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Customer Acquisition

Customer acquisition refers to the process of gaining new customers / clients for a business. It involves various marketing and sale strategies aimed ~~to~~ at attracting customers or companies who haven't previously purchased from a specific brand or used its services. The goal is to convert these prospects into paying customers.

This process encompases a range of activities from identifying potential customers to engaging them through marketing campaignings, sale efforts & other initiatives. It often involves understanding customer needs; ~~transi~~ creating targeted messages or offers, and guiding individuals through the sales funnel. Ultimately it leads them to meet a purchase or commit to a service.

Customer Acquisition is a vital aspect of business ~~mode~~ growth. The purpose of customer acquisition is to expand the customer base can derive revenue, increase market share & establish a more robust brand presence in the market place.

Importance of Market Acquisition

An effective acquisition strategy can change the entire business scenario. Now lets find the key reasons why it is crucial for a business.

1) It represents a potential source of income through their initial purchase and repeat purchases over time.

2) It allows businesses to expand their market reach and tap into new demographic and geographic regions.
3) In competitive markets, customer acquisition is essential for gaining market share and out-performing competitors.
4) This ensures a steady influx of revenue & offsets of customer churnchs and attrition which naturally occurs over time.
5) It provides valuable insights into customer preferences, behaviours and market trends. Businesses can innovate their products, services and marketing strategies to better meet customer demands and stay relevant in a dynamic marketplace.
6) This stimulates economic activities by creating demand for goods and services which in turn derives production investment and jobs creation.
7) This is an opportunity to build brand awareness and reputation, delievering a positive experience to new customers can lead to word of mouth referrals and positive reviews.

Purpose of Customer Acquisition

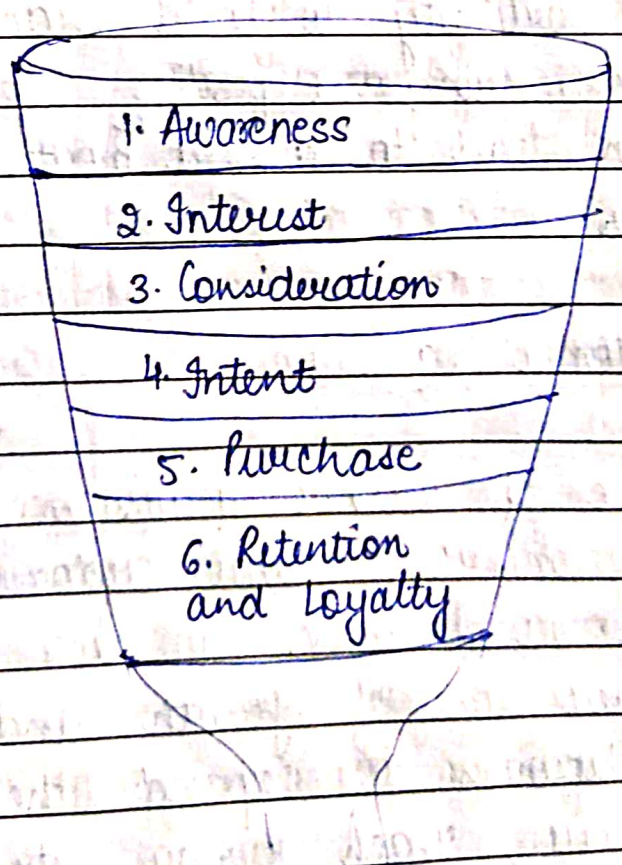
The key objective of customer acquisition is to strategically attract and convert potential customers into paying customers for a businesses, products or services.
It is the corner stone of growth and sustainability.
This enables business to expand their market reach, increase revenue, reach revenue streams & maintain competitiveness in dynamic market environment.

Marketing vs Customer Acquisition

Marketing is like setting the stage and creating buzz and interest in a business product or services through ads, ~~com~~ campaignings and promotions. Its all about getting people interested and aware.

Customer Acquisition on the other hand is the actual process of turning that interest into sales. Its about finding new customers and getting them to buy or signup. While marketing builds the foundation, Customer acquisition is where the business grows by converting that interest into real revenue.

Customer Acquisiton Funnel



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Customer Acquisition Funnel

Each stage represents a key milestone in the customers decision making process. Now lets have a look at how:-

1> Awareness - where you grab your target audience attention and make them aware of your product or service. In this case you can use SPO, social media and other marketing channels. It will help you to increase visibility and drive traffic to your website.

