

- Q.1. Illustrate the stages of the product life cycle and describe the marketing strategies associated with each stage.
- Q.2. Discuss the elements of the promotional mix, and how they contribute to a holistic marketing communication strategy.
- Q.3. Explain the concept of market segmentation and discuss its significance in marketing strategy.
- Q.4. Compare and contrast different pricing strategies, emphasizing their impact on product adoption and market share.
- Q.5. Discuss the role of branding in creating customer loyalty and differentiation.
- Q.6. Explain the concept of the marketing mix and its impact on boosting a company's sales volume.

Qno.1

## Product Life Cycle

### I. Introduction:

Every product undergoes certain predetermined stages of its development, progress and decline similar to that of any living thing. Product life cycle provides market information about the standing position of product in terms of its sales, profit, and what required strategic measurement should be taken to achieve organizational goal of maximization of stakeholder's wealth alongwith achieving customer intimacy. Product life cycle stages include Product development, its introduction into market (initiation), growth, maturity period and then decline; heading towards extinction from market. Each period of life cycle varies for each product. Hence, determining and evaluating the stages of

product provides organization to implement appropriate marketing strategies depending on the type of product and its stage in life cycle.

## II. STAGES OF Life Cycle:

Product life cycle has shown following stages;

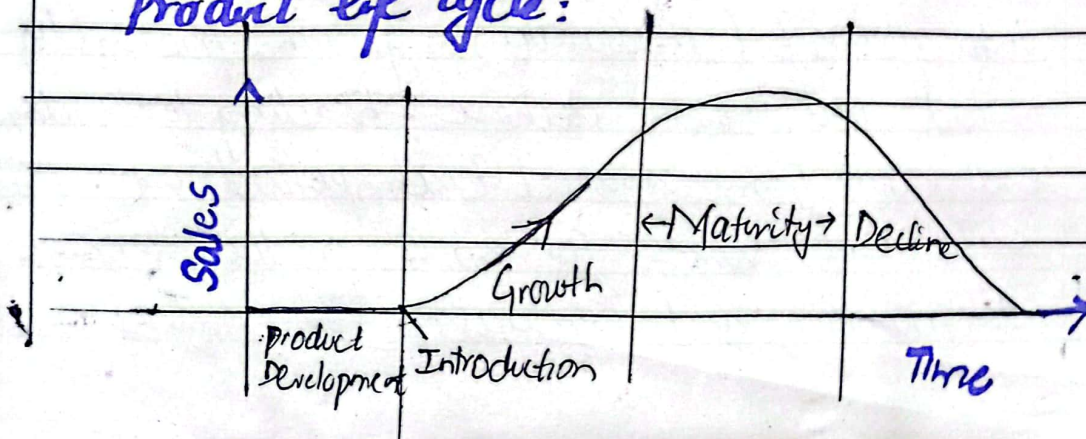
i. Initiation (Introduction of product into market)

ii. Growth (rising of sales volume along with profit-gaining power)

iii. Maturity (decline begins in sales, high profit, high competition)

iv. Decline (period of sharp decline in sale, no profit, period of deciding product harvesting or withdrawal)

## III. Flow chart representing stages of Product life cycle:



## IV. Product life cycle and associated marketing strategies:

### A. Product Development:

Upon approval of product idea and its business analysis, product development triggers the process of beginning of new product journey. During this stage, huge investment is required with minimum return as its developmental stage.

