bank, the quality of services and the application of strategy. The reason for such a reaction may be the strong emphasis on planning and not creating a suitable environment to present strategic thoughts to employees. Strategic planning has also fallen victim to adapting to one or more simple techniques such as training curve analysis, service portfolio, product life cycle, and portfolio planning. The disadvantage of all these techniques is that they consider only the role of one variable in a competitive environment (Obasan & Oginkoya, 2013).

The role of marketing in designing and implementing strategies The main focus of marketing strategy is on proper allocation and coordination of marketing resources and activities in order to meet the company's goals in terms of specific product / market. Therefore, the critical issue in the realm of marketing strategy is to determine the specific target market (s) for a particular product family or product.

Then, by designing and implementing the appropriate program of marketing mix elements (basically product mix, price, distribution and promotion) according to the needs and desires of potential customers in that target market, companies seek to gain a competitive advantage and create synergy (Boyd Et al., 2007).

Table (1): Types of marketing strategies from the perspective of different experts (Arabi and Yazdi, 2004: 150)

Dimensions used	Types of marketing strategies	researchers
-	Market segmentation, target market selection and positioning	Cutler Marketing Strategies
-	Mass marketing, partial, specialized, local, individual (one by one)	Cutler Target Market Selection Strategies
Current or new market Current or new product	Market penetration, product development, market development and diversification	Ensef growth strategies
-	- Market dimensions, market entry, market commitment, market demand - Variety, product, price, distribution and promotion	Norton Pali marketing strategies and marketing mix
Number of products: one / Several Number of markets: one / several	Market / product focus, product / market diversity, product / market diversity.	Roumllette Strategies
-	Aggressive, mass marketing, minimization, value marketing	Slater and Olson Marketing Strategies
-	20 types of strategies based on product life cycle expressed in 4 main groups Takes: market entry, growth phase strategies, maturity phase, decline phase.	Walker et al. Marketing Strategy

Porter Competitive Forces in the Banking Industry Newcomers in the banking industry

Newcomers to banking and finance often enter the industry with the goal of gaining market share; They bring with them new capacities and resources into the banking industry. Among these, banks that seek to diversify services and the way they are provided may also enter the industry by

relying on their own resources, so newcomers in this field are not always new banks. But the threat of entry depends entirely on the barriers to entry and the reaction of existing competitors.

If these obstacles are high and the reaction of existing competitors is weak, one can expect this entry to be easy.

It seems that in the country's banking industry, barriers to entry are low for domestic

newcomers but still heavy for foreign newcomers. However, due to the lack of competitive thinking in the country's banking managers, there are no fundamental reactions to limit the entry of new competitors, because these new competitors are an opportunity for many bank managers who are very fluid and not a threat! The barriers to entry for new entrants in the banking industry are summarized as follows:

1- Differentiation of products and services: It means that established banks in the market have a well-known brand and customer trust, which is rooted in past advertising, customer service and product diversity. So newcomers have to spend a lot of money to meet the interests and attract customers. On the other hand, this takes a relatively long time. This time in the banking industry will be relatively longer than other industries due to the need for trust building, which is time consuming in nature. This is the most important obstacle in the banking industry for new entrants.

2. Need for capital: The need for a large amount of financial resources to invest in competition is a barrier. Although this capital is available in many cases, but many banks due to the high risk of its return to enter The industry is very cautious. Of course, it should be noted that this capital is not limited to the capital required to establish a bank. However, it covers a significant part of it.

3. Change costs: If customers buy the products and services they need from one bank, they need additional costs, and if they make their purchase from only one bank, they will incur lower costs. These costs, which include a variety of costs such as the cost of recognition, learning, discounts, etc., can be a serious obstacle for newcomers. In the banking industry, too, customers rarely change for the small advantages of other competitors. They

do not change their bank, the costs of recognition, learning the processes of the new bank, the peace they had in the past service encounters, etc. with any points. So newcomers must have such a cost and performance structure that change To explain to the customer that this happened once when private banks entered the field of banking and in the field of performance improvement and gave them a significant share, but it is not a secret that due to the proximity of work processes and similar services and Transfer of staff and branch managers, especially in private banking, this cost will also be reimbursable for newcomers And can remove barriers to their entry.

4. Cost losses (independent of scale): Banks operating in an industry may face a cost advantage that is not available to new entrants. This category includes proprietary technologies (which are less common in banking). Mentioned convenient location or government subsidies. The next topic is the learning curve or experiences. In some businesses, companies are experiencing declining average costs as experience accumulates. This is because employees improve their working methods, plans are developed, functions are improved, techniques are improved.

Theoretical foundations and conceptual model of research This study intends to develop appropriate strategies for Bank Mellat in the face of sanctions with respect to Porter's five competitive forces. Therefore, no specific variable is considered to form hypotheses and research models from their relationships and their impact on each other.

Rather, in a five-step process as shown below, appropriate strategies will be developed for Bank Mellat. First, the five competitive forces for Bank Mellat (newcomers, customer

bargaining, supplier bargaining, existing competitors and alternative services) will be identified.

