

Strategic Business Model Development for Architectural Services: Analyzing Competitor Designs

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ABSTRACT

This study employs a convenience sampling method to investigate the design services industry in Shi Jiazhuang City, focusing on a construction company's design department employees in senior or middle management roles. Utilizing SWOT analysis and Porters Five Forces, the study identifies strengths, weaknesses, opportunities, and threats in the industry, shedding light on crucial factors like quality, communication, and differentiation. The Porters Five Forces analysis reveals challenges from new entrants, supplier bargaining power, client influence, and substitutes. Subsequently, a comprehensive strategic business model is derived, emphasizing dimensions such as finance, response, enterprise, learning, firm, and innovation. This model addresses specific challenges like expertise shortages, brand recognition, and project setbacks, providing a holistic framework for sustained growth and competitiveness. The study encourages adaptability, proactivity, and preparedness in navigating dynamic market conditions. Overall, the research contributes valuable insights for the design service company, offering a strategic guide to position itself effectively within the industry and ensure sustainable success. The findings underscore the importance of efficient financial practices, skill enhancement, brand development, continuous learning, firm optimization, and innovation in navigating challenges and leveraging opportunities. This study provides a nuanced understanding of the industry's dynamics and offers practical recommendations for the company to thrive in the ever-evolving market landscape.

Keywords: Design services industry, SWOT analysis, Porters Five Forces, Strategic business model, Shi Jiazhuang City

INTRODUCTION

Architectural firms and professionals have an impact, on the construction industry shaping the environment in a dynamic and diverse manner. Architects bring together aesthetics, functionality and adherence to regulations in their designs. This multifaceted industry encompasses aspects such as design practices, urban planning, the creation of inviting public spaces designing interiors for residential, commercial and institutional buildings as well as creating beautiful gardens, parks and green areas that harmonize with the surrounding structures (Iyengar, 2015; Peter & Yang 2019; She ykhmaleki et al. 2021).

The business model of a firm outlines how it creates value for its clients and stakeholders. It encompasses elements such, as defining its value proposition identifying target markets establishing revenue streams building partnerships conducting key activities allocating resources effectively nurturing customer relationships and managing cost structures (Sorescu2017; Baldassarre et al.,2017). The model serves as a framework, for the company's day, to day activities its ability to stay ahead in the market and how it interacts with clients.

The success of design firms depends on a balance of various factors that drive their growth, reputation and client satisfaction. Design excellence is crucial as firms aim to deliver sustainable designs that cater to their client's needs (Freestone, 2018). Building a reputation and establishing a brand through a history of satisfied clients further solidifies their position, in the industry (Husda, 2017). Ensuring client satisfaction becomes a priority, by delivering projects on time and providing service that leaves clients happy and content. Effective business development and marketing strategies help attract clients while highlighting the firms unique value proposition distinguishes them from competitors (Kryscynski et al. 2021). A team of architects, designers and project managers enhances their expertise. Elevates the firms' capabilities. Implementing financial management practices ensures sustainability and steady growth. Embracing tools and fostering innovation drives efficiency improvements keeping them ahead of the game. Incorporating practices provides a competitive advantage while meeting clients eco conscious preferences. Client engagement and communication foster collaborative relationships resulting in seamless project outcomes. Remaining aware of market trends and emerging technologies enables firms to adapt and stay relevant in this industry (Bukusi, 2020).

Collaborating with a network and forming partnerships allows them to tackle a wide range of challenging projects propelling their success to new heights (Yami et al., 2021). For example, a study conducted by Koprivnjak and Peterka (2020) emphasizes the significance of developing and establishing a business model to thrive in today's intricate and ever-changing market environment. The research underscores elements of the business model that serve as the building blocks, for ICT firms competitive edge empowering them to offer unique value propositions and ensure their long-term viability and sustainability.

Furthermore, Competitor analysis is crucial for strategic decision-making as it provides valuable insights into the strengths and weaknesses of competitors, helping businesses understand their market positioning and identify opportunities for differentiation (Aaker & Wooman, 2017). It also allows companies to gain insights into customer preferences, benchmark their performance, exploit competitor weaknesses, and anticipate market trends and risks (Wang et al., 2018; Czepiel, 2020; Coleman et al. 2017). Competitor analysis informs strategic planning, pricing, and positioning strategies, while inspiring product development and innovation (Abdel-Basset et al. 2018). Moreover, it aids in resource allocation decisions, enabling companies to prioritize initiatives that enhance their competitiveness (Lykouris & Vassilvitskii, 2018).

