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Table of Contents

Introduction:.....	3
The advantages of being a pioneer company.....	4
The advantages of being a follower company.....	6
PLC Strategies in the Growth and Maturity Stages:	8
Conclusion	13
Reference List	14

Introduction:

Companies must choose between pioneering or following entry into new markets which represents an essential strategic business decision for their marketing and expansion approaches. Every marketing activity carried out is aimed at increasing the selling and usage (Sugiarto *et al.*, 2022). Organizations that decide on pioneer or follower status affect both their market competition and their brand visibility and control their market dominance and future financial stability (Gómez *et al.*, 2021). Companies that serve as marketing first-movers introduce novel products which leads to strong consumer loyalty and large-scale production advantages and prevents competitive market entry. Company pioneers face major risks including extended research expenses and development costs and unpredictable consumer response patterns and risks from stronger competitor advancements.

After pioneer companies have established their position in the market, follower organizations step in by utilizing the knowledge acquired from pioneer activities. Being a follower in the market allows for less market uncertainty but makes it difficult to establish competitive difference from the pioneer and to gain substantial market share and develop customer trust. The examination of this essay traces the benefits linking pioneering and following market strategies through actual business examples of effective organizations implementing both approaches.

The advantages of being a pioneer company

Brand Loyalty and Market Leadership

Doing business in the emerging industry has its benefits where one has a chance to capture the market and obtain the first-mover advantage before competitors appear. As the first to introduce a certain product or a service, a firm can make a lasting image to be associated with a certain category (O'brien, 2024). Those customers who bought pioneer products get emotional attributed to these brands and remain loyal for long. For instance, the iPhone introduces an entirely new user interface based on a large multi-touch display and pioneering new software, letting users control the iPhone with just their fingers. (Apple, 2007). However, given the stiff market competition from other big brands such as Samsung and even Huawei, Apple still enjoys a high patronage from its customers mainly because of its early market entry and well-established brand image. Similarly, through mere introduction of Coke as a pioneer in carbonated beverage production it has a stronghold on the global soft drink market share and effectively competes with newer companies.

Economies of Scale and Cost Advantages

It can therefore be said that the advantages that first movers achieve in a market can include economies of scale. Holders can obtain low-cost supplies through the production facilities that they may set up before competitors, efficient supply chains, and an extensive sales network to counterbalance the losses during the pioneering period (Anderson, 2020). For this reason, they experience some form of cost efficiencies within the production process hence enabling them to offer reasonable prices to their customers. For example, Amazon revolutionized the online selling market by allocating a lot of amounts to consolidate their value chain (Qin and Liu, 2022). As a result, the company was in a position to reduce costs and offer lower prices that most other players in the industry could not easily imitate. This cost advantage has enabled amazon to gain a competitive edge over other competitors in the global online retail market and this has resulted in competitors having to adapt to the infrastructure already in place by amazon.

Patents and Technological Leadership

Pioneer enterprises achieve competitive superiority through patent acquisition and technology development which enables substantial market obstacles for companies joining later (Jerab and Mabrouk, 2023). The combination of innovation with research and development enables pioneer companies to build complex technological platforms which serve as powerful barriers against reproduction by competitors. Tesla stands as a prime company which utilizes technological leadership as its main strategy (WU *et al.*, 2021). The automotive market distinguished Tesla through its high-performance electric vehicles and their progressive battery design features. The company invested in battery technology enhancement and supercharging systems and self-driving capabilities which has created an insurmountable barrier for other industry players. Market dominance is sustained for long periods by pioneers through the patent protection of their intellectual property.

High Switching Costs for Customers

Pioneers establish substantial barriers for customer changes between brand selections thus making it challenging for customers to shift between competitors. Consumers who integrate with a specific product or ecosystem tend to face major problems with switching to different alternatives (Panico and Cennamo, 2022). Microsoft achieved a dominant market position in the PC field by being the first to create Windows which is a widely accepted operating system (Akhtar, 2024). The company implemented a long-term strategy to combine its software with different business applications which developed into the essential user ecosystem. Microsoft maintained complete control of its market position because users had extreme trouble navigating from Windows to other operating systems. Adobe maintained its position as digital design software leader by keeping its professional user base because of the obstacles that come with changing software platforms (Chiriță *et al.*, 2020).

The advantages of being a follower company

Lower Research and Development Costs

When follower companies come into the market they need far less money to research and develop products. They get to learn from established techniques through studying success and failure data of pioneer companies. This method gives companies better resource management which lets them work on improving present products instead of developing fresh ones. After Apple launched its first phones Samsung arrived later to compete successfully with tech enhancements and diverse price ranges (Hai, 2023). Samsung used Apple's market understanding to save research funds when making better smartphones than competitors.

Improved Products and Consumer Adoption

It is important to note that follower companies will be able to avoid the mistakes of the pioneer and continue to adapt the product for the consumer's preference (Gómez *et al.*, 2022). This is a great opportunity for the follower because problems can arise in relation to design and functionality, as well as usability, which can be fixed in the original product. For example, geeks refer to Facebook as a social networking site; however, it was not the first such site since MySpace and Friendster preceded it (Firmansyah, 2023). However, through the shortcomings of those early platforms, Facebook introduced a much cleaner, user-friendly experience without the clutter of other such early platforms. Facebook, therefore, began to surpass and quickly overtake its predecessors as the dominant social media platform.