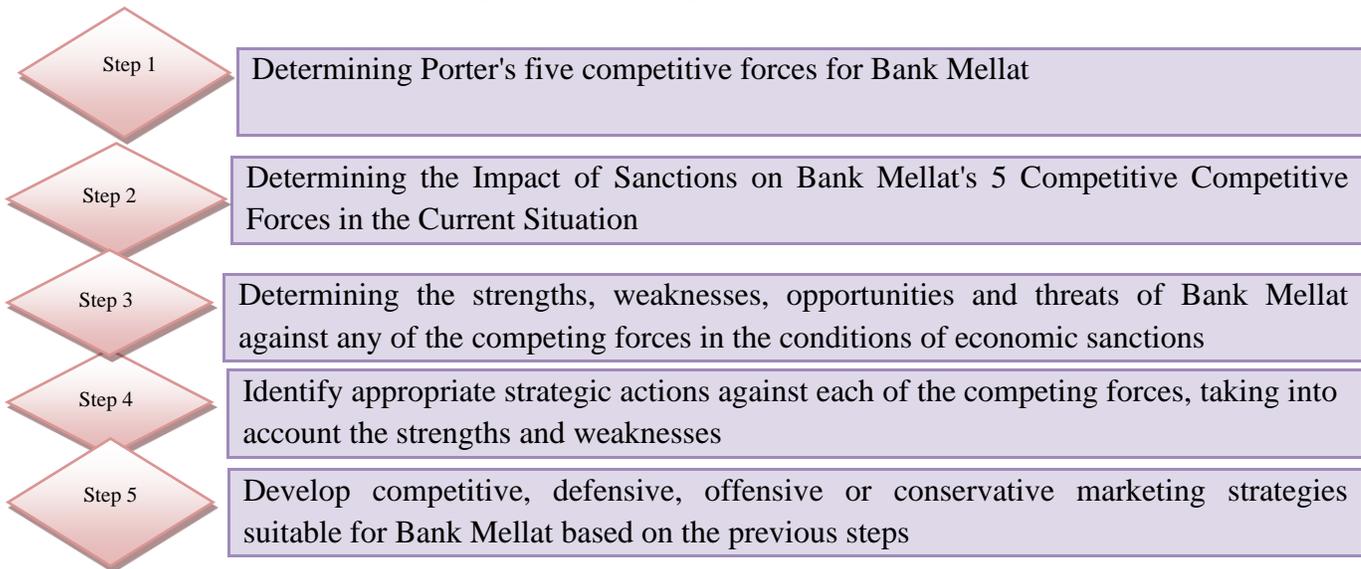
Then, the impact of sanctions on Bank Mellat's five competitive forces in the current situation will be determined after which threat power has decreased and which in these circumstances have become more threatening to Bank Mellat. Then Bank Mellat's strengths, weaknesses, opportunities and threats against any of the competing forces in the face of sanctions will be identified.

In the following, the appropriate strategic action against each of the competitive forces

will be determined by considering the strengths and weaknesses identified using IFE and EFE matrices and the position and strategic action matrix. Finally, competitive, defensive, offensive or conservative marketing strategies suitable for Bank Mellat based on the previous steps will be introduced and proposed using a quantitative strategic planning matrix.

All steps will be done using the opinions of experts (managers and senior experts of Bank Mellat in Tehran).

Figure (1): Conceptual model of research



overview of the research background

- Rajabpour Zare and Hajjarian (2019) in a study entitled "Strategic Planning Analysis in Bank Shahr", to examine the external and internal factors of Bank Shahr, analyze Porter's five competitive forces for this bank, formulate SWOT strategies and finally introduce Selected strategies are addressed. Finally, the following strategies have been introduced as selected: improving the combination of resources and expenditures, increasing and attracting cheap

resources, increasing the authority of credit institutions, improving the skills of manpower, completing the banking product portfolio, and providing facilities to non-oil importers Based on a 20-year perspective.

- Dinser et al. (2018) in a study entitled "Application of game theory in the development of competitive strategies in the banking industry", initially stated that game theory addresses the issue that according to the behavior of people who are going to spend their

money The bank that offers the highest interest rates awaiting revenue may offer the highest interest rate for a bank due to bankruptcy in its financial system compared to its competitors. In this case, banks should develop their marketing strategies based on their competitive strengths and, given the competitive market forces for them, develop and formulate the most important strategy to reduce interest rates on loans and the highest interest rates on deposits.

- Ahmadi et al. (2017) in a study entitled "Designing and formulating new marketing strategies for Ansar Bank banking services using mixed marketing tools", the purpose of this study is to design and develop new marketing strategies for Ansar Bank banking services . The tendency of this applied research is descriptive and survey approach. Considering the mixed elements of marketing, this research has been inspired by the marketing systems of prominent banks in Islamic countries and has proposed hypotheses based on these elements by collecting library information and documents and completing and compiling a questionnaire in the statistical community using LISREL software was analyzed. The results of this study in appropriate distribution methods, quality of services (products), correct packaging of services based on customer groups and the correct marketing process of Ansar Bank, identification, analysis and suggestions in this regard in comparison with the results of Ansar Bank and Islamic banks are presented.