Sales Growth

Product Development

Time

Financial

Loss in terms of investment in product development

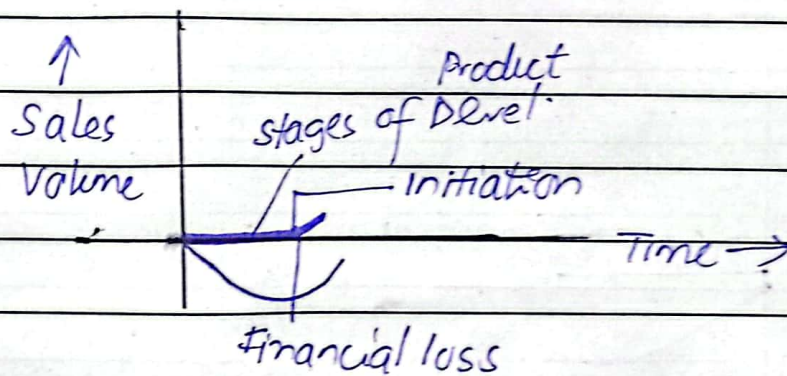
### Marketing strategy:

Development of marketing strategy happens as per the need of product and its associated characteristics. Analysis of business goal and development of marketing strategy contribute in pushing product development to introduction phase through its quick development and finalizing.

product introduction marketing targeting sector and media of launching it.

## B. Introduction of product into market (Initiation phase):

During this stage, as it is the beginning of journey of product so huge investment is made with potential gain of zero and approximate zero sales volume.



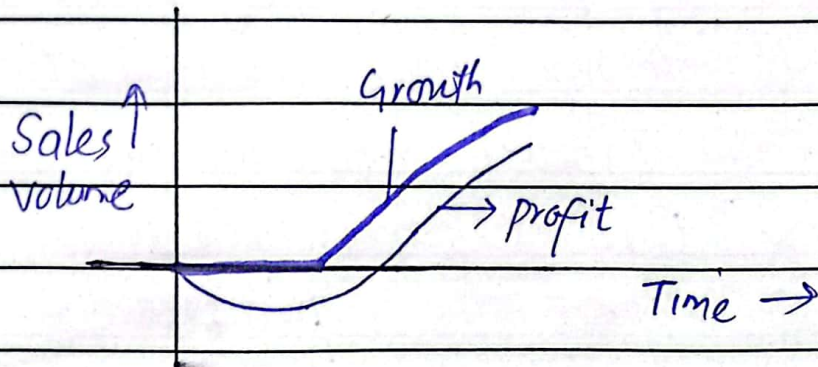
## Marketing strategy:

Firm has to introduce product through every possible marketing channel to target its potential market. Strategy of rigorous advertisement fulfilling the purpose of highlighting the fundamental qualitative and associated features, benefits of product.

## C. Growth:

During this stage of product life cycle, if product gains acceptance from its target

market then growth period begins with sharp increase in sales and upward shift in profit-gaining; recovering the potential cost; hence reducing the cost per person.



Marketing strategy:

As product gains its acceptability in market, market share tend to increase and cost per product on person reduces, therefore massive product production undergoes i.e. economies of scale. Thus, if low price furthering the growth.

**D. Maturity:**

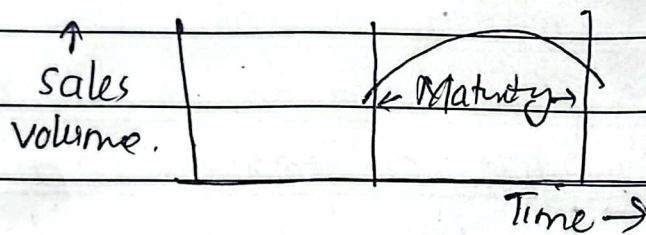
During this stage, product sales overall shift towards decline; however product has gained maximum profit during this stage. Cost on person reduces further from average cost in growth to low cost in maturity phase.

Marketing strategy:

During this phase, competition in market

grows; therefore, firm has to sharpen its promotional strategies, influencing, reinforcing consumers for purchase.

