D.F. Spulber, Global Competitive Strategy, Cambridge University Press, 2007

The global competitive strategy means superior performances as compared to the competition on both the national and the international markets. The managers act with respect to the global perspective and standards in terms of costs, efficiency, product quality and innovations, at the same time adjusting their offer to the local tastes and specific demands. The international global competitive strategy integrates the dual requirements put both in relation to the international standard and in relation to the local particularities. Differences among countries do create problems, however, they may be an opportunity to do business. The book presents a special tool called "Analysis by the star" that provides support to managers in their formulating the global strategy based on taking into account the key differences among countries. The five arms of the star refer to the need that the firm should respect and adjust to the requirements of its own country, the supplier countries, consumers, partners and competition. This method is praised to serve as a consistent and systematic approach to varied information on the specific features of the countries that the global firm does business with.

The analysis by the star helps managers create a global competitive strategy, and the author, Daniel Spulber lists five basic types which he names the "G5 strategies". The first is the strategy of global platform, insisting that the firm should define itself by choosing the activities to do in accordance with the global, world standard, as well as those it will tailor separately, as the demand of local markets may be.

The global network strategy focuses upon the building of a large and complex network of consumers and suppliers, linked into global supply chains and distribution systems.

The global mediatory strategy means that the firm focuses upon the mediating activities or the activities of connecting the major players, or has the role of the creator of a specific market on which the parties concerned will compete. In such a case, the focus of this strategy shifts towards increasing the efficiency of transactions to be executed by means of globally venturing beyond the national borders.

The fourth strategy is that of the global enterpreneur that creates new combinations in the consumer – supplier relations in an international frame.

The global investment strategy stresses the difference between the horizontal and vertical forms of foreign direct investments and refers to the alternative possibilities of entering a target market.

These strategies make it possible for the company to achieve a global competitive advantage in a more detailed and subtle way compared to the classic, traditional approach that means achieving competitive advantage by decreasing costs and/or by differenciation.

An important step in achieving global competitive advantage is related to the research into the global added value created within the company. The value of international business operations is estimated on the basis of the revenues achieved by trading that exceeds the national borders, from which the costs of such a trading are deducted. The profitability of international trading depends on the amount of value created the company may retain, having in mind the complexity of transactions normally expected in the international context. This capability is said to be directly related to the global competitive advantage expressed by a relative ratio of added value the company offers in comparison to its competition.

International trade includes huge costs that are spent to go beyond national borders, thus the term "sticky" borders is used to depict more vividly the need to analyse in detail whatever "sticks" to the border when crossing it. Varied costs act as economic terms for the "stickiness" of international borders. The transaction costs are listed as the first type of costs generated in international trading. The firm accounts for costs related to adjusting to different business environments in different countries, which includes the difference between languages, cultures, social circumstances, business practices, political, legal and legislative conditions. There are also differences in time zones, which require special type of adjusting, doing business using different currency with all costs and risks involved. The firm meets different local suppliers and consumer groups at different localities, which will involve further adapting the business methods and approaches to use. In each of the concrete situations the international trading will require that prices, products, sales, services, contracts, supplies, employment and the very management practice should be adapted.

The international trading makes a large number of international transactions by means of bringing into contact the suppliers and the consumers from various parts of the world. The personal computer purchaser, for example, is virtually unaware that the producer has previously achieved the best combination of the parts for the computer through a global supply chain that links a large number of countries. These are, for the customer, the activities going on "backstage", by linking different suppliers and customers from different countries via different legally valid contracts which are to ensure that the end product or service are offered timely and in the right place, and provide the required quality at a contracted price.

Transaction costs, however, may be a source of valuable advantage for the companies that use creative approaches to ensure greater efficiency and reduce these costs. This is a significant potential opportunity for achieving competitive advantage in international trading. The author lists tariff and non-tariff costs, transport costs, as well as costs related to the time that elapses while the transaction is in progress.

The international business brings a number of advantages that the managers can recognize and try to use to a highest possible extent; these include achieving a variety and economy of scope, a comparative advantage, a comparative availability of production factors, and innovation and technology transfer.

The global and competitive advantage is achieved by creating an appropriate global investment strategy. Direct International Investments (DII) are executed in accordance with either a strategic choice to retain the operations "within the house", in which case the firm is vertically integrated, or to "outsource" certain operations, in which case a certain operation is left to the others to do – to suppliers, consumers or to partners. The global strategies are presented on the examples of the Lenovo, Cemex, Danone and other companies.

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