- Izuchakov et al. (2016) in a study entitled "Employees' perception of the effect of change as a strategy to gain a competitive advantage in the Nigerian banking industry" stated that the form of strategies to comply with banking norms in the industry are changing. Strategies including service integration, privatization,

reengineering process, etc. have been adopted by Nigerian banks. However, in this article, the importance of employees' perception of this change in strategy formulation patterns in the bank has been considered and the results have shown that employees' perception of banks' changing competitive strategies depends on their job commitment and job security.

-Hosseini et al. (2015) in a study entitled "Analysis of marketing strategies of service companies during the recession", initially stated that the recession is a situation in the economy in which the demand for goods and services decreases . If the recession deepens, it will increase the number of bankruptcies and unemployment, and many companies will face problems. Therefore, this study seeks to identify strategies that companies, despite intense competition and difficult recession conditions, have followed it and have been able to continue their lives. In this regard, one of the ways to achieve the above goal is to analyze marketing strategies in each business. This study intends to identify the factors and indicators of marketing strategy in crane rental companies during the recession to determine the impact of each of them on sales from the perspective of managers. The statistical population of this research is the managers of successful crane rental companies in Tehran province. Based on this, the relationship between the seven popular factors of services (product, price, location, distribution, personnel, facilities and physical assets and process) with the sales of companies, each in the form of indicators and using Student Student tests and analysis. Friedman variance was examined. Finally, the relationship between factors other than sales promotion and distribution factors with the sales of companies was confirmed. Another conclusion is that successful companies during the recession

period did not go to reduce activity and reduce costs, but used the recession as an opportunity and used the strategy of development and differentiation.

Mathooko & Ogutu (2015) in a study entitled "Porter's Framework of Five Competitive Forces and Other Factors Affecting the Selection of Strategic Responses Adopted by Public Sector Universities in Kenya", the purpose of this study was to determine the extent to which Porter's Five Competitive Forces Framework (PFCF) is accepted by public universities in Kenya as one of the other drivers of strategy selection. The study method was descriptive and by cross-sectional study of all public universities in Kenya, a structured questionnaire was used to collect basic information and additional information was collected through observation and interview. Secondary data are also collected to prove the data collected from primary sources. The findings show that Kenyan public universities cite the PFCF framework for corporate strategy selection as the most effective way for new entrants to the market. In the meantime, attention to stakeholder pressure, changes in government policies and regulations, reforms in higher education, and unethical response strategies by some universities and campuses have also affected respondents' responses.

- Khorshid & Noujan (2013) in a study entitled "Competitive Analysis and Competitive Strategy Selection Based on Porter Competitive Forces Model, Fuzzy Hierarchical Analysis and Data Envelopment Analysis", initially stated that competitiveness at the center and core of businesses in the market economy is located, and means the ability and function of a company and its subsidiary to sell and offer

products or services in a specific market. Porter Competitive Forces Model is one of the well-known models for competitive analysis of companies, which is used to develop and formulate a competitive strategy to increase their competitive margin. The purpose of this study was to measure and analyze Iran Khodro Company's competitiveness using Porter's competitive forces model to select a competitive strategy. Through a survey of questionnaires, research data were collected from managers and senior experts of Iran Khodro Company, which were analyzed through fuzzy model, competitive analysis and competitive strategy selection based on a combination of hierarchical data analysis and hierarchical analysis techniques. The research findings have shown: a- The two competitive forces, the newcomer threat and the fierce competition between the existing competitors, are the most important competitive forces facing Iran Khodro. B- Sub-indicators of high fixed costs, customer perceived level of difference and differentiation of alternative products, obstacles Allocation for value added, the degree of differentiation of inputs, the concentration of suppliers relative to the focus of the company, the buyer's tendency towards alternative products, the costs of changing the position of the supplier in relation to the costs of changing the position of the company; They create difficult competition conditions for Iran Khodro and can reduce Iran Khodro's competitive level. C. Iran Khodro's competitiveness in the automotive industry is moderate, and the most appropriate strategy to increase its competitiveness is a strategy with a focus on cost leadership.

Table (2): Details of the number one research questionnaire

Scale	Response spectrum	Subcomponent	Component
ordinal	Very insignificant, insignificant, moderate importance, important, very important (Likert)	4	Bargaining power of suppliers
ordinal	Very insignificant, insignificant, moderate importance, important, very important (Likert)	5	The power of newcomers to the banking industry
ordinal	Very insignificant, insignificant, moderate importance, important, very important (Likert)	4	Alternative services
ordinal	Very insignificant, insignificant, moderate importance, important, very important (Likert)	10	Bargaining with existing competitors
ordinal	Very insignificant, insignificant, moderate importance, important, very important (Likert)	7	Bargaining customers

Table (3): Components of Porter's 5 competitive forces

Determinants of competition due to competitive force	Competitive forces
<ul style="list-style-type: none"> • Distinction of inputs • The costs of changing the position of companies and suppliers in the industry • Existence of alternative inputs • Supplier focus • The importance of volume for the supplier • Relative cost to total purchases in the industry • The effect of input on cost or differentiation • The threat of upward integration by the supplier compared to downward integration by companies in the industry • Government policy and retaliation against competitors 	Bargaining power of suppliers
<ul style="list-style-type: none"> • Economic scale • Product maintenance funds • Costs of change of position • Brand name identity • Capital requirements • Access to distribution channels • Absolute cost benefits • Learning curves • Access to essential inputs 	The power of newcomers to the banking industry