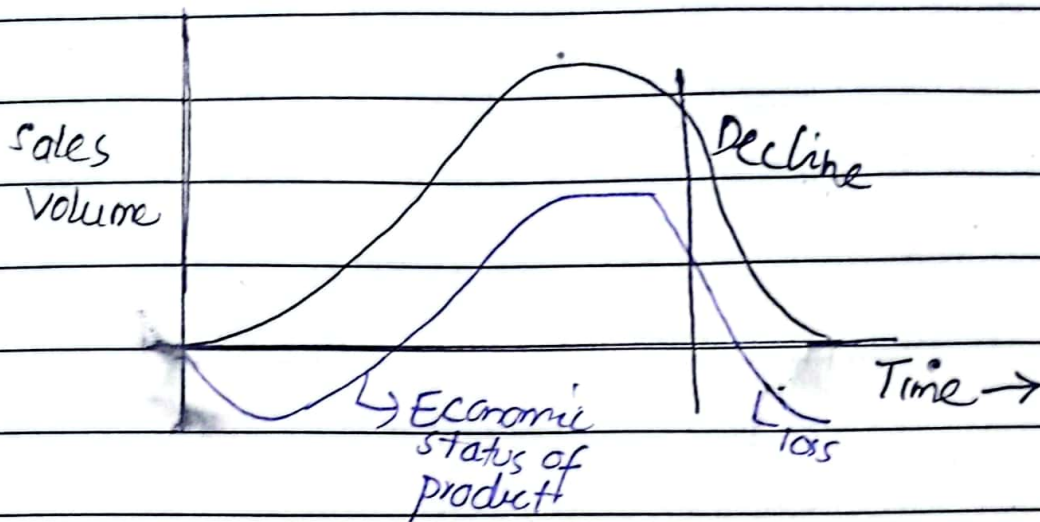
However, if product sales still decline, modification of product may be done to improve it through adding new features; innovating the product, removing the complained part if any, take customer feedback on knowing to improve the product further or tap into new market.



### E. Decline:

During this stage, despite taking all re-evolving the product and defending it against competitive product, product's sales could not revive. Therefore, product is now considered as costing loss to firm instead of posing any potential profit to firm. Therefore, harvesting it, contracting; selling it or discarding are few of the possibilities that firm could think in.

its marketing strategy.



## V. Limitation of Product life cycle:

### A. variability:

Every product has different stages in its life cycle; some product undergoes sudden shift from growth to decline, whereas others survive a period of long term maturity period. Thus, unpredictability for product shift cause marketers to have deep and timely strategic measure to be taken instead of planned one.

### B. NO definite marketing strategic highlighting:

Every firm differs in taking marketing strategies for its product. Therefore no definite or defined strategy could be applied on all products.



## VI. Conclusion:

Hence, product undergoes product life cycle stage independent of its nature of product. Through evaluation of product on the stages of its propagation, marketers take marketing strategies to boost profit and sales volume. Thus, product life cycle is an <sup>important marketing</sup> ~~critical~~ aspect of product for firm.

## Qno. 2

### ~~Pro~~ Market Segmentation

#### I. Introduction:

Market segmentation is the differentiation and division of market on the basis of different criteria to tap it for potential customers. Behavioural, Geographical, Demographic, psychographic are the main basis of segmenting the market. Through segmenting the market, it is possible for market to define strategies to take benefit from them through focussing on delivering "the value" as per their need.

## II. Types of Market Segmentation:

Market segmentation is the division of market based on following parameters;

1. Geographical Segmentation
2. Demographic Segmentation
3. Psychographic Segmentation
4. Behavioural Segmentation

### 1. Geographical Segmentation:

Segmentation of market based on national, international, regional wise is termed as geographical segmentation.

Marketing strategy:

To tap maximum benefit out of tapping, segmentation is widened to global level. Therefore, different cultural values, norms, behaviour of people at different territorial split must be ~~done~~ taken under consideration while defining market strategy.

Example: Macdonald in India has changed its food category from meat based to vegetable based, also restricted using sheep meat considering religio-taboo of using it. Hence, Macdonald has applied

India based marketing strategy in tapping its market.

## 2. Demographic Segmentation:

Demographic segmentation is the splitting market into potential segments based on age, gender, etc.

Diversification of market allows greater potential for sales and revenue generation.

