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Introduction

Strategic marketing means using an analysis of dynamics of the market, behavior of consumers, and competitive positioning to achieve the most successful business (Iveson et al., 2022). However, timing plays a pivotal role in this process, for instance, an early decision to launch the product versus later launch makes a big difference to the market penetration and profitability (Sudirjo, 2023). Companies have to choose between a pioneer strategy of entering first to own the market, or a follower strategy which is refining existing products to gain a competitive edge (Nnaji et al., 2024). It is for each approached that we have benefits and risks, depending on internal factors to invest in R&D, operational efficiency, and branding strength as well as external factors to the market demand, competition, and technological advancements.

This essay will explore how both the pioneers and followers have advantages, and how each strategy tends to evolve through the stages of the Product Life Cycle (PLC). The second section will discuss the strategies of pioneers and followers during the Introduction, Growth, Maturity and Decline stages and how firms maintain competitive advantage during the market lifecycle.

Section 1: Advantages of Being a Pioneer and a Follower

A pioneer company is the first to bring a product or technology to the market and enjoys market leadership, sets industry standards, and enjoys brand name and pricing power (Panczak, 2023). The pioneer company attracts a follower company that enters later, learning from the pioneer's successes and failures, lowering the risk and offering improved or cost effective alternatives (Au et al., 2024). Pioneers lead in order to innovate and become dominant early; followers optimize, compete on price, and leverage established demand to enter in the strategic manner. The advantages both enjoys while entering into the market are as follows (Feikema, 2025).

1.1 Advantages of Being a Pioneer

1.1.1 First-Mover Advantage

Establishing brand name and establishing customer loyalty before competitors enter the market gives the pioneers a competitive edge. They are able to set the consumer

preferences and dictate industry trends, making it difficult for later entrants to displace them (Panczak, 2023). They also create high entry barriers, for example, by establishing strong brand equity, having established supply chains and exclusive partnerships.

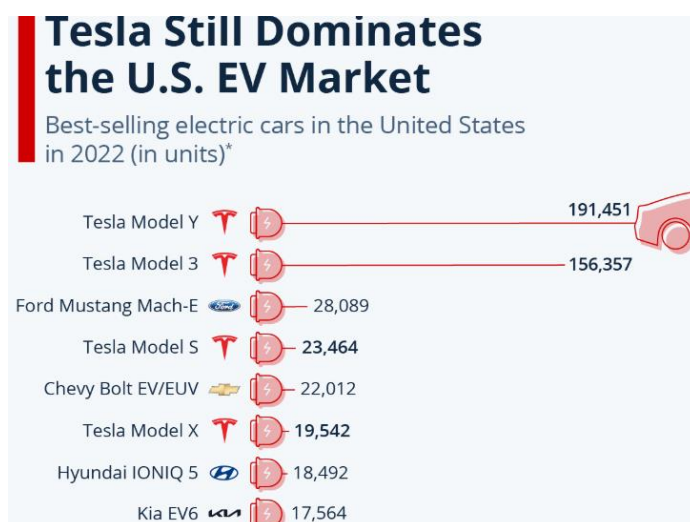
Apple's launch of the iPhone in 2007 was an example of setting new industry standard for smartphones by integrating an intuitive touchscreen interface with an ecosystem of apps. Due to Apple's first mover advantage, it was difficult for competitors to get a large market share even if they offered similar or even better hardware (Kornelakis & Petrakaki, 2024).

1.1.2 Technological Leadership

Technological advancements are driven by the pioneers, industry benchmarks are set by them and they obtain the patents that build a protective defence against the competition (Paley, 2021). They dictate what product standards need to be set, in other words directing the industry where it should go towards, what it should and shouldn't do.

Electric vehicle (EV) market is a prime example of Tesla's role. Long range battery technology and autonomous driving features were pioneered by Tesla and it has become the industry leader. With the investment in proprietary battery technology and the creation of a global charging network, Tesla secured a sustainable competitive advantage that is still dominating the EV market as shown in figure 1. Due of Tesla's early R&D investments and patent portfolio, which defined the course of the EV industry (Thulin & Povlsen, n.d), followers, such as traditional automakers, were unable to compete with Tesla's technological edge.

Figure 1: Tesla as technological leader in EV market (Source: Statista, 2023)



1.1.3 Market Control & Pricing Power

Pioneers are able to dictate what pricing strategy should be accepted, to control which channels should merchandise, and to set the expectation of how the product should perform for its users. They possess this market dominance which allows them to charge premium pricing and build strong brand differentiation before the competitors try to replicate their model (Paley, 2021).