<ul style="list-style-type: none"> • Low cost product design 	
<ul style="list-style-type: none"> • Relative price performance of alternatives • Costs of position change • Buyer tendency to substitutes 	Alternative services
<ul style="list-style-type: none"> • Industry growth • Fixed value added / stored costs • Product differences • Identity of brand name • Focus and balance • Information complexity • Variety of competitors • The amount invested by the company • Barriers to leaving the industry 	Bargaining with existing competitors
<ul style="list-style-type: none"> • Price sensitivity • Identity of brand name • Product differences • Impact on quality / products • Price and total purchase price • Buyer profits • Motivation of decision makers <p>2. Bargaining lever</p> <ul style="list-style-type: none"> • Buyer focus versus company focus • Buyer volume • Costs of changing the position of the buyer Costs of changing the position of the company • Buyer information • Alternative products • Do not buy 	Bargaining customers

Methods and tools of data analysis

Descriptive statistics has been used to analyze the data at each stage to identify the demographic characteristics of the statistical population.

In the analysis of the data obtained from the first and second questionnaires of the research, we will use the two-sentence mean t-test to determine which of the components of the five competitive forces are the most important for Bank Mellat, and Second, which of the most important approved

components will have the most threatening power under sanctions?

Significance test of the questions of the first research questionnaire

The statistical hypotheses H_1 and H_0 for testing all 30 competitive components considered in the first research questionnaire are as follows:

H_0 : Competitive components for Bank Mellat are not significant in the face of sanctions.

H₁: Competitive components are significant for Bank Mellat in the face of sanctions.

Table (4): Results of the two-sentence test of 30 competitive components in the conditions of sanctions for Bank Mellat

Row	Approve / disapprove component	Competitive component	limit	Branch	Number	Observed ratios	Test ratio	sig
1	disapproval	Number of banking application companies	down Top Total	≤ 3.5 $3.5 >$	22 28 50	44 56 100	50	0.480
2	disapproval	Focus on banking application companies for sales	down Top Total	≤ 3.5 $3.5 >$	23 27 50	46 54 100	50	0.672
3	disapproval	Cost of providing applications for companies selling software and hardware	down Top Total	≤ 3.5 $3.5 >$	15 35 50	30 70 100	50	0.107
4	verification	Cost of changing Bank Mellat services and products application	down Top Total	≤ 3.5 $3.5 >$	12 38 50	24 76 100	50	0.000
5	disapproval	Differences and privileges of financial services of new banks	down Top Total	≤ 3.5 $3.5 >$	7 43 50	14 86 100	50	0.10
6	disapproval	Use the benefits of learning curves (achieving market share and sales growth of leading banks in the market) for new banks	down Top Total	≤ 3.5 $3.5 >$	13 37 50	26 74 100	50	0.1
7	verification	Designing low-cost services by new financial institutions and banks	down Top Total	≤ 3.5 $3.5 >$	14 36 50	28 72 100	50	0.003
8	verification	Access to experienced and important customers for new financial	down Top Total	≤ 3.5 $3.5 >$	10 40 50	20 80 100	50	0.000

Row	Approve / disapprove component	Competitive component	limit	Branch	Number	Observed ratios	Test ratio	sig
		institutions and banks						
9	disapproval	Capital needed to build a brand and attract customers by new financial institutions and banks	down Top Total	≤ 3.5 $3.5 >$	7 43 50	14 86 100	50	0.220
10	verification	Relative price of alternatives (services and products offered in the stock exchange, banks with other functions, currency, etc.)	down Top Total	≤ 3.5 $3.5 >$	17 33 50	34 66 100	50	0.033
11	disapproval	Better market of alternatives (stock exchange, currency, coins and precious metals) in the economic conditions of customers	down Top Total	≤ 3.5 $3.5 >$	19 31 50	38 62 100	50	0.119
12	disapproval	Costs change for customers from bank deposits to alternative products	down Top Total	≤ 3.5 $3.5 >$	10 40 50	20 80 100	50	0.610
13	verification	Changing the tendency of customers to invest in the stock market and precious metals instead of bank deposits	down Top Total	≤ 3.5 $3.5 >$	12 38 50	24 56 100	50	0.000
14	disapproval	The growth of old competitors	down Top Total	≤ 3.5 $3.5 >$	15 35 50	30 70 100	50	0.107

