

## *Table of contents*

Preface .....	11
A road map of the thesis.....	14
1 Introduction.....	19
1.1 Problems related to transformation of European universal banks.....	19
1.1.1 The death of the dinosaurs?.....	19
1.1.2 Lessons from the past. The shape of European universal banks at the beginning of the Nineties .....	20
1.1.3 The way forward: how to become a market leader in European Financial Services .....	22
1.2 Definitions and concepts used.....	23
1.3 Scope, objective and questions of this thesis .....	33
1.4 About the research methodology.....	35
1.4.1 Choosing a methodology.....	36
1.4.2 Case selection .....	37
1.4.3 Method of data collection.....	39
2 The European universal banks and their environment: the emerging Global Knowledge Economy .....	41
2.1 Introduction .....	41
2.2 Developments in Information and Communication Technology .....	41
2.2.1 Technological developments and their life cycles .....	41
2.2.2 Laws governing technological development.....	42
2.3 The impact of ICT developments on organisations .....	43
2.4 Characteristics of the Global Knowledge Economy .....	46
2.4.1 The rise in the knowledge intensity of goods and services and of the processes for creating, producing and distributing them.....	47
2.4.2 The globalisation of markets for goods, services, capital and technology.....	47
2.4.3 Changing industry composition .....	48
2.4.4 The convergence of goods and services industries .....	48
2.4.5 The rise of the online economy .....	49
2.5 Regulatory and other policy related issues.....	53
2.6 The impact of the Global Knowledge Economy on Banking and Financial.....	54
2.6.1 Trends in Banking and Financial Services in Europe .....	54
2.6.2 The online economy .....	55
2.7 Conclusions .....	59
3 In search of a model for dynamic competitive strategy in the Global Knowledge Economy: the first component of the IDHM .....	61
3.1 Introduction .....	61
3.2 An overview of strategic analysis models and their characteristics.....	61
3.2.1 Portfolio models: the example of the Boston Consulting Group model .....	62
3.2.2 The Five Forces model by Michael Porter .....	63
3.2.3 Competency based and resource based models .....	67
3.2.4 Customer value creation in a value-net of relationships: Game Theory .....	72
3.3 The discipline of market leaders: focus on customer value creation and mapping value positioning .....	76
3.3.1 A general overview of the model .....	76
3.3.2 Value creation in the Operational Excellence discipline .....	80

3.3.3 Value creation in the Product Leadership discipline.....	83
3.3.4 Value creation in the Customer Intimacy discipline .....	86
3.3.5 A first short description of the organisations matching the different value disciplines.....	89
3.3.6 Mapping industries and companies with their dynamic customer value discipline .....	90
3.4 Conclusions .....	95
<b>4 Assessing the current organisational conditions for customer value creation: the Corporate Profile as the second component of the IDHM .....</b>	<b>97</b>
4.1 Introduction .....	97
4.2 From hierarchical forms to relational forms: beyond the business unit .....	97
4.3 Mapping the current customer value position of the company and its relationship capital .....	103
4.3.1 Introduction .....	103
4.3.2 Assessing the current organisation: the Corporate Profile .....	103
4.3.3 Different types of external relationships in support of value creation .....	111
4.3.4 How successful are the different types of external relationships really? .....	115
4.3.5 Competitive advantage by leveraging external relationship capital competencies .....	117
4.4 The transformation imperative: from the Industrial to the relationship organisation .....	120
4.4.1 Transformation from the Industrial organisation towards the extended organisation .....	121
4.4.2 Transformation from the extended organisation towards the relationship organisation .....	122
4.5 Integrating the Corporate Profile in the IHDM .....	125
4.6 Conclusions .....	126
<b>5 Designing a digital Relationship Capital Measurement System (RCMS): the third component of the IDHM .....</b>	<b>128</b>
5.1 Introduction .....	128
5.2 An overview of measurements and business drivers: from tangibles to intangibles ..	128
5.3 Measuring customer value creation across value disciplines: an overview .....	132
5.3.1 Performance measurement and Operational Excellence .....	132
5.3.2 Performance measurement and Product Leadership .....	136
5.3.3 Performance measurement and Customer Intimacy .....	140
5.4 Examples of integrated performance measurement systems: from costs to Intellectual Capital .....	143
5.4.1 The ‘Tableau de bord’ .....	143
5.4.2 The Balanced Scorecard .....	144
5.4.3 Examples of best practice companies using integrated measurement systems ..	148
5.4.4 Types of Intellectual Capital Management Systems .....	150
5.5 Measuring relationship capital customer value creation in the online economy: eMetrics .....	153
5.5.1 Introduction .....	153
5.5.2 EMetrics and customer centric business processes .....	154
5.5.3 EMetrics and customer value creation: from zero-defects to zero-defections ..	155
5.5.4 From visitors to loyal customers: the Customer Life Cycle .....	156
5.5.5 Transforming raw data into total-lifetime value .....	158
5.5.6 How much is external relationship capital actually worth? .....	161
5.5.7 EMetrics and ePerformance: best practice companies .....	162

