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1.Introduction: A market pioneer is a business that initially introduces a novel product or service, either by creating a completely new category or by making substantial innovations within an existing market. Examples {Nike (Sportswear Industry), Intel (semiconductor chips), Amazon (Service Sectors)}

A firm with smaller market share and fewer resources that prefers to follow dominant industry leaders rather than striving to challenge them for market leadership. Examples {Adidas (Sportswear Industry), AMD (semiconductor chips), Walmart (Service Sectors)}

The product life cycle represents the period from a product's initial market introduction to its eventual withdrawal. It is generally divided into four key stages: introduction, growth, maturity, and decline.

Growth: If a product performs well, it enters the growth phase, characterized by:

Increasing consumer demand: This phase is marked by rapid sales growth as the product gains popularity and attracts a broader customer base. The growing demand leads to increased production, wider distribution, and often, product improvements or modifications to better satisfy the expanding market's needs.:

Higher production rates: A high production rate refers to the accelerated and efficient manufacturing of products in large volumes.

Expanded market presence: Expanding market presence involves enhancing the visibility and accessibility of a product or brand across new or existing markets.

Maturity Stage: The maturity stage in the product life cycle is usually the most profitable, as both production and marketing costs decrease. During this phase, the market becomes saturated with the product, leading to heightened competition and a reduction in profit margins. Some analysts describe the maturity stage as the point where sales volume reaches its maximum.

Emphasis on Market Share: Companies focus on preserving their current market share rather than aggressively seeking expansion.

Reduced Production Costs: Production expenses decrease as a result of streamlined processes and economies of scale.

Higher Marketing Expenses: Marketing strategies shift to concentrate on reinforcing the product's advantages and distinguishing it from competitors.

2.The advantageous of being a Pioneer Company: Being the first to enter a market typically incurs higher costs compared to being an early follower or a late entrant. This is because the process of product innovation generally involves more expenses than product imitation (Mansfield, Schwartz & Wagner, 1981; Levin et al., 1987). The crucial question is whether the higher costs of the first entrant are compensated by increased revenue. If the revenue gains surpass the costs, innovation is promoted, which plays a critical role in fostering economic growth.

Brand Equity: Amazon's was a key factor that encouraged customers to continue purchasing from the platform, especially as the company expanded into new product categories such as electronics, toys, and clothing.

Economies of scale: The company benefited from economies of scale, which were made possible by the widespread use of its e-commerce platform before competitors like Walmart entered the online retail market.

Operational Efficiency: Amazon's operational efficiency driven by its economies of scale, long-term supplier relationships, and the ability to negotiate favorable terms (like extending payables), made it difficult for later competitors to replicate or catch up. Under Jeff Bezos' leadership, Amazon made significant investments in logistics, fulfillment, and its distribution network, which turned out to be a strategic move that contributed to the company's large scale and continued growth trajectory.



3.The advantageous of being a follower company: A market follower is a company that doesn't aim to lead the market but instead observes and refines the strategies of the market leader.

Lower Risk: Market followers can reduce risk by learning from the successes and mistakes of the market leader, allowing them to make better, more informed choices.

Cost leadership: Walmart's strategy of offering everyday low prices while ensuring profitability is driven by its cost leadership approach. This is made possible through the company's vast scale, efficient supply chain, and advanced inventory management systems, all of which help reduce costs and improve operational efficiency. As a result, Walmart can pass on cost savings to customers while still maintaining profitability.

Multi-channel Experience: Walmart offers a comprehensive shopping experience that includes in-store, curbside pickup, and home delivery options, something Amazon cannot match due to its lack of physical locations.

Instant Gratification: Walmart can satisfy customers who want immediate access to products, something Amazon's shipping model cannot replicate. Customers can buy items in-store and take them home right away.

Grocery Retail Strength: Walmart dominates the grocery sector, particularly fresh produce, which gives it an advantage over Amazon, who is still working on expanding its grocery business. Walmart's established infrastructure in this area allows it to meet consumer demand better.



For examples:- According to Semmler (2010), Intel and AMD are the two leading companies in the global microprocessor market, with Intel commanding a market share of 81.7% and AMD holding 16.9%. Historically, Intel has been the largest and oldest of the two firms.