Row	Approve / disapprove component	Competitive component	limit	Branch	Number	Observed ratios	Test ratio	sig
15	disapproval	Differences and distinctions of banking services between competitors in the banking services market	down Top Total	≤ 3.5 $3.5 >$	15 35 50	30 70 100	50	0.117
16	disapproval	Identity of trademarks of rival banks	down Top Total	≤ 3.5 $3.5 >$	14 36 50	28 72 100	50	0.203
17	verification	Competitors' information complexities	down Top Total	≤ 3.5 $3.5 >$	14 36 50	28 72 100	50	0.003
18	disapproval	Number and variety of competitors	down Top Total	≤ 3.5 $3.5 >$	15 35 50	30 70 100	50	0.17
19	disapproval	The average capital of rival banks in the banking services market	down Top Total	≤ 3.5 $3.5 >$	23 27 50	46 54 100	50	0.672
20	disapproval	Number and degree of barriers to exit from the banking industry by competitors	down Top Total	≤ 3.5 $3.5 >$	19 31 50	38 62 100	50	0.119
21	disapproval	Value added for competitors in the banking industry	down Top Total	≤ 3.5 $3.5 >$	14 36 50	82 72 100	50	0.303
22	disapproval	Foreign exchange and international activities of rival banks	down Top Total	≤ 3.5 $3.5 >$	10 40 50	20 80 100	50	0.10
23	verification	The market share of rival banks	down Top Total	≤ 3.5 $3.5 >$	9 41 50	18 82 100	50	0.000
24	verification	Motivation of customers to make a profit from their	down Top Total	≤ 3.5 $3.5 >$	15 35 50	30 70 100	50	0.003

Row	Approve / disapprove component	Competitive component	limit	Branch	Number	Observed ratios	Test ratio	sig
		capital						
25	disapproval	Costs of changing the position of customers from one bank to another to deposit and receive banking services	down Top Total	≤ 3.5 $3.5 >$	14 36 50	28 72 100	50	0.103
26	disapproval	Motives of customers to turn away from banks due to (interest rates, etc.)	down Top Total	≤ 3.5 $3.5 >$	10 40 50	20 80 100	50	0.103
27	verification	Bank brand credit with customers	down Top Total	≤ 3.5 $3.5 >$	4 46 50	8 92 100	50	0.000
28	verification	Bank brand personality and identity with customers	down Top Total	≤ 3.5 $3.5 >$	3 47 50	6 94 100	50	0.000
29	disapproval	Customer information about banking and financial services	down Top Total	≤ 3.5 $3.5 >$	16 34 50	32 68 100	50	0.115
30	disapproval	Volume of purchases and customer interactions with the bank	down Top Total	≤ 3.5 $3.5 >$	9 41 50	18 82 100	50	0.110

Source: Research Findings

As can be seen, in competitive components No. 4, 7, 8, 10, 13, 17, 23, 24, 27 and 28, due to the fact that the test sig is less than the significance level of 0.05, for all ten competitive components. The assumption that the ratio of "low" and "high" groups is equal is rejected from the level of strict

influence (3.5) and due to the higher ratio of "high" group, hypothesis H0 is rejected and hypothesis H1 is confirmed Becomes.

Therefore, all ten competitive components proposed as the top 10 competitive components, from the point of view of Bank Mellat experts, are recognized as strong

competitive components in the current sanctions.

The other 20 components are not listed as having much power in this area, in other

words, they are recognized as important components of creating competitiveness in the face of sanctions.

Table (5): Determining the strategic position regarding the competitive component of "bank brand credibility with customers"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.02	6.03	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.06	Positive area of the vertical axis	Financial strength (FS)	strength
				3.06	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				2.96	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				2.96	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (6): Determining the strategic position regarding the competitive component "Cost of changing Bank Mellat services and products application"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
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axis							
5.24	4.76	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	2.59	Positive area of the vertical axis	Financial strength (FS)	strength
				2.48	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				2.28	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				2.65	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (7): Determining the strategic position of the competitive component "Design of low-cost services by new financial institutions and banks"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
5.51	5.75	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	2.75	Positive area of the vertical axis	Financial strength (FS)	strength
				2.80	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				2.95	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities

					axis		
				2.76	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (8): Determining the strategic position of the competitive component "Access to customers with a history and importance for new financial institutions and banks"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.48	6.18	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.34	Positive area of the vertical axis	Financial strength (FS)	strength
				3.27	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				2.90	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.13	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (9): Determining the strategic position of the competitive component "Relative price of alternatives (services and products offered on the stock exchange, banks with other functions, currency, etc.)"

The resulting number	The resulting number	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
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number on the vertical axis	on the horizontal axis				matrix		
6.42	6.41	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.26	Positive area of the vertical axis	Financial strength (FS)	strength
				3.25	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				3.16	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.15	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (10): Determining the strategic position of the competitive component "Changing customers' tendency to invest in the stock market and precious metals instead of bank deposits"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.81	6.97	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.38	Positive area of the vertical axis	Financial strength (FS)	strength
				3.70	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses

					axis		
				3.27	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.43	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (11): Determining the strategic position of the competitive component of "competitors' information complexity"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.89	6.71	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.36	Positive area of the vertical axis	Financial strength (FS)	strength
				3.44	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				3.27	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.52	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (12): Determining the strategic position regarding the competitive component "Market share of rival banks"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.70	6.55	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	3.45	Positive area of the vertical axis	Financial strength (FS)	strength
				3.36	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				3.18	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.25	Negative area of the vertical axis	Environmental stability (ES)	threats

Table 13: Determining the strategic position of the competitive component "Motivation of customers to make a profit from their capital"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
6.99	6.89	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and	3.59	Positive area of the vertical axis	Financial strength (FS)	strength
				3.59	The negative	Competitive Advantage	weaknesses

			industry power		area of the horizontal axis	(CA)	
				3.29	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				3.40	Negative area of the vertical axis	Environmental stability (ES)	threats

