



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Master of Business Administration

Marketing Management
(LCMB7024)

Assessment Title: Assessment 1- Essay
Name: Md Emdadul Haque Suhag

Student ID: 2425485

Lecturer's name: Dr Jayalakshmi Gopalkrishnan
Submission date: 28.03.2025

Word count: 2697 words

Table of Contents

Introduction.....	03
2. Key advantages of being a Pioneer Company.....	03
2.1 Discuss, analyze, and critical evaluation of the advantages.....	03
2.2 Key advantages of being a Follower company.....	04
2.3 Examples of Pioneer and Follower companies.....	05
3. Product life cycle strategies that successful companies follow to increase growth and maintain strong competitive advantage.....	06
3.1 Discuss, analyze and critically evaluation of the growth and maturity stage of PLC for Pioneers.....	06
3.2 Discuss, analyze and critically evaluate the growth and maturity stage of PLC for Followers.....	08
3.2 Provide examples for Pioneers and Followers and analyze how each stage provides strong competitive advantage.....	08
3.4 You can compare and contrast the Growth and Maturity stages for Pioneer and Follower companies.....	09
Conclusion.....	12
References.....	13

Introduction

In the crucial world of management, firms are sometimes left with the strategic formulation of being an early bird or a late bird. A pioneer is the first to market a new product or technology that establishes a new market; through innovation and differentiation the pioneer shapes consumer demand. The first movers in a new product category drive standards and take a lot of the market share relatively early which gives them a huge first-mover advantage. By establishing a unique presence in the marketplace, these companies can enhance brand recognition and develop customer loyalty, ensuring future leading positions in the market (Kotler & Armstrong, 2018). But being a pioneer can also be risky due to the costs associated with research and development, uncertainty around consumer adoption, and the need to educate the market about the new product. On the other hand, followers follow the pioneers into the market, usually reducing their risks and costs. Followers can provide a better and cheaper product by studying what the pioneer has done wrong and iterating on their product. Samsung was a follower of Apple in the smartphone market and provided products with similar functionalities but also with improvements and focused on the largest number of consumers with lower price models (Gans 2016) Because followers do not incur the initial costs of educating the market and can draw on the experience of the pioneer, they are able to greatly expand their own product development process.

2. Key advantages of being a Pioneer Company

2.1 Discuss, Analyse and Critically Evaluate the Advantages

A pioneer is often defined as the first mover in the market, the company that introduces new products or technologies and ignites an entire industry. One of the major benefits associated with being a pioneer is called first-mover advantage, where companies get to stake their claim to a large chunk of the market early on, in addition to high brand recognition, customer loyalty, and the opportunity to charge a premium price. Companies such as Amazon, which was a first mover in the e-commerce space, gained

foothold as the go-to site for online shopping, offering everything from groceries to electronics to make a purchase less fickle and retain customers by offering a suite of products delivered home (Kotler & Armstrong, 2018). Pioneers also set a standard for the market and the consumer. Sony's Walkman is an archetypal example of this; it created portable music players and defined a new category of product so well that competitors were forced to keep up the pace (Bessen, 2015).

There are also high-profit margins for pioneers in the early stage of the PLC as there is no direct competition. One example of this is GoPro, which revolutionized the action camera space by appealing to extreme sports fans, and as a result was able to charge premium prices when it launched (Gans, 2016). Pioneers also gain economies of scale during early production, which higher production volumes allows increased production in the future, effectively reducing the per-unit cost of production. By entering the market for electric vehicles at an early stage, Tesla invested in both production and infrastructure and thereby was able to reduce costs and to increase production, becoming the leader in the market (Lieberman & Montgomery, 1988).

They also build strong customer loyalty, by being first to market. One of the biggest brand lovers Nike grew international market leader in the sports apparel market with continuous product improvements in its footwear product by evoking lifestyle context (Chaudhuri & Holbrook, 2001). So pioneers not only reap early-mover benefits, but also create enduring customer loyalty and market clout that later entrants can only overcome with great effort.

2.2 What are the Key Advantages of Being a Follower Company?

The follower company has never entered a market until the pioneer introduced a new product or service. While pioneers take the first-mover pain, followers have some strategic advantages because they can learn from the success and errors from the pioneers. Those that follow are able to watch the trailblazers.