Johnson has its product specifically designed for babies e.g. Johnson baby lotion. Hence, it has segregated market based on age.

Khadi designed its clothes for both gender, but it has gained popularity in men's wear.

Musrat Hiral Makeup targeted gender segmentation in introducing zero makeup and Hiral makeup products for women.

Marketing strategy in knowing requirement of different target market

## Significance of Marketing strategy in Demographic Segmentation:

Marketing strategy formulation is based on the target market features e.g.

In conducting research about "diapers", market research must be done, knowing about the requirement, demand in particular area, no. of child in the age of using diapers, quality requirement from customer, any cost-price negotiating concerns from customer, etc. All such marketing criteria would be marked, knowing the demographic segmentation of market. Thus, through its analyses, market share maximization and overall loyalty to customer can be effectively and efficiently achieved.

### 3. psychodemographic: Segmentation:

It is the segmentation of market based on the lifestyle of the people. Their purchasing association, pattern of consumption, what products are bought the most? What are tapping potential of introducing some particular product, their likelihood of buying that new product. All such criteria are selected to tap market based on psychodemographically.

Example:

Ford's Motor only manufacture motors and vehicles keeping in mind the lifestyle of elites, their pattern of consumption, their requirements and triggering new demand for new vehicle among them making "Elite symbol."

**Significance of marketing strategy:**

1. Highest quality production
2. Niche marketing in mind
3. Highest pricing strategy - no penetration
4. Customization of product
5. Marketing only at their forum; Magazine, show etc, not too public!

**4. Behavioural Segmentation:**

This is the fourth criteria marked for demarcating the market into segments. According to the behaviour of customers, their purchasing behaviour, attitudes, knowing the influencers behind the customer; eating pattern, culture association, language targeting, taste - potential. All such features must be kept in mind while targeting individuals based on their behaviours.

## Example:

Coca Cola knows the taste of its customer, therefore through carefully analysing and conducting rigorous taste testing, it established taste that is mostly liked and appreciated by its customers.

## Significance of marketing strategy:

- ① Customising product if behavioural buying diversity exist for same product i.e lays in different flavours.
- ② Based on consumer buying behavior, influencing income, pricing strategy is decided.

e.g sizing product on ranging pricing from low to high i.e sachet shampoo.

- ③ Tapping Influencers; thus enhancing purchases  
Family and friend

## III. Conclusion:

Hence, segmentation of market based on different characteristic provide great potential for market to meet its market goal of wealth maximization and expanding market share.

Qno. 6:

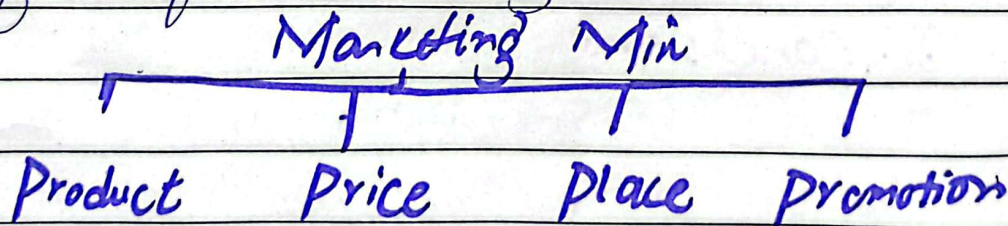
## Marketing Mix and its Impact on boosting a Company's sale

### I. Introduction:

Marketing Mix involves the famous "4Ps" which means Product, Price, Place and Promotion. Sometimes, it is also considered as "7Ps" involving the features of services - people etc. Each component of marketing mix boosts the chances of sales volume and market share. Marketing mix helps marketers in achieving his marketing objective of gaining high customer loyalty, market share, with maximizing its profits on long term.

### II. Components of Marketing Mix:

Marketing mix has following "4Ps" world renowned component in the field of marketing



### III. Product Mix - its impacts on boosting Marketing objective; sales volume:

Product involves in its premises the three component - Branding, Labeling and Packaging. Product is any tangible and intangible commodity which provides any "value" to customer in exchange of price being paid to marketer. Product may include.