For instance, Netflix shows how to take advantage: It comes up with a new entertainment industry model, a streaming subscription model, which has transformed the industry. Before too many others got into the race, Netflix had basically anointed itself with an enormous subscriber base and an even bigger content library (Paley, 2021).

1.1.4 Economies of Scale & Cost Advantages

Being first to market enables the pioneers to enjoy the economies of scale and take costs out of production and distribution on a long run basis. Pioneers scale operations early, which increases efficiency, and helps to negotiate better supplier contracts and lower per unit costs, thus making it harder for new entrants to compete (Kornelakis & Petrakaki, 2024). This strategy was used by Amazon to build warehousing, logistics and automation when it expanded. The unbeatable cost advantage, its fulfilment

centres and supply chain oriented optimization that enabled fast delivery and low prices (Sawicka, 2024).

1.2 Advantages of Being a Follower

1.2.1 Lower Market Entry Risk

Pioneers mitigate risk by making the market safe for followers to analyse successes and failures of pioneers in order to refine their strategies before entering the market. With this approach, there are no trial and error phases that drag out the process and make it expensive with many iterations, optimizing the products offered and exactly where the resource is doled out (Kamp et al., 2023). Xiaomi's smartphone strategy exemplifies this. Rather than spending big on pioneering innovations like Apple and Samsung, Xiaomi followed their market performance and brought out high quality smartphones at a fraction of the cost (NOUVEAU, n.d). In order to mitigate risk, Xiaomi could leverage the existing demand from consumers and quickly scaled without spending a lot on R&D.

1.2.2 Cost Efficiency & Improved Innovation

Followers cut costs by avoiding initial research and product development investment and instead start improving and refining existing technologies. They can launch superior versions of products at lower prices and thus become more competitive (Naim et al., 2022).

Prime example of Google's entry into the search engine market after Yahoo. Rather than leading web search, Google studied Yahoo's deficiencies, particularly in the area of search result relevance (Daswani et al., 2021). It brought PageRank technology, which made the search more efficient. Google was able to dominate the industry without taking the risks of pioneering innovations by optimizing an existing model instead of building it from scratch.

1.2.3 Competitive Pricing & Market Adaptation

Pioneers are followed by a lot of followers who strategically undercut pioneers by offering lower prices and adapting products based on market feedback. They are able to attract consumers unsatisfied with the high priced pioneer offerings (Park & Yi,

2024). This is shown by Samsung's strategy in the smartphone market. While Apple marketed the iPhone as a premium product, Samsung offered a wide range of products to suit different pockets. It took advantage of larger displays, stylus functionality, and open source Android software features that Apple had initially ignored (Schäfer, 2024).

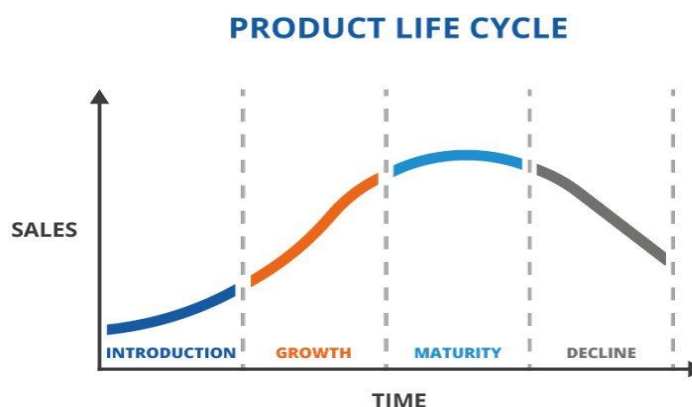
1.2.4 Leveraging Established Demand & Consumer Education

Followers start only when there is already demand and pioneers spend a lot of money on consumer education and market development (Park & Yi, 2024). They are hence able to cut down on their marketing costs and the concentration can be redirected towards the competitive differentiation. This is shown by Facebook's success over MySpace. The concept of social networking was introduced by MySpace but it never evolved. When they came in, Facebook came in after the consumers already knew how to use social platforms and they filled the MySpace gaps with a clean interface, privacy controls, and a better user experience (Wold, 2022).

Section 2: Product Life Cycle Strategies for Pioneers and Followers

The Product Life Cycle (PLC) has four stages of a product, Introduction, Growth, Maturity, Decline (see figure 2) (Kotler, 2020). Pioneers are innovators who define the market and followers who observe and create better strategies to take market share (Naim et al., 2022). During the PLC, pioneers create and defend markets whereas followers do cost efficiency and adaptation. Under the following headings two key stages of product life cycle (growth and maturity) will be discussed for both pioneer and followers.

