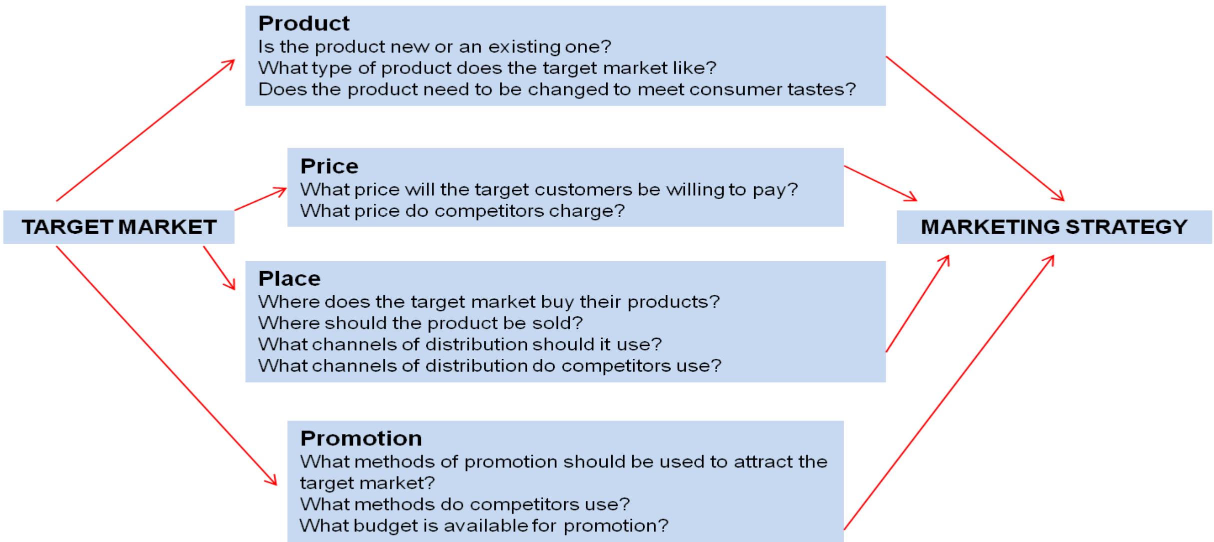
Marketing
Marketing strategy
Final Worksheet 2025-2026

Marketing strategy: is a plan to combine the right combination of the four elements of the marketing mix for a product or service to achieve a particular marketing objective(s).

- Marketing strategy will defer depending on the size of the market and the number and size of competitors.
- It will need to identify the target market and the marketing budget.
- It will need to identify the marketing objectives of the business, which could include:
  - Increasing sales of an existing product, by selling to new markets or selling more to the existing market.
  - Increasing sales of new product by improving an existing product, or totally new innovative product.
  - Increasing market share which will include increasing sales but also taking market share away from competitors.
  - Maintaining market share if competition is increasing.
  - Increasing sales in a niche market.



If the marketing strategy does not combine the four elements of the marketing mix correctly, then the marketing objectives will not be achieved, examples:

- A product which meets customer needs and is priced at a suitable price which the target market is prepared to pay, but will not actually buy the product if they do not know about it, because the promotional methods are not suitable.
- A product which does not meet the needs of the target market will not sell at any price.

Recommending and justifying a marketing strategy in given circumstances:
As time goes marketing mix will need to be changed. This may be because:

- There are new competitors.
- The product gets to a different stage of its product life cycle.
- Consumer tastes change.
- Business wants to enter a different market.

Recommending a marketing strategy:
Select the correct answer from the list below to fit each stage of the product life cycle:

Pricing policy:

1. Price skimming as few/no competitors.
2. Penetration pricing by competitors as a few competing products are introduced, small reduction in your prices to compete with these products.
3. Competitive pricing/ promotional pricing as competition becomes intense.
4. Price reductions to encourage sales as sales are falling, some competitors stop making the product.
5. Competitive pricing/ prices are reduced to compete with existing competitors; no new competitors enter the market.

Promotion/ advertising:

1. Advertising reduced or may stop altogether as sales fall.
2. Informative advertising as the product is new, fee samples may be given out to get customers to try it.
3. A lot of advertising to encourage brand loyalty and to compete with other very competitive products.
4. A high, stable level of advertising may be promoting new improved versions of the original product.
5. Informative advertising changed to persuasive advertising to encourage brand loyalty as sales start to rise rapidly.

Profits:

1. Loss made due to high development costs.
2. Profits fall as sales fall.
3. Profits fall as sales are static and prices have been reduced.
4. Profits start to be made after development costs have been covered.
5. Profits at highest as sales growth is high.

Legal controls on marketing:
Why governments should set legal controls on marketing?

- Consumers can be easily misled.
- Products sold can be unsuitable for the purpose intended, or they might fail to perform.
- This is because products are now so complicated and technical that it is very difficult for a consumer to know how good they are or how they are likely to work.
- Modern advertising can be so persuasive that nearly all of us could be sold products, and then later we discover that the product is of poor quality or not as good as the advert claimed.
- Consumers need protection against businesses which could take advantage of the consumers' lack of knowledge and lack of accurate product information.

Some forms of consumer protection:

- Weight and measures.
- Trade descriptions.
- Sale of goods.
- Supply of goods and services act.
- It is illegal for misleading pricing claims.
- The distance selling regulations.

Entering new markets abroad:

Opportunities:

- Growth potential of new markets in other countries.
- Home markets might be saturated and these new markets give the chance for higher sales.
- There is a wider choice of location to produce products and this encourages businesses to sell as well as produce in these countries.
- Trade barriers have been lowered in many parts of the world making it easier and profitable to now enter these markets.

However, there are problems when entering new markets abroad:

- Lack of knowledge.
- Cultural differences.
- Exchange rate changes.
- Import restrictions.
- Increased risk of non-payment.
- Increased transport costs.

Methods to overcome the problems of entering new markets abroad:

- Joint ventures.
- Licensing.
- International franchising.
- Localising existing brands.