Cost Efficiency and Competitive Pricing

Followers benefit from reduced production costs since they do not pay for market development (Firmansyah, 2023). They can improve production methods and use better technology because follow-up businesses enter when new technologies and cost-saving practices exist. Their competitive product prices earn more customers who want to pay less for high-quality goods. Xiaomi entered the smartphone industry late yet succeeded fast because its high-quality products had lower prices than industry giants Samsung and Apple (Sun and Fah, 2020). Through affordable phones with

excellent features Xiaomi built a successful position in the worldwide smartphone business.

Faster Growth and Expansion

Followers save time on market education so they can concentrate on fast business expansion (Sugiarto *et al.*, 2022). Followers who build from pioneer accomplishments gain the ability to penetrate various markets swiftly while operating their businesses at maximum scale. The streaming service Netflix implemented fast market growth through its entry during a period when Blockbuster and Hulu had already introduced the concept (Joonas *et al.*, 2023). The expanding demand for digital content allowed Netflix to boost its content library with aggressive market expansion and improved its subscription products. Through this approach the company achieved better performance than its earlier versions allowing dominance in the streaming market.

PLC Strategies in the Growth and Maturity Stages:

The Product Life Cycle (PLC) is a very important framework that helps companies gain insights on the market dynamics and experience through which it guides companies with regard to the strategies needed for enabling them to stay in the business for a long time. However, the concepts of product life cycle (PLC) and industry life cycle (ILC) are often used interchangeably. According to Vendrell-Herrero *et al.* (2022), manufacturing companies can provide digital services to enhance value creation throughout the PLC, which includes the planning, design, preparation, production, use, and disposal phases of the product. Four stages including introduction, growth, maturity and decline, are included.

Product Life Cycle (1 of 7)

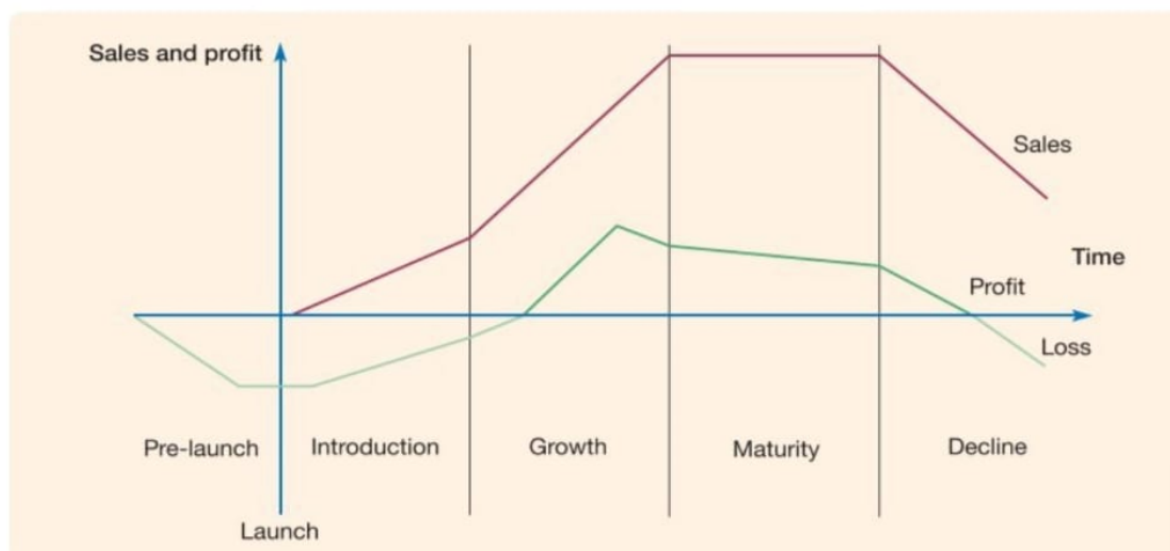


Figure 1: Product Life Cycle

Source: (Hooley et al., 2020)

Brief Overview of the Introduction and Decline Stages

During the introduction phase businesses face expensive operations with few customers who know about their products and uncertain future demand (Vendrell-

Herrero *et al.*, 2022). Newcomers need to spend heavily on promotional activities, supply networks, and manufacturing while experiencing monetary loss at the start before gaining market success. By funding battery development and infrastructure development Tesla dared to risk entering the electric vehicle industry which later made the company dominant (Costa *et al.*, 2022). Markets reach a point in decline when competitors take over the stage or buyers switch toward advanced technology. Companies that do not change their strategy face problems keeping their place in the market. Nokia's drift towards the divestment of its mobile phone business in 2013 is a miniature of the problems related to retrospective causal inference in general. Nokia lost its place in mobile phones because it failed to produce smartphones when Apple and Samsung started taking market control (Lamberg *et al.*, 2021). After a failed strategy companies can obtain a fresh chance by pivoting their direction towards the market.