Followers can improve the product, minimize expensive mistakes and refine the design by learning from what the leaders have done and what they have done wrong. For

instance, Uber was a fast follower in ride-sharing and also observed Lyft's initial missteps and optimized its own app design, improved driver relations and simplified its portfolio, finally surpassing Lyft (Bremmer, 2012). Reduced R&D costs accrue to followers. They can concentrate on improving an existing design rather than starting from square one because they don't have to build the product from the ground up. Microsoft, for example, also made a late entry into the video game console market with the Xbox after Sony's PlayStation had already claimed the high ground. Instead of the steep costs of innovation, Microsoft took the existing technology and added online capabilities, processing power, and other Microsoft product integrations (Gans, 2016).

Pioneers often have to educate the market, to explain to customers why a new product, service, etc. is valuable. By contrast, followers are able to take advantage of the market education already accomplished by the pioneers. For instance, PepsiCo did not have to invest money in educating consumers in soft drinks, because by the time it entered the soft drink market, Coca-Cola had already established the category. Pepsi, on the other hand, aimed to differentiate and promote its product (Kotler & Armstrong, 2018). Influencers can also use consumer feedback to enhance their products. After a pioneer launches a product, followers can utilize learnings from the market to improve the product's design and function. Kotler and Keller (2016) state that Samsung, it itself, kept taking consumer feedback into account to improve its smartphone battery life and screen size that pushed itself to be the more competitive peer of Apple.

These gains are customarily exploited and many companies have wavered at the forefront of their field due to these enhancements. Uber and Microsoft, but also PepsiCo and Samsung, are perhaps the best known examples of follower companies that have successfully leveraged lower R&D expenditures, consumer feedback and the lessons learned from pioneers.

2.3 Provide at Least Three to Five Examples for Each Pioneer and Follower Company

Pioneer Companies:

Amazon: Amazon is the first online retail store, and it made shopping easy with many products and services, so it took over the online shopping market (Kotler & Armstrong, 2018).

Sony: The introduction of the Walkman by Sony not only transformed the landscape of portable music but also established the company as a market pioneer of personal audio devices (Bessen, 2015).

GoPro: The pioneer of action cameras, GoPro changed how people record extreme sports and outdoor activities (Gans, 2016).

Follower Companies:

Uber: Following in the footsteps of Lift in the ride-sharing space, Uber used lessons learnt from the competition to overcome early obstacles and fine-tune its service offering, leading to market dominance (Bremmer, 2012).

Microsoft: Microsoft launched its gaming console after market leader Sony with its PlayStation and expanded upon existing technology with its Xbox (Gans, 2016).

PepsiCo: PepsiCo came on the heels of Coca-Cola in the soft drink industry and had more success with differentiation with options such as Diet Pepsi and flavoured sodas (Kotler & Armstrong, 2018).

Samsung: Samsung was introduced to the smartphone market after Apple and improved the commodity with larger screens, better battery life, and the Android operating system (Kotler & Armstrong, 2018).

Pioneer and Follower Company Examples			
Company Type	Company	Industry	Advantages
Pioneer	Amazon	Online Retail	First-mover advantage, creating massive brand recognition and market leadership in online retail (Kotler & Armstrong, 2018)
Pioneer	Sony	Personal Audio	Set industry standard for portable audio devices, revolutionized personal music (Bessen, 2015)
Pioneer	GoPro	Action Cameras	First-mover in action camera market, innovated for adventure sports capturing, and brand loyalty (Gans,

			2016)
Follower	Uber	Ride-sharing	Learned from early entrants, refined service and surpassed competitors in ride-sharing (Bremmer, 2012)
Follower	Microsoft	Gaming Consoles	Refined existing technology and expanded to global markets by offering better online features (Gans, 2016)
Follower	PepsiCo	Soft Drinks	Capitalized on existing brand recognition to expand with variations like Diet Pepsi (Kotler & Armstrong, 2018)
Follower	Samsung	Smartphones	Refined existing smartphone technology with better hardware features to capture market share (Kotler & Armstrong, 2018)
Follower	Microsoft	Gaming Consoles	Learned from PlayStation to refine the Xbox, focusing on better online experience (Gans, 2016)