Table (14): Determining the strategic position regarding the competitive component of "Bank brand personality and identity with customers"

The resulting number on the vertical axis	The resulting number on the horizontal axis	Vertical axis (Y)	Horizontal axis (X)	Score	Dimensions of SPACE matrix	Dimensions of SPACE matrix	Internal and external factors
5.44	5.61	Algebraic average of financial strength and environmental stability	Algebraic average of competitive advantage and industry power	2.85	Positive area of the vertical axis	Financial strength (FS)	strength
				2.58	The negative area of the horizontal axis	Competitive Advantage (CA)	weaknesses
				3.10	Positive area of the horizontal axis	Industrial Power (IS)	Opportunities
				2.51	Negative area of the vertical axis	Environmental stability (ES)	threats

Drawing a matrix for evaluating strategic action and position, identifying the offensive,

defensive, competitive or conservative area of scenarios

According to the numbers obtained for each axis in the action evaluation matrix and strategic position in the previous step, in this step, this matrix is drawn and the area of each of the five scenarios is determined. This matrix has 4

strategic areas: offensive, defensive, competitive and conservative. Figure (2) shows this matrix for the results of the 10 components studied in the IFE and EFE matrices:

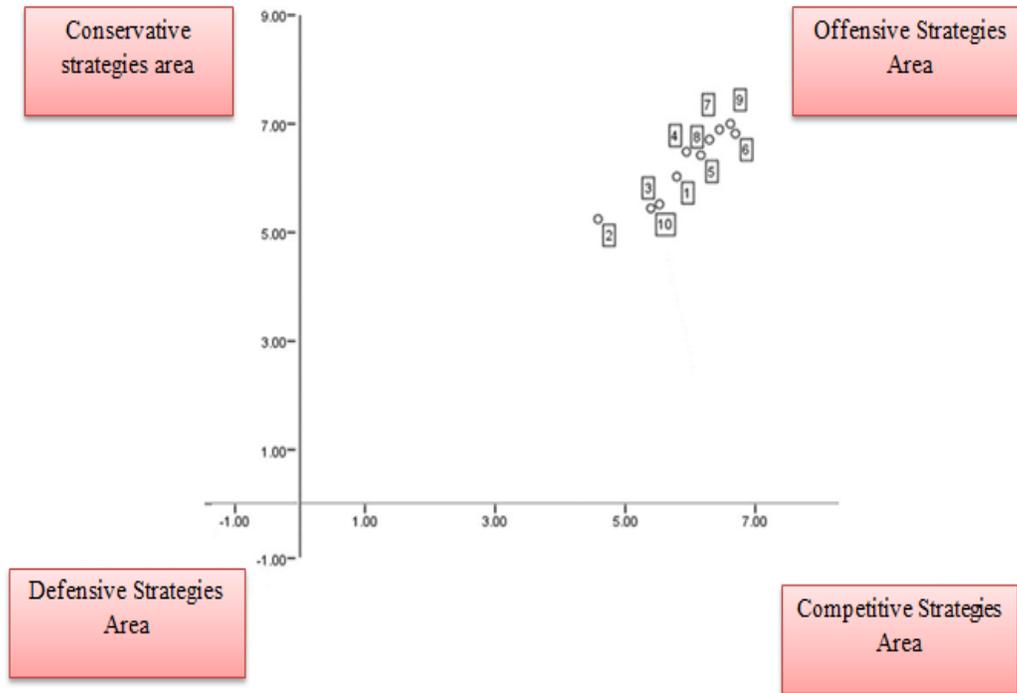


Figure (2): Evaluation matrix of action and strategic position on Bank Mellat's 10 competitive components

As can be seen, from the perspective of research experts, all ten competitive components considered by experts as the most important competitive and bargaining components in the current sanctions situation, are in the area of aggressive strategies of action evaluation matrix and strategic position.

On the other hand, the two competitive components "changing customers' tendency to invest in the stock market and precious metals instead of depositing in the bank" and "customers' incentives to make a profit from their capital" have the best and most aggressive position in this strategic action matrix

On the other hand, the competitive component "cost of changing the application of Bank

Mellat services and products" has the least aggressive position in this matrix.

Although this component also has a known strategic offensive position in this matrix, but its offensive effect is less than other cases and should be the last priority among the offensive strategies considered by Bank Mellat in the current sanctions. Finally, according to the results obtained in this section, it is quite clear that all 10 components should be considered in the position of offensive strategies as follows:

1. Gain more customers' trust in bank deposits instead of investing in stocks and precious metals.

2. Improving the motivation of customers to make the most of their capital by investing in banks.
3. Pay more attention to competitors (their movements in the market, their new services, their communication systems with customers and in general monitoring of competitors in the market, especially new entrants and emerging private banks ...).
4. Increase market share by resorting to new customer communication systems and flexible pricing of services (new services, improving service quality, improving customer clubs and customer voice, strengthening technological capabilities, human resources and process re-engineering with contingency and realistic planning).
5. Increase the bank's brand credibility with customers by improving the brand image (reducing employees' brand-destroying behaviors, training and motivating employees to provide more and better service and gaining more customer trust, and strategic changes in the bank's marketing mix).
6. Special and unique offers and competitive advantage to improve the bank's

brand identity (such as new services, new terms and facilities for customers, increase investment profits in the bank, special facilities, etc., which of course all need strong awareness coverage). With the help of communication tools).