- ① Tangible commodity, e.g. Sunsilk Shampoo
- ② Idea; "Say No to Drug"
- ③ Intangible/ Services; Banking outlet service
- ④ Experience counselling, consulting programme
- ⑤ Event, e.g. Seminars, Brand inauguration
- ⑥ Place, e.g. Tourism i.e. Toronto Nor View

#### A. Branding:

Branding being the essential and effective component delivering attributes and promoting features of product to its customer is effective in promotion Mix as well.

Brand has Brand Name, Brand Symbol and Trade Mark.

Brand Name which easy to pronounce, unique to retain in customer's mind and may be effective enough in providing.



details about the product to its customers.

E.g Brand Name Hajmola; Sun Silk  
Toyota, Suzuki, Ford  
Motors etc.

Brand Symbol has some symbolic representation in form of some alphabets, acronym etc.

e.g Nike ✓

Trade Mark / Brand Mark: It is legally distinct quality of product. Once product is registered, it provides it safety from theft etc. Trade Mark may involve trade code i.e Bar code etc.

Branding of product promotes Company's Sales.

Branding of product provides

i. Product Identification:

Through brand, it is easy for customer to identify its favourite brand among others, thus promote sales.

ii. Featuring product's qualitative attributes over its competitive product  
Once product is identified among

Its consumer is having more "value" than other's available product, there is high chance of product selling.

iii. Gain loyalty - Customer Intimacy  
on achieving "value" in form of customer's positive feedback, it is likely that product would retain customer for a long time <sup>thus enhancing sales volume for long period</sup>

iv. Easy to launch new product under already established brand

It is easy for marketers to launch product line in already established brand name. J.'s perfumes etc.

v. Charge differential pricing over local products

Brand provides effective mean for charging high prices to its customers. Dell on customizing product for its customer charges high price to them.

## B. Labeling and Packaging:

Labelling and packaging of product enhance product recognition on self-serving outlets and provides information

to customer along with protecting product from environment.

## Labelling of product

Provides information

- Nutritional value
- Ingredients
- How to use
- Manufacturing and expiry dates
- Precautionary measures if any
- Price
- complaints to Brand # Website if any

Packaging prevents product from spoilage, leakage, moisture, heat, light etc.

## Packaging At Three Levels

Primary packaging	Secondary packaging	Transportation packaging
① Immediate package	① Packaging 2, 9, 12 etc.	① Transportation purposes require further packaging of product
② remains lifetime with product	② no. of products collectively	② Cardboxes for shipments
③ e.g. Colgate tube containing toothpaste	③ Next to Primary packaging	
	③ whole pack containing toothpastes	

## IV. Price Mix - Its impacts on boosting Marketing objective; Sales volume:

Price Mix is another marketing mix which involves deciding "price" cast to customers based on following features.

### ① Product Type:

① If product is technical, and only customization is provided on customer's request, then price would be high.

e.g. Dell Laptops

② On the other hand, if product is of standardized production and <sup>have</sup> general use, then low price would be charged.

e.g. Local soap

### ②

### Market Type:

If there is monopoly of product in the market, then high price will be charged.

e.g. Microsoft, Apple.

If there is high competitive market, then low price is usually charged  
e.g. McDonald, Pizza Hut etc.

### (3) Target Market.

Based on the type of customer, prices are also decided. If targeted segment is elite, high prices would be charged.

e.g. Ford Motors

### (4) Total Cost of production:

If total cost of production is high, obviously high cost price will be charged to its customer.

As selling

$$\text{price} = \text{Cost} + \text{profit of production Margin}$$

### (5) Mass production vs. Limited/customized standardized production

If there is customized production

then, high prices will be charged  
e.g. Dell Laptops

If there is generalized production, then low price is charged usually as cost of production is low.

e.g. Local Sufi soap.

