



## **BLUE OCEAN STRATEGIES (BOS) OVER BUSINESS PERFORMANCE: EVIDENCE FROM SRI LANKAN BANKING INDUSTRY**

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### **Abstract**

Organizations struggled to find out their competitive edge among the others in order to sustain in their business throughout the civilization. They engaged in number of strategies similar to their competitors which was known as Red Ocean Strategies (ROS). However, it was a difficult task for them to achieve the sustainable competitive advantages with the huge competition. At the same time some companies focused on separate section of customers with innovative strategies of the same product in order to remain in the business with accomplishment which was identified as Blue Ocean Strategies (BOS). The objective of this study is to analyze the influence of BOS over the business performance of banking industry. The conceptual framework which has been incorporated in the study is a further development of Michael Porter's Value Chain model. The study concerned on both qualitative and quantitative methods. Secondary data gathered from listed banks were questioned in interviews to identify the real application of BOS. More specifically, the study found that there is a positive relationship between BOS and business performance of listed banks in Sri Lanka. However, it was revealed that the impact for the non-financial performance is considerably high.

Keywords : Blue Ocean Strategies, Business performance, Banking industry,  
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