Figure 2: Product life Cycle Stages (Source: Kotler, 2020)



2.1 Growth Stage – Pioneers Defend, Followers Attack

During the growth stage, pioneers try to expand the market, reinforce the brand, and differentiate the products to protect themselves from the emerging competitors. One is to scale production and expand distribution channels in order to meet growing demand with continued cost efficiency. Aggressive marketing also helps pioneer to build brand equity and sustain customer loyalty (Park & Yi, 2024). On top of that, they keep their competitors behind them through continuous product differentiation, which gives them new features and services. Ride hailing services are a good example of this strategy, as Uber rapidly expanded globally after introducing the concept of ride hailing services. Despite the presence of many different ride-sharing competitors, Uber established itself as a leading industry player by means of creating a huge driver network, implementing dynamic price, and making the option for premium and budget friendly rides (Yoon & Rim, 2018).

Followers attack the market aggressively by using pioneers' groundwork and strategically position themselves as viable alternatives. Often, they price below pioneer pricing, attract customers through intense promotional campaigns, and perfect the product by addressing pioneer shortcomings (Velez-Ocampo & Gonzalez-Perez, 2022). This is something that TikTok does really well, as it enters the social media market after Instagram and Snapchat and takes market share incredibly quickly by leveraging its AI powered content recommendation and short form video format. TikTok was different than its predecessors because it personalized the user's engagement with the feed and focused on creator driven trends that went viral (Velez-Ocampo & Gonzalez-Perez, 2022).

2.2 Maturity Stage – Pioneers Sustain, Followers Compete Aggressively

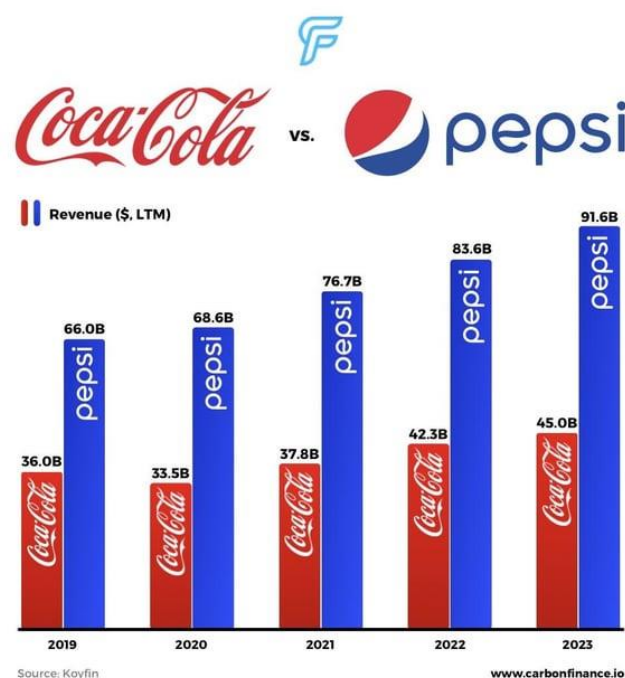
In the maturity stage, the major focus by pioneers is maintaining market leadership through defending brand loyalty, further additions of products line and improving the product cost efficiency (Argente et al., 2024). They use strong customer engagement strategies to keep the retention and prevent the market erosion. They also provide product line expansion, i.e quantity expansions (new variants, features, etc. to respond to consumers' varying preferences). At the same time, pioneers attempt to achieve cost leadership by improving efficiency of production and improving operations to increase profitability (Kamp & Ruiz de Apodaca, 2023). This strategy is being demonstrated by Coca-Cola, which continually expands its product range with diet, zero-sugar and flavoured versions in order to attract health conscious consumers while still attracting its traditional audience. By opting for this approach, Coca-Cola can continue to strengthen its brand and keep its competitive advantage in the market even when the market is saturated (Siew, 2021).

On the other hand, competition among followers is very aggressive as they directly challenge pioneers through the price differentiation, targeted marketing and brand positioning. Direct competition strategies are used by them and they create pioneer customers by highlighting the unique product features or affordability (Gretsky). Besides, they also do strong branding to set themselves apart in the marketplace. For instance, Pepsi did an effective job with this strategy, positioning itself as a younger, more youthful, bolder alternative to Coca-Cola. Pepsi has great success through their

product diversification in their creatives for advertising such as the introduction of Pepsi Max, and limited edition flavours (Thu, 2022).