5.6	Measuring customer value creation in marketplace and marketspace: constructing a digital Relationship Capital Measurement System.....	163
5.7	Conclusions .....	167
6	Applying the IDHM. Mapping strategic customer value creation with relationship capital in Banking and Financial Services: case studies from within the industry.....	169
6.1	Introduction .....	169
6.2	Transformation of Banking and Financial Services in the United States: lessons learned .....	169
6.2.1	Introduction .....	169
6.2.2	Internet Based Financial Services Business models .....	170
6.2.3	Mapping current strategic customer value positions of market leaders in the United States .....	172
6.3	Transformation of European Banking and Financial Services: mapping market leaders.....	175
6.3.1	Introduction .....	175
6.3.2	Mapping current strategic customer value positions of market leaders in Europe .....	176
6.4	Applying the IHDM to the European Banking and Financial Services industry .....	179
6.4.1	Introduction .....	179
6.4.2	Analysing conditions for internal relationship capital: the Corporate Profiles ..	180
6.4.3	Analysing external relationship capital behaviour .....	186
6.4.4	Overview of the results of the research using the IDHM .....	205
6.5	The transformation challenge for the incumbents: mapping organisational gaps.....	207
6.6	Conclusions .....	208
7	Applying the IDHM. Mapping customer value creation with relationship capital in the Global Knowledge Economy: case studies across industries .....	211
7.1	Introduction .....	211
7.2	Applying the hybrid model to converging industries in the Global Knowledge Economy .....	211
7.2.1	Introduction .....	211
7.2.2	Analysing conditions for internal relationship capital: the Corporate Profiles ..	212
7.2.3	Analysing external relationship capital behaviour .....	215
7.2.4	Overview of the results using the IDHM .....	235
7.3	The transformation challenge for European universal banks: mapping organisational gaps in the Global Knowledge Economy .....	237
7.4	Triangulation revisited. Interviews with senior executives across industries: the quantitative case studies of the MECA research .....	240
7.5	Conclusions .....	246
8	Using the IDHM in support of strategic management for European universal banks in the Global Knowledge Economy: conclusions and discussions .....	248
8.1	Introduction .....	248
8.2	Conclusions .....	248
8.2.1	Building an ‘Inter-Disciplinary Hybrid model’ (IDHM) .....	248
8.2.2	Designing a dynamic multi-contextual strategy model .....	249
8.2.3	Mapping and measuring customer value creation by leveraging relationship capital .....	249
8.2.4	Designing an integrated performance measurement system covering tangibles and intangibles .....	250
8.2.5	The results of the triangulation: dynamic strategic customer value positioning	250

8.2.6 The dynamics of organisational change and strategic customer value repositioning.....	251
8.2.7 A slightly revised model .....	252
8.3 Theoretical contributions.....	253
8.4 Implications for European universal Banks in the Global Knowledge Economy.....	255
8.5 Limitations of the research and the model and recommendations for future research.....	256
 Bibliography:.....	258
<i>Appendix 1: tables in support of chapter 3</i> .....	276
<i>Appendix 2: table in support of chapter 4</i> .....	278
<i>Appendix 3: tables in support of chapter 6</i> .....	279
<i>Appendix 4: tables in support of chapter 7</i> .....	281
<i>Appendix 5: table in support of chapter 8</i> .....	282
Dutch Summary.....	283