Price Min; boosting sales volume:

Through analyzing market, competitive

market, cost of production of product, price is decided. Thus, by knowing the price, customer depending on their income status makes purchase. There is high possibility of high sales growth if right amount of price is being charged on delivering right "value" to its customer.

### v. Place Mix; its impacts on sales growth:

Place is delivering the product to its customer at right place at right time through utilizing right channels of transportation.

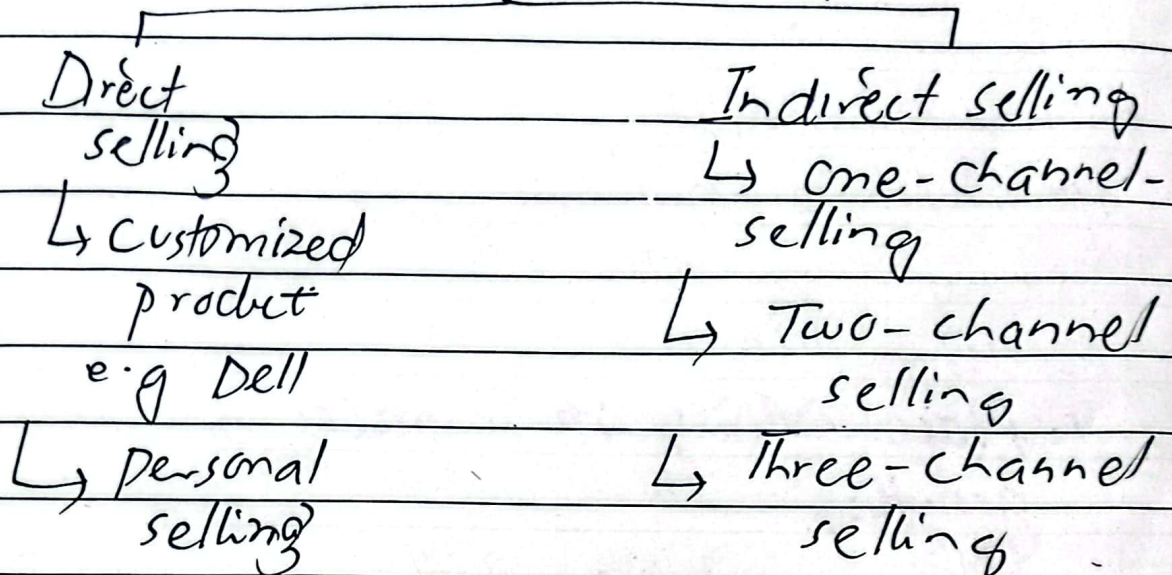
- ① Place is decided if its physical selling on the basis of
- i. Ease for customer to access
  - ii. Tap high market
  - iii. Geographic visibility of Market