The results of the research are based on the steps of identifying the most important competitive components of Bank Mellat in the conditions of sanctions and determining the strategic position of the superior competitive components.

The results of the study of 30 competitive components and components in relation to each of the 5 competitive forces based on the Porter model for Bank Mellat were compiled and analyzed by 50 experts (managers and senior experts of this bank). , Has shown that out of 30 competitive components, 10 competitive components are recognized as the competitive components with the highest power in the conditions of sanctions for Bank Mellat, which are:

Table (15): Competitive components recognized with the highest power in terms of sanctions for Bank Mellat

Component (component) An important and powerful competitive force in the face of sanctions	competitive authority
<ul style="list-style-type: none"> • Cost of changing Bank Mellat services and products application 	Bargaining Suppliers
<ul style="list-style-type: none"> • Designing low-cost services by new financial institutions and banks • Access to experienced and important customers for new financial institutions and banks 	The power of newcomers to the banking industry
<ul style="list-style-type: none"> • Relative price of alternatives (services and products offered on the stock exchange, banks with other functions, currency and precious metals) 	Alternative services

<ul style="list-style-type: none"> • Changing the tendency of customers to invest in the stock market and precious metals instead of depositing in the bank 	
<ul style="list-style-type: none"> • Competitors' information complexities • Market share of rival banks 	Bargaining with existing competitors
<ul style="list-style-type: none"> • Motivation of customers to make a profit from their capital • Bank brand credibility with customers • The personality and identity of the bank brand with customers 	Customer bargaining power

Results of ranking and coefficient of strengths, weaknesses, opportunities and threats based on the 10 competitive components approved in the previous step and drawing a strategic action matrix

The results of this study also show that from the perspective of research experts, all ten competitive components considered by experts as the most important competitive and bargaining components in the current sanctions, are in the area of aggressive strategies of action evaluation matrix and strategic position.

These results show that the two competing components "changing customers' tendency to invest in the stock market and precious metals instead of bank deposits" and "customers' incentives to make a profit from their capital" have the best and most aggressive position in this strategic action matrix. Have been. On the other hand, the competitive component "cost of changing the application of Bank Mellat services and products" has the least aggressive position in this matrix. Although this component also has a known strategic offensive position in this matrix, but its offensive effect is less than other cases and should be the last priority among the offensive strategies

considered by Bank Mellat in the current sanctions.

These results mean that all ten of these competitive components should be considered by Bank Mellat executives with aggressive strategies for their competitive components in order to neutralize the effects of current sanctions and ensure the bank's success in the competition debate. On the other hand, Bank Mellat should pay more attention to "changing the tendency of customers to invest in the stock market and precious metals instead of depositing in the bank and improving the incentives for customers to earn more of their capital by depositing in the bank instead of alternative products such as Precious metals and stock exchanges, etc. "using modern banking methods, strong marketing communications, penetration in new markets, etc.

This result also shows that the most important competitive powers for Bank Mellat in the face of sanctions (based on the opinions of experts and managers of the bank), the bargaining power of customers and the power of alternative products and services have been due to current uncertainties in Economically and financially, it is quite justifiable for customers to use banking services.

Answering research questions according to the research results

In this section, the research questions are answered separately according to the research results:

- In the current situation where Iran is under economic and political sanctions, does Bank Mellat have appropriate strategic planning and accountability? Given that all the competitive components (competitive components) in the action matrix and strategic position in the region are aggressive strategies, it can be generally concluded that Bank Mellat in its strategic planning in the field of competitive forces in an acceptable position. None of the existing competitive forces have entered the bank into conservatism and defensive positions in the market.

- What are the five competitive forces for Bank Mellat? As it turned out, all 5 competitive forces, namely customer bargaining, supplier bargaining, the power of new entrants to the banking industry, alternative services and bargaining of existing competitors are important for Bank Mellat due to its aggressive position in the action matrix and strategic position. . But the bargaining power of customers has been a stronger competitive force for this bank due to the most aggressive state of its competitive components.

- What has been the impact of sanctions on Bank Mellat's five competitive forces in the current situation? Based on the results, it can be concluded that the sanctions have caused all the competitive components for Bank Mellat to be in the area of aggressive strategies, which means that Bank Mellat must adapt all its marketing strategies to the competition in the market. Strengthen because of sanctions and does not back down or be conservative. Also in the context of sanctions, strategies to strengthen customers and increase their satisfaction and loyalty should be at the forefront of the bank's strategies to be able to

successfully overcome the uncertainty of sanctions.

