

Abstract

Actually there is a distinctive structural change in the banking industry. The deregulation and globalization of financial markets, the fast development and innovation of information and communication technology, which leads to higher market transparency and reduces the banks head start of information, and the modified customer behavior increase the competition between banks as soon as between banks and non-/near-banks. Additionally the European Monetary Union encourages the development of liquid capital markets and with that the securitization and disintermediation. This is punctuated by the dynamic of European capital markets. There is a strong expansion of the volume traded on the stock market, on the bond market and on other markets for financial products. A distinctive capital market structure will be developed by borrowing companies as well as by private and institutional investors.

This developments forces the banks to reconsider their actual strategic position and to change it if necessary. As a result radical measures have to be taken in several business areas. As a consequence it can be expected that those banks will have advantages which react early and accurately to the changing conditions and draw the essential consequences. They have to map out and implement strategies which comply with their position and abilities.

In this dissertation the business area "Corporate Finance" is taken as an example to show how banks can position themselves in order to create competitive advantages and thus reach, built or - in the long run - back up their aimed competitive position. Different methods of competition analysis will be used to show this. After a theoretical discussion of therefore useful theoretical approaches a theory consistent approach to strategy formulation in the business area "Corporate Finance" will be offered.