2> Interest - The of your needs and encourage them to learn more. If you want to m your interest you need to create engaging content, informative blog posts and targeted advertising to move them further down the funnel.

3> Consideration:- The consideration stage is where potential customers evaluate their options & decide if your offering fits their needs. When you offer detailed product information customer reviews & compelling calls to action. It will play a crucial role in helping sway their decision.

4> Intent :- The intent stage signals that a lead is ready to take action. This is where ~~you~~ to make it easy for them to convert whether ~~to~~ through an online purchase, a consultation request or some other desired action.

5> Purchase & Retention and Loyalty :- Once a customer completes a purchase the funnel continuous with the retention & loyalty stages. In this stage you need to deliver exceptional customer services, offer loyalty programs & maintain ongoing engagement to turn one time buyer into lifelong advocates for your brand.

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Pricing Strategy

Pricing Strategy is an approach taken by businesses to decide how much to charge for their goods & services. The ~~attract~~ interaction b/w margin, price and selling level is given specific consideration while pricing products. Therefore, it is important and complicated to design a proper pricing plan that ensures business success. The price is a component that effects a Company's revenue significantly. It forms the key variable in the company's financial modelling & effects its income, profit & investments in the long term. Price reflects the idea of a business and shows its behaviour towards competitors and the value it gives to customers.

Types	Pricing Strategy	Factor affecting it
Price Skimming Price for market penetration Premium pricing Economy pricing Bundle pricing Value-Based Pricing and dynamic pricing	The process of pricing a business goods and service	Market Conditions Consumer Willingness to pay Competition Trade margins Cost Incurred

Pricing Strategy involves changing and adjusting the price of goods and services in response to market factors. Research, market conditions,

consumers willingness to pay, competition, trade margins, expenditure incurred etc. are all considered while developing a pricing strategy.
Setting a price varies from pricing strategy. It implies factors that are not taken into consideration while setting a price. There are a variety of pricing strategy available. Price skimming, pricing for market penetration, premium pricing, economy pricing, bundle pricing, value based pricing & dynamic pricing are a few of them.
Price determination involves accessing the business & competitors goals & consumer preferences.

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Types of Pricing Strategy

1) Price Skimming :-
A skimming pricing strategy is a pricing technique in which a business sets its initial price (i) and gradually lowers. When more competitors enter the market it is ideal for businesses ~~then~~ that are entering & emerging market. Here businesses maximise profit utilising the price demand of certain markets. They processes the first mover advantage where they are the first to introduce a market the product or service. The skimming pricing strategy makes a profit in the early stages of the product or services market until other competitors enter & supply increases.

② Pricing for market penetration :-
It is the opposite of price skimming. Skimming starts with huge prices & the penetration pricing strategy uses low prices to enter the market. This is done to attract the existing consumer based on the competitors. Once there is establishment of the reliable pool of consumers, the costs slowly increase. Penetration pricing strategy depends mostly on the availability of the business to ~~wait~~ bear the losses made in the initial years. ~~bits~~ Big MNC's especially employ this to get a strong footing in developing countries market.

③ Premium Pricing :-
Premium Pricing strategy involves businesses that ~~trade~~ create high quality products and market them to high income ~~of~~ or ~~net~~ net worth individuals. The key here is to manufacture unique, high quality designs & products that prevents to pay such huge amount. The premium pricing strategy targets the luxury goods market.

④ Economy Pricing :-
The strategy targets customers who prefer to save money. Big companies employ the strategy to make customers feel them they are in control. Walmart in the USA is an example where they offer deals that please customers. This does not depend on the overhead costs & the venue of the products.

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5) Bundle Pricing:-
As the name suggests it is a strategy where a business sells a bundle of goods together typically the total of the goods is lower than the individual products sold separately. This helps in moving the inventory and selling the stocks that are leftover. The strategy has the potential to make profits on low value items.

6) Value-Based Pricing:-
This concept is similar to premium based pricing. Here the business resides the price based on the customer's evaluation of the product's worth. This is best suited for unique products.

7) Dynamic Pricing:-
A dynamic pricing strategy in marketing involves changing the price of the items based on the present market demand.