3. Product Life Cycle (PLC) Strategies for Pioneers and Followers

3.1 Discuss, Analyze and Critically Evaluate the Growth and Maturity Stages of the PLC for Pioneers

The growth stage of the product life cycle (PLC) represents the period when sales grow rapidly as a product starts to take hold in the marketplace. The first movers who introduce a new product during this time benefit from substantial growth. They capture a significant portion of the market using the first-mover advantage and brand identity and customer loyalty. Nevertheless, in order to keep the fire burning, constant innovation and product tweaking are needed to set the product apart from its competitors. For instance, Apple's iPhone does not stand still, as it adds enhanced camera units, processors, and software as it evolves to ensure that it remains the market leader in the smartphone space despite growing competition (Kotler & Armstrong, 2018). The ability to innovate does not just maintain growth but extends the reach of the pioneer in a crowded market.

When growth slows down, as most consumers who want to adopt the product do. As new entrants make strides and threaten market share, pioneers need to explore strategies to remain profitable and sustainable. Apple and other such companies are very focused on differentiating their brand, retaining customers by bundling services into an ecosystem, etc. Example: The seamless integration of Apple's hardware, software, and services—which include iCloud and Apple Music—keeps customers loyal and less prone to shifting to competitors (Bohnsack et al., 2014). Furthermore,

innovators might also want to diversify into the market or create further product lines to keep growth going. As the smartphone industry matured, Apple built up wearable in the form of the Apple and also a profitable services business that generated new revenue channels (Shapiro & Varian, 1999).

In addition to innovation, at this point, front-runners must additionally focus on cost management and economies of scale to protect their profit margins. By way of example, Tesla started with electric vehicles but established its competitive advantage through the mass production of high-volume vehicles at scale. Tesla later diversified into energy products, including solar panels and battery storage, which both broadened its scope and served to lessen the heat of rising competition from traditional automotive companies (Bohnsack, Pinkse, & Kolk, 2014).

3.2 Discuss, Analyze and Critically Evaluate the Growth and Maturity Stages of the PLC for Followers

The Growth stage tends to happen for followers, once a pioneer has defined a market that, with any luck, the follower can enter easily by bringing a solution that already has identified demand. Followers can take advantage of pioneers' success by enhancing their product, making it better, or selling at a better price. By contrast, although Samsung launched its first smartphone after Apple, Samsung achieved competitive advantage with features such as larger screens, removable batteries, and the Android operating system. This effectively allowed Samsung to attract a wider range of consumers, to those preferring to have more customisable smart phone devices than what apple's iPhone could offer (Bremmer, 2012). Consequently, Samsung took a large slice of the market without having to front the hefty R&D costs that Apple had to when it launched the original iPhone.

The Maturity stage brings with it the specter of competition — and the risk of declining market share due to increased competition, especially against entrenched pioneers. In order to compete effectively, followers must optimize the production processes as well as achieve economies of scale, and focus on product differentiation. A prime example of

this is Samsung, which has successfully managed to provide a large number of smartphone models across a range of prices to cover both the high end and budget-conscious consumers. Kotler and Keller (2016) state that this extensive product portfolio enables Samsung to remain competitive in a crowded marketplace. Followers are looking for ways to capitalize on that, whether it's with focused markets or plant extensions to keep consumers engaged. Samsung, for example, diversified into smart watches, tablets, and other consumer electronics, so it will remain relevant even as the smartphone market matures.

Cost Efficiency Strategy Cost efficiency is a critical strategy for the followers in the maturity stage. With the entry of newer players and the slowdown in growth, the followers will need to concentrate on cost murraíns and operational efficiency to compete. This is a concerted effort by Samsung to create scale across product categories and compete with Apple and other smartphone manufacturers during the maturity phase (Shapiro & Varian, 1999).