These companies compete primarily on the capabilities of their processors, particularly in terms of security and processing speed. A significant area of competition is processor size, with the current standard being 14 nanometers. Both companies are now focused on developing smaller processors, aiming for 10 and 7 nanometer sizes to achieve a competitive advantage in the market. The race to introduce these smaller processors first is ongoing (Extreme Tech, 2019). Despite their rivalry, Intel maintains a lead over AMD in the microprocessor market. According to Digital Trends (2019), while both companies are making remarkable advancements in price, power, and performance, Intel chips generally deliver better performance per core. Semmler (2010) describes Intel as the dominant company in this oligopoly, with AMD acting as the market follower. These two companies collectively hold 98.6% of the global market share.

The entry barriers for new companies are substantial, including patents held by Intel and AMD, as well as long-term contracts with PC and laptop manufacturers (Semmler, 2010). Therefore, Intel operates within an oligopolistic market structure, specifically a duopoly, with AMD being its primary competitor. This market is characterized by the presence of only two dominant firms, which aligns with the assumptions of an oligopolistic structure. However, the assumption of strategic interactions is not fully applicable, as both companies maintain strict confidentiality regarding their processes, and sharing information could lead to monopolistic practices such as collusion. Notably, Intel (2019) has emphasized that it does not engage in such practices for ethical reasons. Historically, AMD and Intel had a cross-licensing agreement in 1976, but this ended in 1987, marking the beginning of intense competition between the two companies (Semmler, 2010).



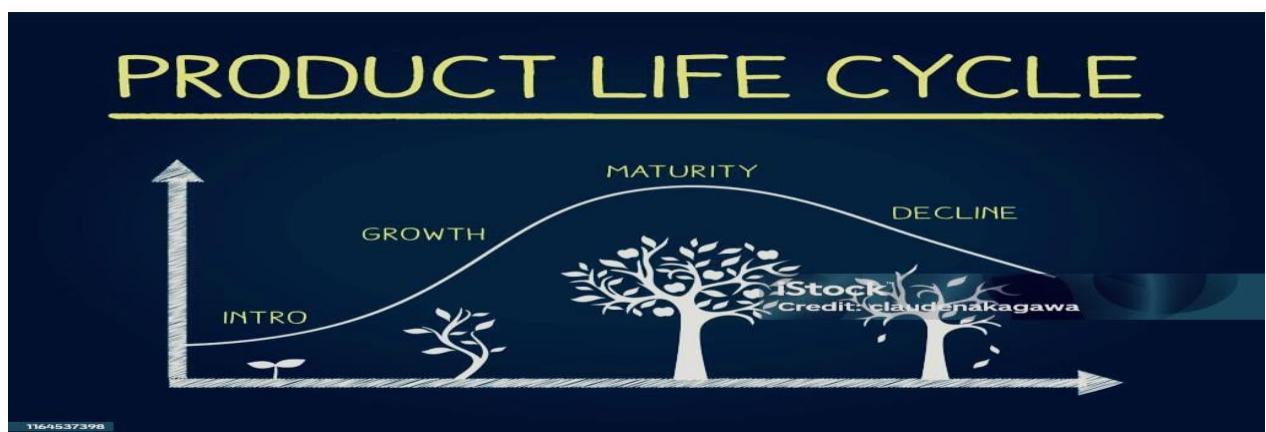
4.The product life cycle Strategy: Levitt (1965) discusses the product life cycle (PLC) concept, a framework used to understand the stages a product typically undergoes from introduction to decline. Despite its widespread recognition, Levitt argues that many marketing executives do not effectively apply this knowledge in their strategic planning. He suggests that companies can gain a competitive advantage by leveraging the PLC concept more effectively.

Introduction: This initial phase involves introducing a new product to the market, where demand is still being established. Sales grow slowly, and the product's success is uncertain.

Growth: Demand accelerates significantly in this stage as the product gains popularity. New competitors enter the market, resulting in increased product and brand differentiation.

Maturity: The product reaches widespread consumer acceptance, and growth slows. Intense price competition arises, with companies focusing on differentiation through price and service to retain market share.

Decline: The product loses consumer appeal, leading to a decline in sales. Some companies exit the market, while others may attempt to stay competitive through aggressive tactics.



For example: **Growth of Nike's** formation and early development from 1960 to 1980 were marked by innovation, strategic marketing, and efforts to expand its global presence. The brand began with Bill Bowerman's collaboration with the Japanese company Tiger Shoes. In 1965, Bowerman proposed a new sneaker design featuring a cushioned innersole and different types of rubber in various parts of the shoe. This design was a success, but it also sparked a conflict with Blue Ribbon, the U.S. distributor for Tiger, as Blue Ribbon later began selling a similar product under the Nike brand.