The figure 3 shows that in order to maintain leadership, the pioneer Coca-Cola relies on brand equity and innovation, while the follower Pepsi expands revenue aggressively through product diversification and competitive pricing. Pepsi shows how the followers can upset the market dominance, and the pioneers are always on the challenge of market share maintenance.

Figure 3: Coca-Cola (Pioneer) vs. Pepsi (Follower) – Competitive Market Dynamics (Source: Reddit, 2024)



2. 3 Competitive Advantages for Pioneers and Followers in Growth and Maturity Stages

2.3.1. Pioneers in the Growth Stage – Shaping Customer Expectations and Lock-In Effects

Pioneers benefit most from the growth stage by establishing better expectations and standards for customers within novel market conditions. Early entrance enables organizations to shape both product quality requirements and user experience standards and feature specification benchmarks. In the electric vehicle (EV) market

Tesla established the expectations for system performance capabilities as well as driving range along with autonomous technology standards. The initial impact Tesla made through innovation built strong brand faith and loyalty which became a barrier to market competitors (Ding et al., 2024).

Early entrants develop platforms and ecosystems which force customers to endure high costs when leaving their systems and platforms. The supercharger network along with over-the-air software updates from Tesla establishes exclusive retainment assets which emerging competitors find hard to quickly duplicate (Emma, 2025).

2.3.2 Followers in the Growth Stage – Speed, Adaptation, and Niche Targeting

The followers achieve market superiority by accelerating their adaptability while selecting specific customer segments. Followers excel by enhancing the original model by incorporating new segments or missing functionalities. For instance, Zoom successfully conquered the video conferencing field through its emphasis on user-friendliness and fast performance as well as intuitive group calling features while outshining established platforms such as Skype and Webex according to de Vasconcelos Gomes et al. (2025).

Agile product innovation enables followers to bypass initial testing expenses and execute rapid growth of enhanced iterations without extra expenditure. Their marketing strategy works to position themselves as contemporary and fresh which attracts users in particular who are young and technically oriented (Wormald et al., 2023).

2.3.3 Pioneers in the Maturity Stage – Economies of Scale and Institutional Trust

The pioneering businesses reach maturity by obtaining big scale economies to reduce expenses and retain high profitability margins (Argent et al., 2024). For example, Microsoft exhibits this concept through its market leadership in productivity software (Office suite) and cloud services (Azure) which lets the company combine services into packages that smaller opponents cannot duplicate efficiently.

Institutional trust along with long-standing partnerships allow them to succeed in B2B and governmental sectors because these markets value reliability and legacy integration. Competitors face insurmountable barriers to enter the market through these networks (Maylín-Aguilar & Montoro-Sánchez, 2021).

2.3.4. Followers in the Maturity Stage – Challenger Branding and Innovation Agility

During the maturity stage followers gain disruption capability when they differentiate their operations. Take the case of Airbnb, who entered the mature hospitality market by offering local experiences at affordable prices with community guaranteeing trust while challenging traditional hotel chains (Sullivan, 2022).

Followers within established markets tend to operate with streamlined structures which enables them to implement advanced technologies and other emerging ideas before their established competitors (Siew, 2021).

Table 1: Comparison of the Growth and Maturity stages for Pioneer and Follower companies (Source: Author, 2025)

Stages	Pioneers	Followers
Growth	Set market standards	Improve existing models
	Build brand loyalty	Fast adaptation
	Product innovation	Cost-effective offerings
	Example: Tesla	Example: Zoom
Maturity	Sustain leadership	Compete aggressively
	Product line expansion	Niche focus & differentiation
	Economies of scale	Lean operations
	Example: Microsoft	Example: Airbnb

Conclusion

Market entry as a pioneer or a follower has a great influence on the success of a company in strategic marketing decisions. Innovation, superior brand recognition, and first-mover advantages seem to be the way for pioneers, but also comes with high costs and uncertainty of the market. Follower's risk minimization, model optimization and price competition, which may lead to market share by refinement (Kamp & Ruiz de Apodaca, 2023).

Defending their position throughout the Product Life Cycle (PLC), pioneers increase with expansion, differentiate and optimize costs, while followers attack with aggressive

pricing, improved offerings or market adaptation. As markets develop, the pioneers rely on brand loyalty and innovation, and the followers on differentiation (Velez-Ocampo & Gonzalez-Perez, 2022). Leadership in decline begins making a pivot to new business models, and followers either discover something in a niche or leave.

Both strategies have their own pros and cons that make strategic adaptability indispensable for the long term competitive advantage in the market. Success of both strategies lies in their time, execution and market adaptability.

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