

With A. H. Segars. (1994) "Strategic Group Analysis: A Methodological Approach for Exploring the Industry Level Impact of Information Technology," *OMEGA: The International Journal of Management Science*, Vol.22(1), 13-34.

The goal of this study is to present a viable technique for exploring the firm and industry level factors which may influence the outcomes of information technology for competitive advantage (ITCA). An examination of research in the area of ITCA reveals an absence of empirically derived models of industry behavior critical to the assessment of the impacts of these information initiatives. Strategic group analysis (SGA), a widely used methodology in the areas of organizational economics and strategic management, is described and suggested as a potential technique to segment and assess industries. This technique utilizes objective measures of strategic orientation in order to identify sets of homogenous firms (strategic groups) within a given industry. Thus, researchers and decision makers can build dynamic pictures of industry positioning and more objectively analyze the past and potential impacts of competitive IT initiatives. We illustrate SGA through analysis of the wholesale drug distribution industry. The subject of many research efforts in the area of ITCA, this industry is segmented according to strategic thrust and examined during the deployment of a widely studied strategic system. The final segment of this study suggests specific uses of SGA in the exploration of the more prominent issues currently dominating both academic and practitioner dialogue regarding ITCA.