China is experiencing a rate of urbanization which's, among the highest in the world. Projections indicate that by 2025 the country will have constructed an equivalent of ten cities in size to New York. The 14th Five Year Plan of China emphasizes the importance of urban renewal initiatives to improve living conditions in cities with a focus on creating more efficient areas. Recent trends in the fields of design and construction primarily revolve around catering to communities, residents and culture related projects (Chen et al., 2018). However, there are challenges faced by design firms from the United States when operating in China. Due to licensing restrictions these firms usually need to collaborate with design companies for their projects since a few multinational corporations have obtained full architectural licenses (Urban China: Toward Efficient, Inclusive, and Sustainable Urbanization, 2014). These obstacles have the potential to hinder the realization of opportunities to design firms in the Chinese market. With these, this study addresses a critical gap in understanding the dynamics of the Chinese architectural market, providing valuable insights for firms seeking to navigate the challenges and capitalize on the opportunities presented by China's rapid urbanization and technological advancements in the design and construction sectors through integration of SWOT analysis and Porters five forces analysis.

Theoretical Framework

The SWOT analysis, which stands for Strengths, Weaknesses, Opportunities and Threats is a tool used in planning. It examines both external factors that impact the performance of an organization, business or project. While there isn't a founder of SWOT analysis it was Albert S. Humphrey, a management consultant,

at Stanford Research Institute (SRI International) who played a significant role in formalizing and popularizing this strategic framework. Back in the 1960s and 1970s Humphrey and his team effectively utilized SWOT analysis to enhance planning effort.

Figure 1. SWOT Analysis

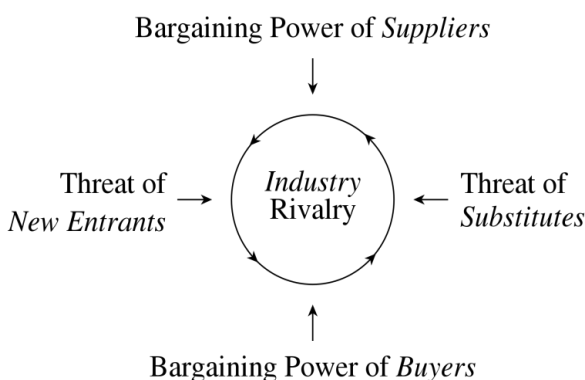


Source: <https://www.westga.edu/academics/university-college/dma/aami/swot-analysis.php>

Competition Forces, also known as Porters Five Forces was originally developed by Michael E. Porter in 1979 at Harvard Business School. It was introduced in his book "Strategy; Techniques, for Analyzing Industries and Competitors." This model outlines forces that impact industries; 1. The threat of entrants; This force evaluates how easy it is for new businesses to enter an industry. 2. Buyer bargaining power; This force measures the influence customers have on pricing and terms. 3. Supplier bargaining power; This force examines suppliers' ability to set prices or affect product quality. It is particularly relevant in industries with suppliers or high switching costs. 4. Threat of substitute products or services; This force assesses the availability of options outside the industry that may compete with existing products or services. 5. Existing competitors; This force considers the level of competition within the industry, which can lead to price wars, reduced profits and increased product differentiation.

Strategic planning often involves combining Porters Five Forces analysis with a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats). By using this integrated approach businesses can gain insights into their capabilities identify areas for growth and determine areas that require improvement. These factors are essential in developing a business model, for services.

Figure 2. Porter's Five Forces



Source: Porter, M. E. (2008). The five competitive forces that shape strategy. Harvard business review, 86(1),7

Integration of SWOT Analysis and Porter's Five Forces in the Strategic Business Model

Various studies have explored the integration of SWOT analysis and Porter's Five Forces in the Strategic Business Model. This integration is crucial for a comprehensive strategic outlook, offering a holistic view that combines internal and external factors. For instance, Birru et al. (2022) emphasized the importance of differentiating competitive analysis and customer satisfaction based on insights from SWOT during the challenging period of the Covid-19 pandemic. Oneren et al. (2017) integrated SWOT and Porter's Five Forces for a business firm in the food sector, identifying strategic items related to strengths and opportunities in competitor forces, leading to the development of competitive strategies. Furthermore, Budiharso and colleagues (2022) utilized SWOT Analysis and Porter's Five Forces to assess curriculum, operations, and competition in an Islamic Education Management School. The integration revealed deficiencies and highlighted the importance of strategic management and innovation for competing with competitors, especially in expanding programs globally. These studies showcase that integrating SWOT and Porter's Five Forces provides a synergistic approach to strategy formulation, offering a thorough understanding of internal capabilities aligned with external market conditions. This holistic perspective aids in identifying strategic alternatives, mitigating risks, and enhancing decision-making, ultimately ensuring sustained competitiveness and adaptability in dynamic markets.

