



LCMB7024

MARKETING MANAGEMENT

DR. LAILA MAAZOUZ
Student (2113304) Sandra Tirala
Assessment 1

Contents

Introduction	2
What are the advantages of being a pioneer and a follower company?	3
Advantages of being a pioneering company	3
Advantages of being a follower company	4
What product lifecycle strategies do successful pioneers and followers implement?.....	6
Strategies in the growth stage.....	6
Position Defence Strategy	6
Frontal Attack Strategy	7
Strategies in the Maturity Stage	7
Highest penetration strategy.....	7
Global Expansion Strategy:	7
Leap Strategy.....	8
Technological Leap.....	8
Conclusion	9
References.....	10

Introduction

When I think about how companies manage to stand out in a crowded market, I realise it boils down to a combination of courage, strategy, and timing. Marketing management, as I've learned, is not just about selling products; it's also about thoroughly understanding consumer wants and needs while maintaining a long-term vision for the business.

In this field, there are two types of players: pioneers, who blaze new and risky paths, and followers, who arrive later, learning from the groundwork that has already been laid. Writing this essay has prompted me to reflect on the strengths of both strategies and how successful companies leverage them to grow and strengthen their positions. Pioneers, with their boldness, often set the market pace, while followers, taking a more calculated approach, refine existing concepts.

I've also been intrigued by how the product lifecycle, from launch to decline, plays a crucial role in their decision-making. In the following pages, I will outline the advantages of being a pioneer or a follower, providing examples to illustrate these points. Additionally, I will explore how companies implement specific strategies within this lifecycle to maintain their leading positions. Ultimately, I hope to demonstrate that both positions, although distinct, can be equally effective when approached thoughtfully and strategically.

What are the advantages of being a pioneer and a follower company?

Advantages of being a pioneering company

Being the first at something is both exciting and a bit intimidating. Pioneering companies are those that take the initial leap, whether by launching a revolutionary product, developing new technology, or adopting a novel approach to reaching customers. Although this entails high risks, the potential rewards can be substantial.

One significant advantage is their ability to dominate a market segment from the outset. By being first, they establish a leadership position that is difficult for others to challenge or overtake. Additionally, they have the opportunity to shape consumer expectations, effectively writing the rules of the game.

I am also impressed by the brand recognition they achieve. When a company is first, its name tends to stick in people's minds, fostering loyalty that is hard to break. Furthermore, without competitors breathing down their necks, these companies have the freedom to experiment and create something unique. While they do require solid resources, funding, research, and talented individuals to maintain their advantage, when they succeed, the impact is overwhelmingly positive.

Example: **Amazon**. When Jeff Bezos started in 1994 from his garage in Washington, I don't think many imagined the monster he would become. He began selling books online, something that sounds basic today but was revolutionary at the time. Being first in e-commerce gave Amazon an incredible advantage: it captured customers before anyone else and defined how we shop online. Over time, it did not remain

confined to books; it expanded to encompass everything from clothing to electronics and then transitioned to the cloud with Amazon Web Services in 2006. What I love most is how they innovated with things like one-click shopping or personalised recommendations details that we now take for granted, but which they invented. That pioneering approach gave them a significant market share and a reputation that keeps them at the forefront today. And let's not even talk about Prime Video or devices like Echo and Alexa Devices; Amazon not only created a marketplace but continues to expand it.

Example: **Tesla** Another case that comes to mind is Tesla. When I think of electric cars, Elon Musk and his team are the first ones that come to mind. They entered the automotive market with something that seemed like a dream or even crazy: fully electric cars with long-range batteries and advanced technologies such as autopilot. While other manufacturers were playing with hybrids, Tesla got straight to the point and changed the game. Being pioneers gave them the chance to innovate without immediate pressure, and today, they are the standard against which everyone is measured. In addition, they captured a group of consumers who are concerned about the environment and who now see them as an iconic brand. It's a perfect example of how being first puts you on the map and gives you a place that's hard to unseat.

Advantages of being a follower company

Now, being a follower may not sound glamorous, but I think it has its charm. These companies do not invent the wheel, but they make it turn better. One key advantage, I believe, is the reduced risk. When they arrive later, they can see where the pioneers stumbled and avoid those mistakes. It also saves a significant amount on costs because they don't have to spend as much on research from scratch; they take what already works and adjust it. I like how they can observe the market, listen to customers, and then launch something more polished.