Several factors contributed to Nike's growth during this period. The rising popularity of jogging in the 1960s created a large potential market for Nike's shoes. The company focused on marketing to joggers and aligned its strategy with the growing health and fitness trend, which helped establish strong brand recognition and customer loyalty. Nike also employed various pricing strategies to grow its market share. In its early years, Nike set its prices at a moderate level, targeting consumers who prioritized product quality and performance over price. As production costs increased, the company raised its prices but reduced its marketing expenses to improve long-term profitability. Additionally, Nike offered discounted products at megastores, which allowed it to reach a broader customer base at more affordable prices.

Maturity: The period from 1990 to 2010 was Nike's "Golden Period," where the brand saw significant growth in popularity, marketing innovation, and product development. During this time, Nike honed its marketing strategies, especially through emotional storytelling and celebrity endorsements, which helped differentiate it from competitors. Nike took advantage of the growing influence of sports celebrities and their ability to connect with consumers. By incorporating emotional storytelling in its ads, Nike reached a wider audience. For example, one commercial featured an 80-year-old man running across the Golden Gate Bridge every morning, symbolizing that anyone, regardless of age or physical limitations, could pursue their passion for sports. This strategy helped Nike grow its market by appealing to consumers' emotions and promoting the brand's inclusivity.

Nike implemented a Premium Pricing strategy, which significantly increased the perceived value of its products. By raising the price of select items, such as limited-edition Air Jordans and Kobe Bryant shoes, Nike created a sense of exclusivity and scarcity around these products. This approach not only strengthened the brand's image but also

fostered strong customer loyalty, particularly among those looking for high-quality, innovative items. Nike's advertising strategy in this period heavily relied on endorsements from legendary athletes like Michael Jordan, Kobe Bryant, Serena Williams, Ronaldo, and LeBron James. These partnerships helped position Nike as a premium brand and contributed to its rapid growth in the market.



Growth: Enhance Adidas' leadership in sports and lifestyle by focusing on sustainable, innovative products. Expand the women's category with better offerings and marketing. Grow e-commerce sales and create an omnichannel experience for seamless customer journeys. Expand Adidas' membership program and boost engagement. Accelerate the use of sustainable materials, reduce the environmental footprint, and introduce product recycling initiatives. Strengthen eco-friendly partnerships. Focus on growth in Greater China, North America, and EMEA. Tailor products to regional preferences and build local partnerships. Invest in data analytics, AI-driven production, and virtual try-on experiences to enhance customer personalization and operational efficiency.

During the **Maturity** Stage, the growth in sales of our deodorant product begins to slow, and competition from generic brands intensifies. To maintain a competitive edge, we may enhance product features to stand out. However, increasing price competition could result in a gradual decline in selling prices. This phase is highly competitive, with companies striving to defend their market share. Despite this, the overall market tends to generate peak profitability. Investments in research and development will likely be more strategic,

focusing on product enhancements, efficiency improvements, and maintaining high production quality to remain competitive.



In the Product Life Cycle (PLC), pioneers and followers adopt distinct strategies to compete effectively. Pioneers focus on market leadership and innovation, while followers leverage market insights to gain a competitive edge.

Pioneer Strategies:

Growth Stage: Pioneers prioritize brand recognition and market expansion through aggressive marketing, continuous product innovation, broad distribution, and customer loyalty programs.

Maturity Stage: To sustain their market position, they enhance products, target specific customer segments, optimize costs, and diversify into new markets or product lines.

Follower Strategies:

Growth Stage: Followers learn from pioneers, differentiate their products, adopt cost leadership, and target niche markets to attract customers.

Maturity Stage: They refine products, segment markets, cut costs, explore diversification, and implement loyalty programs to remain competitive.

5.Conclusion: Both pioneer and follower companies play crucial roles in the Product Life Cycle (PLC), each with distinct advantages that influence their strategies. Pioneers benefit from first-mover advantages, such as brand recognition, premium pricing, and technological leadership, which allow them to establish a strong market position early on. In contrast, followers take advantage of market insights, lower R&D costs, and cost efficiency to refine products and target specific customer segments. During the growth stage, pioneers focus on aggressive marketing and continuous innovation, while followers identify gaps in the market and offer cost-effective alternatives. In the maturity stage, both pioneers and followers focus on sustaining profitability through product improvements, market segmentation, and cost optimization. The key to success in the PLC is how effectively companies, whether pioneers or followers, adapt to shifting market dynamics, evolving customer needs, and competitive pressures. By strategically leveraging their position and continuously refining their approach, both types of companies can extend the product life cycle and achieve long-term growth.

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