Furthermore, Budiharso and colleagues (2022) conducted a study that focused on the management strategies employed in the postgraduate program, at the Islamic Education Management School. They utilized a design and content analysis, employing SWOT Analysis and Porters Five Forces model to assess the curriculum, operations and competition. Data was gathered from 19 participants through questionnaires, checklists and document analysis. The findings revealed that there were aspects in the implementation of the S3 MPI programs curriculum, in terms of content quality and innovation readiness. The SWOT analysis highlighted threats arising from deficiencies in the curriculum, faculty quality and marketability of content. In addition to this it was found that strategic management and innovation for competing with competitors were lacking, with consideration given to expanding S3 MPI in the global market.

There are also studies that specifically focus on utilizing SWOT matrix for planning purposes. Like Gepner et al. (2022) conducted research comparing two corporations. Novaland and Hung Think. Using the SWOT matrix approach. Through this analysis they identified strengths, weaknesses, opportunities and threats associated with each corporations' operations which provided insights and recommendations, for their future development. The researchers concluded that real estate holds value within a commodity market but is also an expensive asset.

METHODS

Participants of the study and sampling

In this study, a convenience sampling method was employed to select participants, with a total of 10 respondents from the company. Convenience sampling involves choosing participants based on their availability and willingness to participate in the study. The respondents were employees of the construction company who met specific criteria, namely: (a) having been employed for at least 5 years or being regular employees, (b) working in the design department, and (c) holding senior or middle management positions, as outlined by Kriauciunas et al. (2011).

For the SWOT analysis, questionnaires were administered to the selected participants within the company. In contrast, data for the Five Forces Analysis were gathered from various research sources such as industry reports, market analyses, and relevant statistical data, as referenced in the works of Abrams (2010) and Fricker (2008). It is important to note that the convenience sampling method has inherent limitations, as it may not accurately represent the entire population. Consequently, the findings of this study should be

interpreted with caution and may not be generalized to other design firms. Despite this limitation, the researchers aimed to ensure the relevance and reliability of the data collected by focusing on participants who met specific criteria within the chosen company.\

Research Instrument

In the dual survey research approach, we use two questionnaires to gather insights, from different perspectives. One questionnaire was designed for research company focusing on conducting a SWOT analysis, other items were adopted from the study of (Ghazinoory et al., 2011). It helps us identify and evaluate the strengths, weaknesses, opportunities and threats of the company. The second questionnaire is tailored specifically for competitor’s side. It includes questions related to competitor analysis and evaluation which adopted from the study of (Chermack & Kasshanna, 2007), allowing us to gather information about their strengths, weaknesses, opportunities, and threats.

Data Analysis

This study utilized a dual survey research approach. This particular research design involves the collection of two sets of data, namely surveys and data mining which are often conducted simultaneously to gather insights, from angles (Zaveri, 2013). The design typically entails administering two sets of surveys and analyzing two datasets. The researchers employ a research method to thoroughly examine the SWOT and Porters Five Forces.

RESULTS AND DISCUSSIONS

This study utilized a research methodology to study the SWOT Analysis and Porters Five Forces. And evaluated the responses of participants using the SWOT Analysis method. To conduct an analysis of Porters Five Forces and integrate data such, as industry reports, market analyses and pertinent statistical information.

Table 1. SWOT Analysis results

No.	Aspects	Chinese Responses	English Responses
1.	<p>Strength</p> <p>1.1 What do you consider to be the greatest strengths of the company? (Please provide 3-5 examples).</p> <p>1.2 What ways do you believe the company stands out from its competitors?</p> <p>1.3 What do you feel are the company's core competencies?</p>	<p>我们在中国石家庄市的设计师和建筑师拥有高素质(P1,P3,P6)。</p> <p>我们以创意和高质量的设计解决方案而闻名(P1,P4,P8)。</p> <p>我们使用尖端的设计软件和技术来产生前沿的设计(P1,P7,P2)。</p> <p>我们广泛的行业联系和合作伙伴帮助我们获取资源和机会(P1,P9)。</p> <p>我们优秀的客户服务和沟通技巧使我们能够满足客户的需求 (P2,P6,P3)。</p> <p>务和沟通技巧使我们能够满足客户的需求 (P4, P10)。</p> <p>我们多样化的成功项目展示了我们在不同领域和创意风格面的能力 (P3,P9,P10)。</p>	<p>(Q1) Our designers and architects in Shi Jiazhuang City, China, are highly qualified (P1,P3,P6)</p> <p>(Q1) We are known for our creative and high-quality design solutions (P1,P4,P8)</p> <p>(Q1, Q2) We produce cutting-edge designs using cutting-edge design software and technology (P1,P7, P2)</p> <p>(Q2) Our extensive industry contacts and partnerships help us access resources and possibilities (P1,P9)</p> <p>(Q2) Our excellent customer service and communication skills allow us to meet our clients' needs (P2,P6, P3)</p> <p>(Q2) Our organization consistently meets deadlines and budgets, ensuring client satisfaction and trust (P4,P10)</p> <p>(Q3) Our valued portfolio of successful projects shows our ability across sectors and creative styles (P3, P9, P10)</p>
2.	<p>Weaknesses</p> <p>2.1 What do you consider to be the biggest weaknesses of this company? (Please provide 3-5 examples.)</p>	<p>我们的设计服务在某些特定细分设计领域面临特定专业知识的有限供应 (P3, P5)</p>	<p>(Q1) Our design services face a limited availability of specialized expertise in certain niche design areas (P3, P5)</p>