Provide Examples for Pioneers and Followers and Analyze How Each Stage Provides Strong Competitive Advantage

Pioneer Examples:

Apple: Apple changed the smartphone industry with the introduction of the iPhone. At the growth phase, the company consistently unveiled state-of-the-art functions from Face ID to advanced camera technology. Apple leveraged brand loyalty and ecosystem integration to keep customers within the Apple product suite in Maturity (Kotler & Armstrong, 2018).

Tesla: Tesla saw that the electric vehicle market was still very much in infancy when it entered the market, and there were premium offerings with some advanced tech available. With the electric vehicle market reaching maturity, it further diversified into energy products, including solar panels and battery storage systems, to remain its leadership (Bohnsack, Pinkse & Kolk, 2014).

Follower Examples:

Pioneer: Samsung was late to the smartphone market (after Apple, by a decade) but monopolized differentiation by having more model variety, bigger displays and the Android ecosystem. In the growth stage, Samsung capitalized on market trends and made a name for itself. They still continued to grow when they reached the maturity stage and started to offer multiple price segments and ventured into other electronic devices such as smart watches and tablets (Gans, 2016).

PepsiCo: PepsiCo joined Coca-Cola in the soft drink market, establishing a niche with new products like Diet Pepsi and flavored variations. In the maturity stage, Pepsi sustained its market share in the beverage industry by attracting health-conscious consumers with low-calorie beverage options (Kotler & Armstrong, 2018).

Critically Analyse and Compare the Growth and Maturity Stages for Pioneer and Follower Companies

For both pioneers and followers, the growth stage is marked by growing market share, but they adopt different tactics to cement their positions. These companies are innovators, like Apple or Tesla, and are constantly working to outpace competitors through brand differentiation and new technological capabilities. They go out and command the entire market early on, leveraging their first mover to pick up significant market share. They are at the opposite end of the spectrum—followers like Samsung and Pepsi build on the pioneering work others did to focus on product refinement, cost management, etc. to distinguish themselves and garner market share.

The major challenge for the pioneers now is maintaining those margins and control of costs in such a competitive landscape. They must continue innovating, diversifying, and focusing on customer loyalty in order to stay on top. So followers, on the other hand, achieve economies of scale, improve their production process, and increase product lines or explore niche markets to maintain growth and competitiveness.

Pioneer firms have the advantage of market creation, along with first-mover advantages, while follower firms enter a market already with existing demand, with the

added advantage of learning from the mistakes and successes of the pioneers. Both pioneers and their followers can realise success in the growth and maturity stages of the PLC if they capitalize on their respective strengths and respond to changing market dynamics.

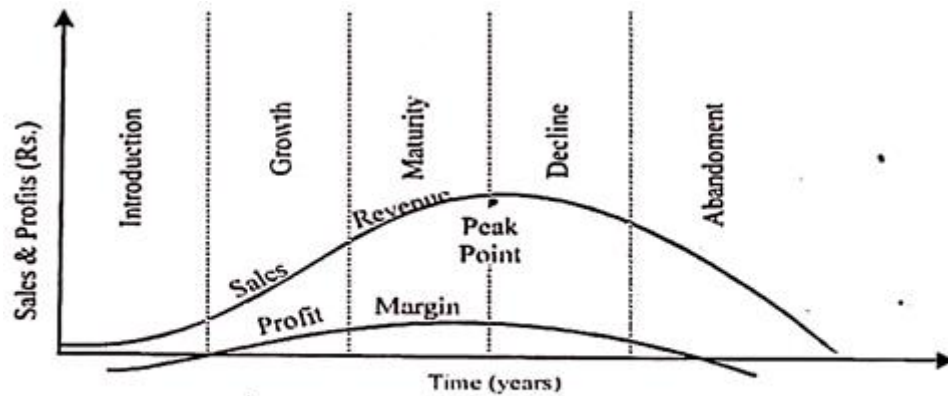


Fig. 15.2 : Product Life-Cycle

Conclusion

This essay comparing such pioneers against followers in the market focuses on how the two types of competing companies are competing in the growth and maturity stages of the product life cycle (PLC) to remain competitive in the performance. First movers, like Apple and Tesla, take advantage of a first-mover advantage, taking early market share and establishing the benchmark. They need to keep innovating and expanding when they are in the growth stage, whereas in the maturity stage my strategies change to more about differentiation, positioning, customer loyalty, and market diversification. In contrast, followers like Samsung and Pepsi are there only once the pioneers have a market, so they can decrease risk and development costs by building on the existing products. In the growth phase, followers have the option to foreign relations their offering by adding features and value propositions. In the maturity stage, they emphasize being cost-efficient and market share segmentation to remain at par with

competitors. The long-term success of both models heavily relies on their capacity to adapt to market changes, innovate, and differentiate.