Growth Stage Strategies

In the growth stage, sales increase, presence in the market is extended and competition is becoming more active. Aggressive expansion, differentiation and customer acquisition are the key strategies that companies rely on to strengthen their grasp in the market.

Market Penetration and Expansion

Pioneers, at this stage, seek to build up their brand and get as much market share as they can before competitors come along. Following the launch of the iPhone, Apple aggressively penetrated international markets while establishing exclusive carrier relationships to guarantee access to consumers in every corner of the world (Pratama and Purnawarman, 2024). Not only did it strengthen Apple's dominance but also made it high barriers to entry for competitors. But typically, pioneers must endeavour to provide a supply chain that works and grows as quickly as demand, opening opportunities for followers (Watanabe *et al.*, 2022). To meet this demand, Samsung entered the market as a follower and became successful by providing a large variety of smartphones for different price ranges. However, this strategy helped Samsung to compete against Apple's hegemony and take a considerable share in the global smartphone market.

Product Differentiation and Innovation

The nature of innovation as a variable to drive success in organisation is another feature, which is seen in the growth stage. This means that pioneers strive to increase value and make constant innovations to remain unique while followers rely on technologies that are already existing and modify them to suit the market. Tesla, being in the EV industry from early years, remained committed to improvement and advancement through software modifications, enhanced battery technology, and the integration of autopilot features (Bhardwaj *et al.*, 2020). However, it is always the case that initial entrants bear high cost for research and development and this provides room for competition entry by mimicking these products at a cheaper angle. For instance, Xiaomi started as a late entrant in the smartphone industry but soon positioned itself quite differently by offering higher specifications than those of Apple & Samsung at considerably reduced prices (Pratama and Purnawarman, 2024). This not only impacted the elites' premium smartphone market but also stressed the followers' ability to improve the pioneer product while allaying the concerns of affordability.

Strategic Alliances and Partnerships

The process of working together with essential stakeholders stands as an indispensable method to achieve quick operation expansion. Established pioneers initiate partnerships to strengthen their supply network systems and gain access to advanced technologies. EV adoption became faster after Tesla created partnerships with both battery makers and charging station developers (Bhardwaj *et al.*, 2020). The use of pioneering partnerships might produce inefficiencies that followers can transform into business advantages. Microsoft started entering the cloud computing field after AWS but rose rapidly in the market through its business-customer alliances and its adaptable hybrid cloud solutions specifically for enterprise needs (Terpoorten *et al.*, 2024). Through strategic partnerships Microsoft managed to confront AWS leadership despite its late arrival in the market thus demonstrating the effectiveness of partnership strategies for market penetration by followers.

Maturity Stage Strategies

During the maturity stage companies need to develop unique products while keeping existing customers and making more profits to slow down market saturation. Market competition spreads as companies need important decision-making to stay in leadership positions.

Market Segmentation and Niche Targeting

Companies spend more effort identifying specific groups of customers after normal consumer growth ends. Pioneers who built top brands develop their product range to serve multiple types of consumers. Coca-Cola has always been passionate about effectively reaching and engaging more customers (Zhang, 2024). Pioneer brands become tired after a time which makes room for follower companies to launch new product options. Nike earned its athletic footwear leadership position yet faced new brand Under Armour because Under Armour designed gear for performance athletes with modern fabric materials (Zhang, 2023).

Product Line Extensions and Enhancements

A product needs continuous changes to stay successful in its maturity stage. Pioneers release new product features and extend their product lines to hold consumer attention. Apple added Pro models and advanced camera technology to its product line while connecting the iPhone better with other Apple devices (Apple, 2007). When companies extend their products without proper strategy they risk losing customers to their own products. Followers succeed by developing products that differ from the original. Samsung created multiple Galaxy phone lines to fit the requirements of all consumer groups from top-tier users to those on a budget. Samsung maintained market success by placing its products effectively against the premium market Apple owned.

Pricing Strategies for Competitive Advantage

Consumers in the maturity phase need price deals that deliver excellent value. Companies leading industries must change their expense plans to retain profitability and market position. Netflix responded to different budget levels by creating multiple membership plans between affordable and costly service ranges (Joonas *et al.*, 2023). Followers use lower prices to take advantage of the problems that pioneer companies face with their costs. Xiaomi forced other smartphone brands to change their prices after this company sold high-end devices at low profit margins.

Conclusion

Strategic decisions made in different stages of PLC have a great impact on the strategic position and sustainability of the businesses. There are also a large number of disadvantages which are associated with market pioneer status; first of all, competition in this position is quite unpredictable, while a company has to take a high risk in order to gain the first-mover advantages such as brand identity, market control, and leading-edge technology. The follower firms use information from the market of pioneers to develop the existing products, introduce better and cheaper substitutes, and also exploit niches not occupied by pioneers. Actually, it is possible to notice that both strategies possess their inevitable advantages, the key question that defines the level of long-term competitiveness is an ability to implement the growth and maturity stage strategies.

During the growth stage, leaders emphasize on market domination, differentiation of product or service from the existing market and establishment of strategic alliance while the fast followers are able to access the market through improvement of existing product or through traditional means of offering it at a cheaper price than the market leader.

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