	<p>2.2 In what areas do you believe the company could improve? 2.3 What challenges does the company face that could limit its success?</p>	<p>我们遇到资源限制，影响我们承接大项目或投资先进技术的能力 (P3, P5, P8) 我们在市场上的品牌认知度有限，特别是与市场上更成熟的竞争对手相比较 (P3, P8)。 我们遇到项目进展缓慢、超支或项目结果不尽如人意 (P3, P5, P8)。</p>	<p>(Q1) We experience resource constraints, which affected our ability to take on larger projects or invest in advanced technology. (P3, P5, P8) (Q1,Q2, Q3) We have limited brand recognition, especially when compared to more established competitors in the market (P3, P8) (Q1,Q2,Q3) We experience delays, cost overruns, or unsatisfactory project outcomes (P3, P5, P8)</p>
<p>3.</p>	<p>Opportunities 3.1 In what ways could the company improve its products or services to better meet your needs? 3.2 Are there any new products or services that you would like to see the company offer? 3.3 In what ways could the company better engage with its customers and build stronger relationships?</p>	<p>由于经济扩张和城市发展涉及多个领域，设计服务需求旺盛。这为我们提供了多个公司增长的机遇(P1, P4, P9) 我们可以展示我们的专业知识，并积极参与城市基础设施项目，包括新建筑物、道路和公共区域(P10) 随着建筑和设计方法越来越注重可持续性和环保，我们可以满足市场对绿色建筑的需求，提供环境友好型解决方案(P2, P3, P6, P7, P9) 随着购买力的增加，对高品质和创新设计解决方案的需求日益增长。这使我们可以针对寻求高端服务的客户与当地企业和创业者合作可以让我们尝试新事物并丰富我们的客户群(P1, P4, P5, P8, P10) 务的客户与当地企业和创业者合作可以让我们尝试新事物并丰富我们的客户(P2, P5, P9)</p>	<p>(Q1) Due to economic expansion and urban development across sectors, design services are in high demand (P1, P4, P9) (Q1) We can demonstrate us knowledge and actively participate in city infrastructure projects, including new buildings, roads, and public areas. (P10) (Q2) Green building designs by providing environmentally friendly solutions as construction and design methods become more sustainable and eco- friendly. (P2, P3, P6, P7, P9) (Q2) High-quality and inventive design solutions are in demand as purchasing power rises. This lets us target premium service clientele (P1, P4, P5, P8, P10) (Q1, Q3) Partnering with local businesses and entrepreneurs allows us to try new things and diversify our customers (P2, P5, P9)</p>
<p>4.</p>	<p>Threats 4.1 What factors could negatively impact customer relationship with the company? 4.2 Are there any competitors that you feel are better positioned to meet customer needs? 4.3 What external factors (e.g. economic, regulatory, societal) could impact the company's success?</p>	<p>与客户的沟通不畅或缺乏有效沟通可能导致误解、延误和不满 (P2, P3, P6)。 如果我们的设计方案在质量上不符合客户的期望，或者未能按时交付项目，会导致客户感到沮丧和失望，从而对客户满意度产生负面影响(P3, P6, P8, P9) 石家庄市的设计服务行业竞争激烈，有许多已经成立和新兴的参与者争夺项目 (P1, P3, P8, P10) 设计软件和工具的快速进步要求我们不断投资提升技能，以保持行业的领先地位并为客户提供尖端解决方案 (P3, P5, P8, P9) 经济不确定性和波动可能影响建筑和房地产行业，直接影响对设计服务的需求 (P3, P7)</p>	<p>(Q1) Poor communication or lack of effective communication with our clients may lead to misunderstandings, delays, and dissatisfaction (P2, P3, P6) (Q2) If our design solutions do not meet the client's expectations in terms of quality or if we fail to deliver projects on time, it can result in frustration and disappointment, negatively affecting customer satisfaction (P3, P6, P8, P9) (Q2) The design service industry in Shi Jia Zhuang City is highly competitive, with numerous established and emerging players vying for projects (P1, P3, P8, P10) (Q3) The rapid advancements in design software and tools require us to invest continuously in upskilling to stay at the forefront of the industry and provide cutting-edge solutions to our clients (P3, P5, P8, P9) (Q3) Economic uncertainties and fluctuation can impact the construction and real estate sectors, directly affecting the demand for design services (P3, P7)</p>