### Channels of Transportation:

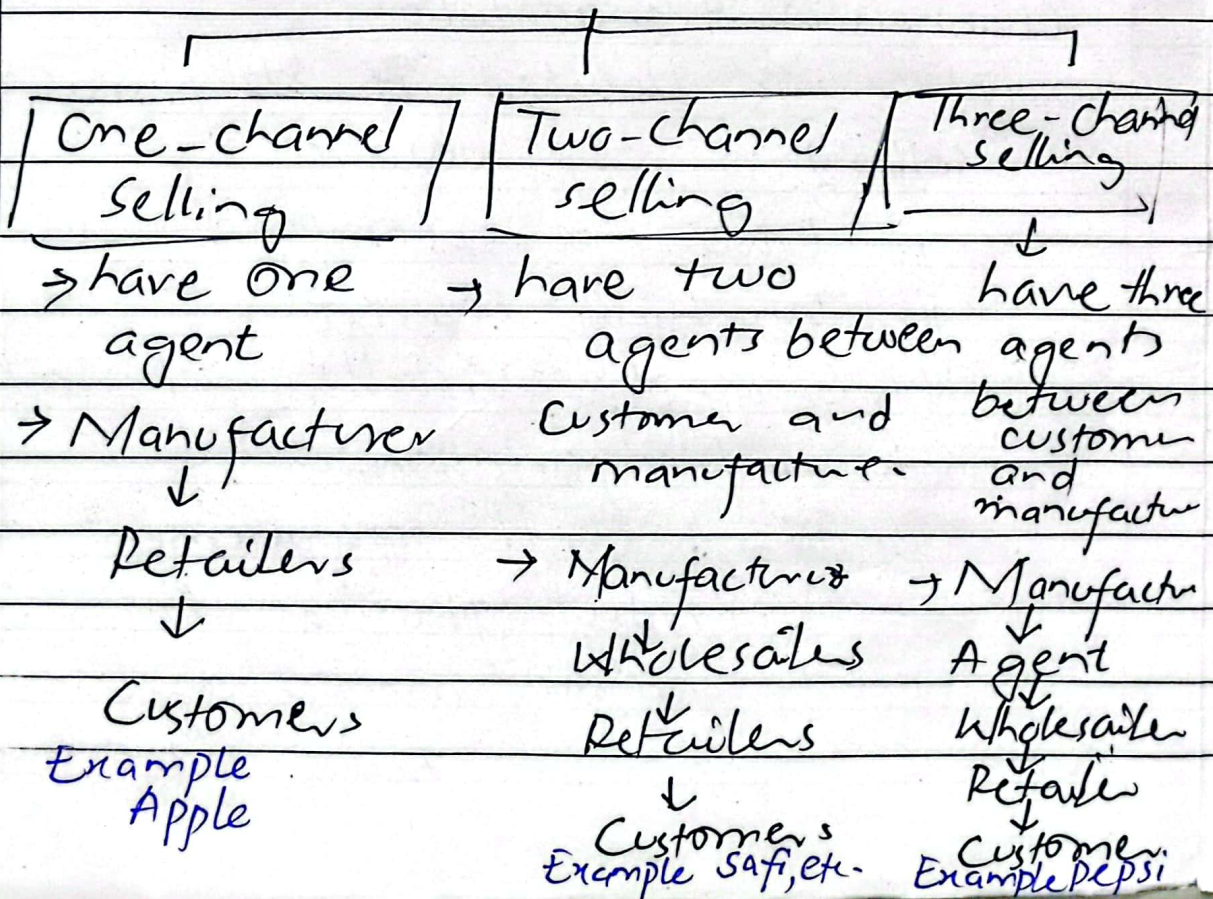
Depending on the requirement of its customer, product physical status, profitability analysis, marketers use various channels of transportation of

product to its customers.

## Channels of Transportation



## Indirect Selling Channels



Place promoting Sales growth:

Place min provides

① Product identification

Promotes sales through opening its outlet in main market

② Product Branding

Reinforce high sales through recognition of Brand in an area.

③ Tapping Market Niche

Promotes high sales by opening hut in the middle of Market, highlighting attributes of products to its customers, tapping market niche

④ Quick Delivery of product.  
pizza Hut etc

⑤ Ease of purchase

**Vt Promotional Min:**

Another "4ps" component, it promotes maximum sales, increasing revenue mark up through various promotional strategies

① Discount:

50% off



① Additional Product Strategy  
Buy one - get one free

② Payment Back Strategy: Rebate  
Based on purchases, few payment  
is return.

③ Coupon strategy  
Investors holds or initiates  
coupon on purchase of certain products

④ Sample Strategy  
Initial free samples attract  
customers and helps in launching  
new product in market

⑤ Bonus Strategy; Memberships  
on purchase of certain products,  
membership cards will be given  
to its high-purchaser-makers etc.

## VII. Conclusion:

Thus, product, price, place and  
promotion mix, all marketing mix  
helps in achieving marketer's its  
marketing objectives of maximum  
growth, market share, profit and customer  
retainers.