References

- Ansari, S., Baden-Fuller, C., Björkdahl, J., Christensen, T. B., Casadesus-Masanell, R., Chesbrough, H., Cohen, B., Demil, B., Doz, Y. L., Geels, F. W., Hockerts, K., Kley, F., Morris, M., Neubauer, J., Orsato, R. J., Rennings, K., Sosna, M., Teece, D. J., Zott, C., ... Chan, C. C. (2013, November 27). *Business models for Sustainable Technologies: Exploring Business Model Evolution in the case of Electric Vehicles*. Research Policy. <https://www.sciencedirect.com/science/article/abs/pii/S0048733313001935>
- Bremmer, I. (2010, December). *The end of the free market: Who wins the war between states and corporations*. Portfolio. Retrived date 26.03.2025
https://www.researchgate.net/publication/251301979_The_End_of_the_Free_Market_Who_Wins_the_War_Between_States_and_Corporations
- Chaudhuri, A., & Holbrook, M. B. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing*, 65(2), 81-93. Retrived date 26.03.2025 from
https://www.researchgate.net/publication/233894765_The_Chain_of_Effects_From_Brand_Trust_and_Brand_Affect_to_Brand_Performance_The_Role_of_Brand_Loyalty
- Christensen, C. M. (1997). *The innovator's dilemma: When new technologies cause great firms to fail*. Harvard Business Press. Retrived date 26.03.2025 from
https://www.researchgate.net/publication/269857191_The_Innovator's_Dilemma_When_New_Technologies_Cause_Great_Firms_to_Fail
- Gans, J. S. (2016). *The Disruption Dilemma*. MIT Press. Retrived date 26.03.2025 from
https://www.researchgate.net/publication/350063361_THE_DISRUPTION_DILEMMA
- Kotler, P., & Armstrong, G. (2018). *Principles of Marketing* (17th ed.). Pearson Education.
- Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pearson Education.
- Lieberman, M. B., & Montgomery, D. B. (1988). First-mover advantages. *Strategic Management Journal*, 9(1), 41-58. Retrived date 26.03.2025 from <https://www.jstor.org/>

- Porter, M. E. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. Free Press. Retrived date 26.03.2025 from https://www.researchgate.net/publication/321007042_Competitive_Strategy_Techniques_for_Analyzing_Industries_and_Competitors
- Shapiro, C., & Varian, H. R. (1999). *Information Rules: A Strategic Guide to the Network Economy*. Harvard Business Press. Retrived date 26.03.2025 https://www.researchgate.net/publication/200167344_Information_Rules_A_Strategic_Guide_to_The_Network_Economy
- Varian, H. R.** (2017). *Intermediate Microeconomics: A Modern Approach* (9th ed.). W.W. Norton & Company.
- Teece, D. J., Pisano, G., & Shuen, A. (2008, January). Dynamic capabilities and strategic management | request PDF. https://www.researchgate.net/publication/303760488_Dynamic_capabilities_and_strategic_management
- Lavie, D. (2005, June 19). *The competitive advantage of interconnected firms: An extension of the resource-based view*. SSRN. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=744125
- Ghemawat, P.** (2001). *Strategy and the Business Landscape*. Pearson Education.
- Bessen, J. (2015, January). Learning by doing: The real connection between innovation, wages, and wealth | request PDF. https://www.researchgate.net/publication/303431417_Learning_by_Doing_The_Real_Connection_between_Innovation_Wages_and_Wealth
- E. Helfat, C., & A. Petera, M. (2007, October). The dynamic resource-based view: Capability lifecycles | request PDF. https://www.researchgate.net/publication/227534514_The_Dynamic_Resource-Based_View_Capability_Lifecycles