In table 1, certain design services companies excel in knowledgeable designers and architects, gaining a reputation for high-quality offerings. Utilizing cutting-edge software, they meet evolving client demands, foster collaborations, and consistently deliver on deadlines and budgets, ensuring customer satisfaction. Meanwhile, some firms face limitations in expertise and resources, hindering growth and innovation. Opportunities in the thriving economy, urban development, and sustainability practices present a chance for our company to expand, contribute to city progress, and target clients seeking premium services.

Collaborations can open doors to new markets and design opportunities (Abecassis-Moedas et al., 2012).

However, addressing threats like communication issues is crucial to maintaining our reputation. Negative experiences can lead to a loss of business, emphasizing the importance of delivering quality designs and meeting project deadlines (Oyedele et al., 2012). In a competitive market, differentiation through brand identity, a unique value proposition, and staying updated with design advancements are essential. Economic fluctuations may impact demand, requiring the company to remain nimble and adaptable to navigate downturns effectively.

Table 2 Porter’s Five Forces

External Forces	Evidence
Threat of New Entrants	The design services industry in Shi Jiazhuang City may face a moderate threat of new entrants, as the city's economic growth and urban development attract potential competitors.
	New Entrants such as: DAS lab is a design studio that specializes in creating contemporary and innovative spaces. They have a strong focus on using sustainable materials and practices in their work.
	Zhuoyuan Design Studio is a graphic design studio that creates custom branding, marketing materials, and websites
	<i>(Listcompany.org, 2022; Architizer.com, 2022; Lim et al., 2019)</i>
Bargaining Power of Suppliers	The bargaining power of suppliers in the design services industry is generally moderate. Suppliers of design software, equipment, and materials may have some leverage (My et al., 2019; Zhao et al., 2015).
	One of the suppliers is "Shijiazhuang Sanhe Steel Structure Co.,Ltd" a professional manufacturer who's devoted to steel structure construction. Provide the whole set of services include making construction designs, producing products and installation (Chinaroof, 2022).
	Another is CH founded in 1992 located in Shijiazhuang Hebei China. CH provide differentiated shop services for brand enterprises, to be the messenger of beauty and the creator of green business space is our vision. Respect, integrity, responsibility, innovation, practice and collaboration is our core values.
Bargaining Power of Customers	Large and high-profile clients may have more bargaining power due to their ability to influence projects and service terms (Choi & Triantis, 2012).
Threat of Substitutes	The threat of substitutes in the design services industry may be relatively low. Design services often require specialized expertise and tailored solutions (Stroe, 2014).
Competitive Rivalry	Competitive rivalry in the design services industry in Shi Jiazhuang City can be high, given the presence of numerous design firms competing for projects.
	This is evident because of numerous service design companies in Shijiazhuang City, such as: 1. Shijiazhuang City Construction Company Design Limited Company. 2. Shijiazhuang Suyada Construction Decoration Design Engineering Co.,Ltd. 3. Yongxiang Construction Company Decoration Engineering Design Limited Company. 4. Macalline Huanqiu Home Furnishing Design Exposition Center 5. Shijiazhuang Zhuoyuan Design Studio6. Shijiazhuang Zhouji Decoration Design Limited Company.
	<i>Bloomberg (2023) Shijiazhuang City Construction Investment Group LLC</i>

In the table 2, have presented the findings of Porters Five Forces analysis. When it comes to the entry of players the existence of design studios, like DAS lab and Zhuoyuan Design Studio presents a moderate challenge to established companies in Shi Jiazhuang City. These newcomers bring perspectives and

innovative design approaches, which could attract clients away from existing players. Moreover, their focus on sustainability and contemporary design might appeal to clients who are seeking cutting edge solutions. As for the bargaining power of suppliers companies such as "Shijiazhuang Sanhe Steel Structure Co.,Ltd" and CH hold an position in the design services industry. They provide resources like design software, equipment and materials so any changes in their pricing or availability could significantly impact the profitability and operations of design firms. On the hand prominent clients within the industry possess bargaining power. Their influence over project terms pricing and timelines can create pressure for design firms to meet their demands (Case Analysis Of Porter's Five Forces Analysis Pixar | ipl.org, 2023). It becomes vital for these firms to satisfy clients as their satisfaction can result in repeat business opportunities and positive referrals (China, 2012). When it comes to substitute services posing a threat the design services industry experiences risks in this regard. The specialized expertise offered by design firms along, with tailor made solutions make it difficult for alternatives to replicate their services effectively (石碧涛, 2018).