- What have been the strengths and weaknesses of Bank Mellat against any of the competing forces in the face of sanctions? The results showed that the aggressiveness of all components and competitive forces for this bank, which have been questioned by the managers and experts of this bank due to the current sanctions, indicates the appropriate position of this bank and all the strengths and weaknesses related to these competitive components. Banks have been considered, have been effective in this regard. Therefore, the most important strengths of this bank are the long history of banking, high ratio of sales to accounts receivable, favorable situation in the ratio of overdue receivables to facilities, experienced and efficient manpower, use of appropriate advertising tools and new banking plans, use of the system Computers in finance have been the headquarters and the high ratio of equity returns, and in contrast to the most important weaknesses of the bank in the context of sanctions, restrictions on the use of new banking hardware and software, weakness in the use of new banking systems. Due to inadequate informatics infrastructure, it has been a heavy body that deprives the system of any mobility and dynamism, and a tall vertical structure and multiple hierarchies that reduce the possibility of rapid decision making.

Comparison of research results with previous research results

In recent years, numerous studies have examined the impact of environmental uncertainties, including sanctions, on the business activities of manufacturing and service institutions, including banks. Although the scientific and operational procedures performed in this research are unique in terms

of examining the variables and models used, and in other studies this procedure has not been used to compare approved and unverified variables and models, but it can be He referred to the research that has been done in this field, to the research elements in confirming the need to pay attention to aggressive and competitive marketing strategies in the face of uncertainties and sanctions.

Khourshidi & Noujavan Research (2013) entitled "Competitive Analysis and Selection of Competitive Strategies Based on Porter Competitive Forces Model, Fuzzy Hierarchical Analysis and Data Envelopment Analysis", which shows the two competing forces of newcomer threat and intense competition Among the existing competitors, the most important competing forces are Iran Khodro.

Research of Hosseini et al. (2015) entitled "Analysis of marketing strategies of service companies during the recession", which shows the relationship between other marketing mix factors other than sales promotion and distribution factors with the sales of companies is significant Is. Another conclusion is that successful companies during the recession period did not go to reduce activity and reduce costs, but used the recession as an opportunity and used the strategy of development and differentiation.

Research suggestions

scientific research, in addition to its mission, necessarily needs to provide methods and suggestions on the subject of study and similar cases in order to be a guide and beacon for other interested people who may take this step in the future. Based on this, the following suggestions are presented. Since all 10 components or competitive components studied are located in the region of strategic offensive position, it is therefore recommended that

senior managers, experts and planners of Bank Mellat:

- It is very important to pay attention to having multiple and parallel marketing strategies to respond to income-generating opportunities.

- Refusal to reduce and increase the price of banking services multiple times and create a price war in the market, should be considered.

- Managing expenses and resources and preventing losses, wastes and wasting various resources should be at the forefront of the bank's programs.

- Appropriate and selective presence in advertising and promotion activities to strengthen the brand and maintain its position in the market.

- Gain more trust from their customers (current and potential) to deposit in the bank instead of investing in the stock market and precious metals.

- To improve the motivation of customers to earn the most profit from their capital by investing in this bank with special conditions of bank facilities and interest rates and types of bank accounts.

- Monitor the movements of competitors in the market, their new services, their communication systems with customers and in general the monitoring of competitors in the market, especially new entrants and emerging private banks ... with up-to-date information systems.

- To provide new services, improve service quality, improve customer clubs and customer voice, strengthen technological capabilities, human resources and re-engineer processes with contingency planning.

- Increase the bank's brand credibility with customers by improving the brand image (reducing employees' brand-destroying behaviors, training and motivating employees to provide more and better service and gain

more customer trust, and strategic changes in the bank's marketing mix).

- To create new conditions and facilities for customers, increase the investment profit in the bank, special facilities, etc., which of course all need strong awareness coverage with the help of communication tools.

- In markets where the bank brand is strong and there are real customers, to plan and expand services.

- To cooperate, partnership and appropriate mergers between the bank's as well as with other partner or rival banks. - Find some useful and effective foreign markets in countries with which good relations are established.

- To finance the bank, through new ways such as penetrating new markets, discovering vacuum markets, supporting events as events as a tool to attract financial support from other organizations and also increase customer rates by sponsoring events and ... Turn around.

- Identify loyal and experienced customers and be diligent in maintaining and retaining them in the bank's interaction with various communication systems.

- Strengthen and strengthen their relationships with suppliers of banking software and hardware. - Inform about the high security of investment in banks against the risks of investing in alternative products such as precious metals, stock exchanges, etc.

- Management of foreign exchange reserves should be highly considered in order to provide and increase the bank's resources. In this regard, it is possible to reduce the commission rate and prepayment (consider lower fees and prepayments for foreign exchange facilities that prevent capital flight from the banking system and can to some extent prevent the consequences of sanctions on the banking system) cited.

Future research suggestions

Future researchers are encouraged to pursue this research with topics such as:

- In the future, strengths, weaknesses and opportunities and more and more careful threats to measure their impact on the competitive components in the 5 main competitive forces for the competitive Bank Mellat to be proposed and analyzed.

- This research be considered among other banks and financial-service institutions in this industry and similar industries in order to identify the most important competitive components in the context of sanctions and their uncertainties and compare their results with the results of the present study.

- Future research be carried out using other strategic review frameworks, such as scenario planning and planning, multi-criteria planning, and so on.

Resources

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