Another thing I value is that followers use the channels that the pioneers have already opened. They don't have to build everything from scratch, but they jump on the moving train and take advantage of it. Additionally, by entering the market later, they have access to more accurate data on what people want, which provides them with a level of precision that pioneers often lack when they start.

Example: **Samsung** is a case that I have always found fascinating. They weren't the first to use smartphones; that was Apple's thing with the iPhone, but they came later and did it in a big way. What I like about Samsung is how they took what already existed and took it to another level. With their Galaxy line, they offered larger screens, improved cameras, and models suitable for all budgets, ranging from affordable to premium. That allowed them to compete with Apple without having to invent the market from scratch. I'm also impressed by their aggressive marketing; the global campaigns and sponsorships, such as those at the Olympics, have given them tremendous visibility. Being fast followers allowed them to learn from the mistakes of others and adjust their strategy; today, they are a giant that continues to grow.

Example: **Hulu**. Hulu is another example I recently heard. When Netflix started streaming, it was a total pioneer, but it also stumbled when moving from DVDs to digital. Hulu came later, and I think it's incredible how it leveraged that experience to introduce a more refined model. They learned from what Netflix did right and wrong and focused on offering varied content, such as current TV shows, that Netflix initially lacked. By not being the first, they avoided many risks and costs, instead relying on a market that was already prepared for streaming. Today, Hulu is a solid choice for millions, which demonstrates how being a follower can put you in a strong position if you play your cards right. Honestly, I think they mark the difference with their network TV options and cheaper price.

What product lifecycle strategies do successful pioneers and followers implement?

The product life cycle (PLC) has led me to reflect on how companies manage their products from conception to eventual obsolescence. It consists of four stages: introduction, growth, maturity, and decline.

The introduction stage is an exciting but uncertain time when a new product is launched, and the company hopes the market will embrace it. In contrast, the decline stage occurs when sales begin to decline, prompting the company to decide whether to reinvent the product or discontinue it.

The growth and maturity stages are exceptionally dynamic, as this is when companies, both pioneers and followers, implement strategies to expand and remain competitive. Below, I will explore some of these tactics, providing examples that resonate with me.

Strategies in the growth stage

During the growth stage, sales increase rapidly, and competition begins to emerge. Here, companies need to defend their ground or attack to gain more space. I love seeing how they break down into defense and attack strategies, depending on whether you're the leader or the one who wants to climb.

Position Defence Strategy Coca-Cola as a Pioneer

One tactic that I find sound is position defense, where a company reinforces its existing strengths. Coca-Cola is my favorite example here. Ever since I was little, I've always seen their ads everywhere, especially the ads with Santa at Christmas. During the growth stage of their beverages, they leveraged their iconic brand and extensive distribution network to remain unassailable. They do consistent campaigns and connects with people at local events, which keeps customers loyal and makes

competitors like Pepsi work twice as hard. To me, this illustrates how a pioneer uses their starting position to shield themselves from growth. Coca-Cola has long kept its recipe a closely guarded secret. While we now know some details about it, the company continues to keep its production methods confidential from competitors. They believe this protects their unique taste and flavour, making it hard for others to replicate.

Frontal Attack Strategy As a follower in the smartphone market, I appreciate Samsung's direct approach to competing with Apple. During the growth phase of the mobile market, Samsung launched its Galaxy series, which featured enhancements that directly addressed the iPhone's strengths, such as advanced cameras and large screens. Their advertisements sometimes poke fun at Apple, which I find to be a bold and amusing strategy. Although Samsung didn't invent the smartphone, they effectively utilised their resources to challenge the market leader, appealing to customers who wanted something different. While it's a risky strategy, it has proven to be incredibly successful for them.

Strategies in the Maturity Stage

When a product reaches maturity, sales stabilise, and the market is full of options. Here, companies are seeking to maintain their market share or drive further growth. I find it fascinating how they adjust their tactics to avoid losing relevance.

Highest penetration strategy Microsoft as a Pioneer:

One strategy I like at this stage is achieving higher penetration, and Microsoft, with Windows, is a case that has always caught my attention. When the operating system reaches maturity, it doesn't fall asleep; instead, it releases regular updates, such as Windows 11, and offers incentives for people to upgrade. This not only keeps current users but attracts new ones. I think it's incredible how a pioneer like Microsoft utilises this to remain essential in a saturated market, ensuring that no one stops needing them.