However, there may be challenges, in market segments due to the advancements, in technology and the availability of DIY design tools. In Shi Jiazhuang Citys design services industry there is a level of competition as numerous firms compete for projects. This intense rivalry often leads to price wars. Puts pressure on margins as companies strive to attract clients and outperform their competitors. According to Betz (2002) there is a Strategic Business Model that outlines how a company should adapt its operations for success. This model summarizes the policies that will help prepare the company for performance. There are six types of business models that can be utilized in strategic planning; Strategic Finance, Strategic Response, Strategic Enterprise, Strategic Learning, Strategic Firm and Strategic Innovation.

Table 3. Strategic Business Model

Strategic Models	Description of the Strategy
Strategic Finance	1. With highly qualified designers and architects, the company can maximize its expertise to improve financial management practices. The company can optimize profitability and cost-effectiveness by analyzing project costs, resource allocation, and budgeting more efficiently.
	2. The company should invest in cutting-edge design software and technology to meet clients' evolving demands. Although there may be resource constraints, strategic financial planning can prioritize technology investments that yield the highest return on investment and enhance the company's competitive edge.
	3. Diversifying service offerings can address the limited availability of specialized expertise in certain niche design areas. The company can conduct a cost-benefit analysis to identify lucrative niche areas and invest in training or hiring skilled professionals to fill the gaps.
	4. Limited brand recognition can be improved through targeted marketing efforts. By allocating a portion of the budget to brand- building initiatives, the company can increase visibility, promote success stories from varied portfolios, and strengthen the company's reputation in the market.
	5. Given the importance of excellent customer service and communication in attracting and retaining clients, financial resources should be allocated to enhancing client interaction processes. Training staff in effective communication and ensuring timely project updates can improve customer satisfaction and foster long- term client relationships.
	6. The company can allocate resources to capture a larger market share and expand its client base by strategically positioning itself as a critical player in city infrastructure projects.
	7. The company can invest in research and development for environmentally conscious solutions. This aligns with market preferences and opens doors to green building projects that are financially viable and contribute to the company's long-term sustainability.
	8. The company should establish risk management strategies, such as diversifying the client base and project portfolio to mitigate the impact of economic downturns.
	9. To address the threat of rapid advancements in design software and tools, the company should allocate a portion of the budget for continuous upskilling and professional development.
	10. The company can respond swiftly to emerging threats and capitalize on new opportunities by keeping financial reserves and employing agile financial planning.

Strategic Response	1. Design service companies may stay competitive in designing solutions by improving employee skills and expertise.
	2. Should actively market its creative and high-quality design solutions. The company's distinctive design approach and success stories can attract new clients and boost its brand image.
	3. Invest in cutting-edge design software and technology to stay ahead. This will allow the organization to create new designs to meet clients' changing needs.
	4. Partnering with industry leaders and related sectors which gives the organization greater resources and growth opportunities.
	5. Strong customer relationship management systems should be implemented to improve customer service and communication. Regular feedback and rapid problem resolution will build client connections and increase referrals.
	6. Service design companies should actively address specialist design expertise shortages. Strategic hiring, training, or relationships with experts in certain fields may be needed.
	7. To overcome resource limits, the organization should prioritize strategic projects with the greatest growth and profit potential. Projects are completed efficiently and within budget with good project management and resource efficiency.
	8. Targeted marketing initiatives that showcase the company's strengths, unique selling factors, and successful projects can help overcome limited brand recognition. This will boost brand awareness and distinguish the company from well-known competitors.
	9. Strong risk management methods help companies anticipate and mitigate dangers. This includes planning for economic swings, monitoring project timetables, and assessing client satisfaction regularly.
	10. The company should prioritize sustainable growth while exploiting economic expansion. Balance short-term advantages with long-term sustainability to ensure the company's market success and resilience
Strategic Enterprise	1. The organization should invest in talent development initiatives to further create highly skilled designers and architects. Career advancement and incentives can help retain top personnel and ensure a trained and educated staff.
	2. The company should establish a strong brand identity and promote its creative and high-quality design solutions through focused marketing. Strategic alliances and industry events boost brand visibility and reputation.
	3. To meet clients' changing needs and stay ahead of the competition, the organization should invest in ongoing technical upgradation.
	4. Building relationships with other businesses and entrepreneurs in Shi Jiazhuang City can lead to creative ideas and new markets. Strong local business contacts can boost growth and expansion.
	5. The company should use good project management to avoid delays, cost overruns, and poor results. Setting realistic timelines and budgets, efficient resource allocation, and proactive risk management assure customer satisfaction and reputation.
	6. Economic expansion and urban development have increased demand for design services, giving the organization an opportunity to boost its client base and market presence. This market is suitable for proactive business development.
	7. The organization should lead in green design to attract clients.
	8. The organization should establish good communication channels, solicit client feedback, and communicate clearly throughout the process.
	9. The company can grow in a dynamic market by adapting to market conditions and tracking industry trends.
Strategic Learning	1. Prioritize talent development and training.
	2. Invest in smart branding and marketing to increase brand recognition. Find unique selling features and build engaging brand messages by conducting market research and competitive analysis. Optimize the marketing strategy by regularly measuring its efficacy.
	3. Promote creativity and innovation in the teams, and encourage exploration and experimentation, resulting in innovative design solutions that suit clients' changing needs.

