

PRINCIPLES OF MARKETING





LEARNING JOURNAL UNIT 4

BUS 2201-01 PRINCIPLES OF MARKETING - AY2024-T4



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INTRODUCTION

Every product has a lifespan. It starts at some point. It ends at another point. A key question involves its duration. Another key question is its success level in the market. A product life cycle contains four stages. The first stage introduces the product. The second stage sees growth. The third stage reaches maturity. And the fourth and final stage is decline (Tanner & Raymond, 2012).

As a marketing manager, one of my key responsibilities is to lead my team in effectively bringing new offerings to market. Recently, our company asked us to evaluate a potential new product or service offering in our area. To prepare my team, I need to present on the different types of offerings we could bring to market, and the process involved in developing and launching something new successfully. Understanding these concepts is crucial for making smart decisions and achieving a remarkable market entry.

THE ROLE OF BUSINESS MODELS IN OFFERING DECISION-MAKING

There are several distinct types of offerings that companies can market, both to individual consumers and to other businesses. Consumer offerings include convenience products, shopping products, specialty products, and unsought products. Convenience products are inexpensive, mass-market items like soap or magazines. Shopping products require more consideration and comparison like furniture or clothing. Specialty products have very particular brand preferences like professional camera equipment. And unsought products are those that consumers don't typically plan to buy like life insurance.

For business markets, there are installations, accessory equipment, raw materials, components, industrial services, and supplies. Installations refer to major capital items like factories or medical imaging devices. Accessory equipment supports installations like hand tools or computers. Raw materials get converted to products like wheat or minerals. Components get integrated into other products like tires or circuits. Industrial services aid operations like maintenance or consulting. And supplies enable operations without becoming part of the finished product like lubricants or stationery.

KEY COMPONENTS OF THE NEW OFFERING DEVELOPMENT PROCESS

Developing a new offering involves a multi-step process. It begins with idea generation - scrutinizing internal and external sources to uncover new opportunities. Ideas get screened for feasibility based on alignment with company objectives, potential returns, and resource requirements. Viable concepts move to concept testing, getting feedback from focus groups and surveys. Passing ideas advance to marketing strategy development, articulating the offering's value proposition, pricing approach, distribution plan, and integrated communications strategy.

After that comes business analysis, projecting sales, costs, and profits to evaluate financial attractiveness. If approved, technical development occurs next, converting the virtual offering into a physical one through R&D, engineering, and operations. Finally, test marketing deploys the offering on a limited basis to understand real-world performance and identify any issues before full-scale commercialization.

HOW THE MARKETING PROCESS SHAPES BRANDING AND PACKAGING DECISIONS

Getting each of these steps right is crucial. Insufficient idea generation misses opportunities. Poor screening wastes resources on bad ideas. Inadequate concept testing means delivering something customers don't want. Flawed marketing strategy leads to failed positioning, pricing mistakes, and ineffective promotion and distribution. Inaccurate business analysis causes investments lacking returns. Technical shortcomings hamper performance and quality. And lack of test marketing prevents identifying fixable problems before national launch.

These development stages lay the critical foundation for the marketing program once the offering gets commercialized. Key branding components like the brand name, logo, packaging, and marketing communications flow directly from the work done upfront. Package design decisions stem from defining the core product and bundle components in the business analysis phase. So, getting these upstream processes right is vital to downstream marketing effectiveness.

CONCLUSION

In summary, there are many different types of offerings across consumer and business markets. Bringing any successful new offering to market requires carefully executing a multi-stage process of generating ideas, screening, testing, strategizing, analyzing business viability, product development, and market testing. Making the right decisions in each of these phases is essential for achieving strong brand positioning, impactful packaging, and overall marketing success. As marketing managers, fully educating our teams on these offering concepts and processes will empower us to drive winning new product and service introductions.

REFERENCES:

Tanner, J., & Raymond, M. A. (2012, May). Principles of Marketing v2.0 | Textbook | FlatWorld. https://catalog.flatworldknowledge.com/catalog/editions/tanner_2-0-principles-of-marketing-2-0

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