Global Expansion Strategy: McDonald's as a Follower

Another tactic that impresses me is international expansion, and McDonald's is a perfect example. As a follower in the world of fast food – they came after others, such as White Castle – they have been able to expand the maturity of their products by introducing them to new countries. What I like the most is how they adapt the menu: in India, they offer veggie burgers, and in Japan, something with teriyaki sauce. This keeps your sales alive and relevant, taking advantage of markets where the product still has potential. It's a brilliant way to maximise the benefits of the maturity stage.

Leap Strategy Tesla as a Pioneer

Ultimately, I find the leap strategy incredibly inspiring, and Tesla excels in the maturity of electric cars. Instead of racing hybrids, they leaped with all-electric models and features such as autopilot. Not only did this keep it growing, but it also attracted new customers who wanted something more advanced. I love how Tesla, as a pioneer, uses this tactic to stay ahead, setting the pace even when the market is already saturated.

Technological Leap: Apple as a Pioneer

Apple stands out as a pioneer by constantly reinventing itself, particularly in a mature smartphone market. Rather than competing solely on technical specifications with companies like Samsung, it has created a unique ecosystem that seamlessly integrates hardware, software, and services. This includes offerings like Apple Music, Apple Arcade, and Fitness+, which are projected to generate over \$80 billion annually by 2025. This strategy has diversified its revenue streams and positioned the iPhone as a gateway to an exclusive digital world, redefining what it means to own an Apple product.

Apple's innovation is evident not just in products like the Apple Watch or the M1 and M2 chips, which have revolutionized their respective markets, but also in its philosophy of seamless integration that makes its offerings indispensable. While Apple may not always be the first to introduce a new product, it has a knack for transforming the markets it enters, showcasing that true disruption can come from established giants who redefine the rules of the game.

Conclusion

Writing this essay has opened my eyes to the incredible dynamism of the business world. Pioneers and followers, although they may seem like opposites, share a common goal: to grow and remain strong. Pioneers like Amazon and Tesla inspire me with their courage to create marketplaces from scratch, gaining recognition and leadership through pure innovation. Meanwhile, companies like Samsung and Hulu demonstrate that you don't have to be the first to succeed; with clever adjustments, they can match or even surpass the leaders.

Observing how these companies utilise the product lifecycle also impresses me. For instance, Coca-Cola champions growth, Samsung attacks aggressively, and Microsoft, McDonald's, and Tesla effectively manage to extend their maturity phase. Ultimately, I believe there is no single "right" path in business. Success depends on how you play your cards, whether you are the one who opens the door or the one who enters later to improve upon what is already there. This analysis leaves me reflecting on the importance of understanding the market and adapting, regardless of which side of the game you're on.

References

Winter, S., Quernheim, N., Arnemann, L., Bausch, P., Frick, N., Metternich, J. and Schleich, B., 2025. Utilising the Integral Digital Twin for Calculating Product Carbon Footprint. *Cleaner Environmental Systems*, p.100258.

De la Gala-Velásquez, B., Ruiz-Ortega, M.J., García-Villaverde, P.M. and Hurtado-Palomino, A., 2024. Can ambidexterity lead to pioneering orientation in adverse situations? A new approach about when and how. *Technological Forecasting and Social Change*, 198, p.122993.

Domínguez, B., Gómez, J. and Maícas, J.P., 2021. Multimarket pioneers: Does multimarket contact improve their performance? *Long Range Planning*, 54(2), p.101993.

Schmutzler, J., Palacios-Chacón, L.A., Burvill, S. and Andonova, V. eds., 2024. *Cases on Entrepreneurship and Innovation: Unexplored Topics and Contexts*. Edward Elgar Publishing.

Dreiling, A. and Bican, P.M., 2022. Pioneer or Follower: Which Strategy to Choose? In *The Routledge Companion to Technology Management* (pp. 100-115). Routledge.

Sharma, S., Saini, K., Verma, J., & Bahadkar, V. (n.d.). Carry Your Wardrobe in Your Pocket. Biondi, G., 2024. *New Technology Diffusion in Vertical and Longitudinal Market Segments* (Doctoral dissertation, Politecnico di Torino).

Elche, D., Martínez-Pérez, Á. and García-Villaverde, P.M., 2021. Pioneering Orientation and the Threat of Imitation in Tourism and Hospitality Firms: The Role of Knowledge Strategy. *Journal of Hospitality Marketing & Management*, 30(8), pp.1005-1034.

García-Villaverde, P.M., Elche, D. and Martínez-Pérez, Á., 2020. Understanding
Pioneering Orientation in Tourism Clusters: Market Dynamism and Social Capital.
Tourism Management, 76, p.103966.