	4. Joint ventures and creative projects will create new markets and broaden problem-solving views.
	5. Poor communication and bad customer experiences demand a customer-centric approach. The company actively seek client input, conduct post-project evaluations, and use client insights to improve customer service and project management.
	6. Improve the value proposition by researching market trends, competitor strengths, and client preferences.
Strategic Firm	1. Capitalize on the talents of the designers and architects. The company should aspire to build a professional and educated staff that regularly provides great design solutions, boosting its reputation and recruiting new talent.
	2. Launch a smart branding and marketing strategy to increase brand recognition and stand out in the market. The company can attract more clients, boost its brand image, and become a market leader by highlighting its unique, high-quality design solutions.
	3. Stay competitive and satisfy customers by investing in cutting-edge tools to create novel designs that meet their changing needs.
	4. Explore strategic partnerships with local businesses and entrepreneurs. The firm will grow and diversify through these relationships.
	5. Prioritize client communication to improve customer service. The company can assure client satisfaction and long-term relationships by communicating clearly, meeting deadlines, and delivering high- quality designs.
	6. The Market research and trend tracking will help the companies to identify opportunities and manage risks.
	7. Focus on eco-friendly design solutions to capitalize on the growing demand by attracting sustainable clientele and improving the neighborhood by leading in environmentally friendly design.
	8. Strategically optimize our resources, making educated investment decisions that support growth goals. This approach lets companies grow their project scope and invest in innovative and efficient tools and technology. identify opportunities and manage risks.
	9. Focus on eco-friendly design solutions to capitalize on the growing demand by attracting sustainable clientele and improving the neighborhood by leading in environmentally friendly design.
	10. Strategically optimize our resources, making educated investment decisions that support growth goals. This approach lets companies grow their project scope and invest in innovative and efficient tools and technology.
Strategic Innovation	1. Invest in specialist design expertise and development.
	2. Streamline the procedures, prioritize strategic projects, and invest in cutting-edge tools and technology. Optimizing resource allocation lets innovate, grow, and improve efficiency.
	3. Telling an engaging brand story, demonstrating the successful projects, and using customer testimonials. The company can win new projects and create client confidence by developing a positive brand image.
	4. Use strong project management, realistic timetables and budgets, and clear client communication to achieve customer-centric excellence. Increase customer happiness, repeat business, and referrals by consistently producing high-quality designs and fulfilling deadlines.
	5. Work on brand identity and value proposition. The original designs, customer-centric attitude, and sustainable solutions will distinguish the companies from competition and attract discriminating clients seeking added value.

In Table 3, outlined a business model, for the design service of the company. This model encompasses dimensions such as Strategic Finance, Strategic Response, Strategic Enterprise, Strategic Learning, Strategic Firm and Strategic Innovation. When it comes to strategic finance, the importance of having designers who can optimize financial management practices (Hertenstein et al., 2004). According to Bruce et al. (1995) investing in cutting edge design technology diversifying our services and implementing targeted marketing efforts to enhance brand recognition (Bruce et al., 1995).

While strategic response highlights the need for skill improvement and active marketing strategies to stay competitive in the industry and address any expertise shortages that may arise. According to Bruce and Docherty (1993) a proactive approach to market changes and customer demands is crucial for maintaining a

competitive edge (Bruce & Docherty, 1993). Furthermore, it is important to continuously assess and adapt our business strategies to align with the dynamic market conditions.

On the other hand, strategic enterprise emphasizes the importance of building strong relationships with clients and stakeholders, as well as fostering a culture of innovation within our company (Oprime et al., 2011). This can be achieved by encouraging collaboration and creativity among our design team, exploring new technologies and methodologies, and consistently delivering high-quality services that meet or exceed client expectations. In order to effectively implement these strategies and achieve success, it is crucial for the design service company to have a clear and well-defined strategic plan (Betáková et al., 2022). This plan should outline specific goals and objectives, as well as the steps and resources needed to achieve them. Additionally building business relationships is crucial for the company growth (Slywotzky & Morrison, 2001).

In terms of strategic learning, advocate for talent development within teams along with techniques that foster creativity and innovation. This can involve providing training and resources to enhance the skills and knowledge of our designers, as well as promoting a culture of continuous learning and improvement (Hong & Kim, 2020). This can also involve engaging in partnerships or collaborations with educational institutions or industry experts to stay updated on the latest trends and techniques in design.

In view of strategic firm lies in capitalizing on the talents of our designers while maintaining an edge through technology adoption. This can be achieved by investing in cutting-edge design technology, diversifying our services to cater to different market segments, and implementing targeted marketing efforts to enhance brand visibility and attract new clients (He et al., 2019). Lastly under the umbrella of Strategic Innovation, investing in design expertise while streamlining procedures. This could involve implementing design thinking methodologies, conducting research and development to explore new design possibilities, and seeking feedback from clients and end users to continuously improve design solutions (Hong & Kim, 2020).

CONCLUSIONS

The strategic business model presented for the design service company in Shi Jiazhuang City encompasses various critical elements across different dimensions. The analysis has emphasized the importance of strategic finance, response, enterprise, learning, firm, and innovation to address the identified strengths, weaknesses, opportunities, and threats within the industry. Strategic finance underscores the significance of financial management practices, technology investments, service diversification, targeted marketing, and risk management. These elements aim to optimize profitability, enhance competitiveness, and establish a robust financial foundation. Strategic response focuses on skill improvement, active marketing, technology adoption, and strategic partnerships to stay competitive, address expertise shortages, and ensure continual innovation in design solutions. Strategic enterprise advocates for talent development, brand identity establishment, and building local business relationships to foster growth and diversification. Strategic learning emphasizes ongoing talent development, creativity, innovation, and staying informed about market trends and client preferences to adapt and thrive in a dynamic industry. Strategic firm centers around capitalizing on the talents of designers, maintaining a technological edge, prioritizing eco-friendly design, and optimizing resources for sustainable growth. Strategic innovation recommends investing in design expertise, streamlining procedures, building a positive brand image, and ensuring customer-centric excellence through strong project management.

The insights gained from a SWOT analysis, acknowledging the industry's strengths and opportunities while recognizing challenges such as expertise shortages, brand recognition issues, and occasional project setbacks. The business model provides a comprehensive framework to proactively address these challenges and leverage opportunities for sustained growth and competitiveness. Ultimately, the strategic business model encourages the design service company to be adaptable, proactive, and well-prepared in navigating the ever-changing dynamics of the market. It serves as a guide for sustainable and successful operations within the design service industry, considering the broader economic landscape, industry trends, and the company's unique position in Shi Jiazhuang City.

Strategic Business Model



The strategic business model encompasses key dimensions focusing on financial management, skill enhancement, brand development, ongoing learning, firm optimization, and innovation. In terms of strategic finance, the model advocates for efficient financial practices, strategic technology investments, and service diversification. Strategic response involves skill improvement, active marketing, and technology adoption. Strategic enterprise emphasizes talent development, brand identity, and local business relationships. Strategic learning encourages continuous talent development, fostering creativity, and staying informed about market trends. Strategic firm revolves around capitalizing on designer talents, adopting technology for competitiveness, and prioritizing eco-friendly design. Lastly, strategic innovation highlights investment in design expertise, procedural streamlining, and building a positive brand image through strong project management. This comprehensive framework aims to guide the company in adapting to industry dynamics and ensuring sustainable growth and competitiveness.

DECLARATIONS

Availability of data and materials

The raw internal SWOT analysis data has been securely stored to protect the privacy of participating firms, while a condensed version of the findings and pertinent external data sources for Porter's Five Forces analysis are accessible in the completed research report.

Competing interests

The authors declare that they have no competing interests.

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Authors' Contributions

The authors contributions to the paper are as follows: study formulation, data collection, draft manuscript preparation, data analysis. Both authors reviewed the results and approved the final version of the manuscript.

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