

MASTER OF BUSINESS ADMINISTRATION

MARKETING MANAGEMENT

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COMPONENT 1: ESSAY

SUBMITTED BY

**KAZI TAREQ RAHMAN
STUDENT ID: 2420989**

LECTURER

**DR JAYALAKSHMI
GOPALKRISHNAN**

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The Advantages of Being a Pioneer vs. a Follower: Company and Product Life Cycle Strategies in the UK Market

1.0 Introduction

Strategic marketing requires businesses to decide between becoming market leaders through pioneering ventures or following competitors by entering the market after established interests. The external environment, market conditions, and product characteristics determine which marketing approach, between pioneering and following, generates the most benefits and drawbacks (Chernev, 2018). This essay analyses the benefits of pioneering roles, follower positions, and strategies companies employ within product life cycles to extend growth, competitive edge, and operational sustainability.

Companies that initiate innovative market releases become pioneer organisations as the primary distributors of new products, services, or technologies. Securing the first position in the market enables this company to create new demand for its product while defining industry standards (Dreiling and Bican, 2022). However, it must accept increased risks during market adoption. Markets open to new entrants allow pioneer companies to win extensive market share and memorialise their brand among customers while forming the market's direction. For example, Dyson established itself as the first company in the history of bagless vacuum cleaners (Kotler and Vibrant Publishers, 2024).

Companies that want to follow existing market leadership establish their operations only after pioneers have built their presence. Following companies gain insight from pioneer success and failure to enhance their products and minimise product launch challenges (Dreiling and Bican, 2022). Follower companies gain substantial market advantage through the product research and marketing conducted by pioneers who preceded them into the market. After Apple had succeeded in launching smartphone technology, Samsung decided to enter the market (Wurzel, Andersen and Tobin, 2021).

According to Covin, Slevin and Heeley (2000), the first company that launches a new product or service in the market gains an advantageous position against competitors. A product introduction as the first mover brings multiple advantages, including grabbing

initial market shares while establishing loyal customer bases and gaining a reputation among consumers who become brand advocates who define how the market will evolve. For example, the market leadership advantage allows pioneering companies like Tesla and Dyson to establish themselves before competitors enter the market.

1.1 Advantages of Being a Pioneer vs. a Follower

Strategic decision-making between pioneer and follower status determines market positions, financial success, and organisational expansion. Companies operating in highly competitive markets require a complete understanding of the benefits of these approaches (Berndt, Fantapié Altobelli and Sander, 2023).

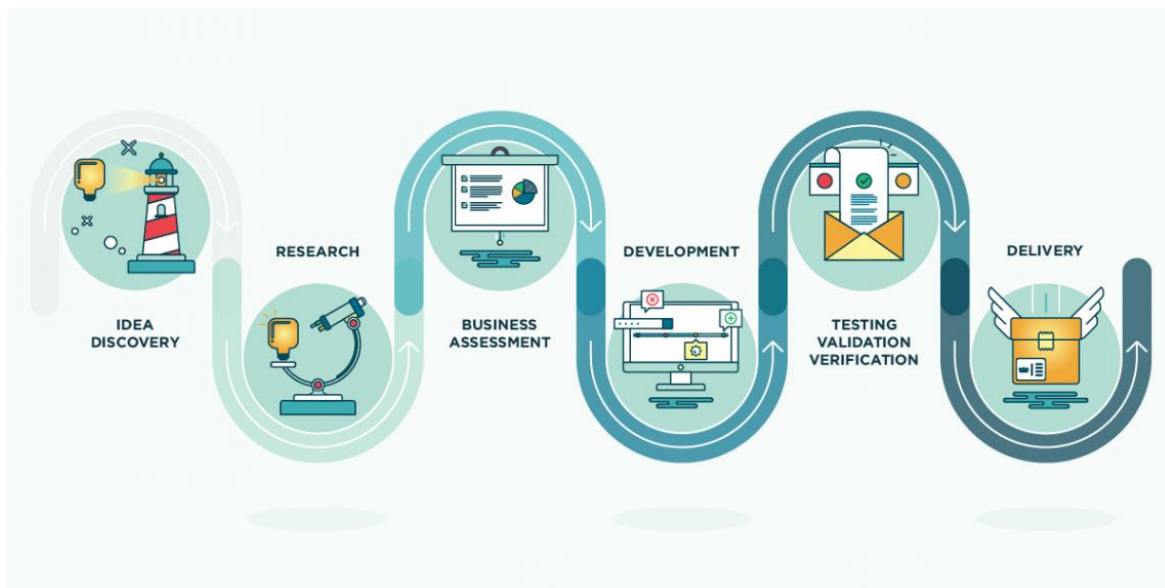


Figure 1: Advantages and disadvantages of the market pioneer strategy (Deana, 2025)

1.2 Advantages of Being a Pioneer

The organisation that first offers a new merchandise or technological solution to the marketplace becomes classified as a pioneer company. New market leaders gain substantial benefits by establishing the first demand for their innovative category. The main benefit of pioneering comes from controlling the marketplace leader status, thus enabling firms to gain dominance and set benchmarking standards across their industry. At the outset of launching new products, pioneers benefit from higher profit margins because they face no rival providers (Covin, Slevin and Heeley, 2000).

Dyson demonstrates the benefits of market pioneering within the UK market through its British technology company presence. The vacuum cleaner industry received a breakthrough from the company when it launched its bagless design (Deana, 2025). Dyson's superior vacuum cleaner technology gave the company marketplace superiority at its initial launch. The combination of being a first mover and intensive research and development programs at the company made it the market pioneer in innovation and established its brand leadership position. As reported by the Office for National Statistics (ONS) (2020), Dyson successfully established its market position in the first period by entering the market early, enabling it to create a substantial market share increase and build devoted customers (Dong, Mao and Li, 2023).

Another prime example is Tesla. Tesla operates from America, but its leadership position in electric vehicles has significantly changed the automotive markets throughout the UK and worldwide (Dong, Mao and Li, 2023). The emphasis Tesla placed on electric-powered sustainable products combined with their first-entry advantage helped establish market leadership and recognisable consumer loyalty. Through continuous technological development and innovation, Tesla maintains its dominant position as the leading electric vehicle manufacturer (Wurzel, Andersen and Tobin, 2021).

1.3 Advantages of Being a Follower



Figure 2: Becoming a Market Follower (Johnson, 2010)

The pioneer benefits of an organisation do exist. However, follower businesses still gain major advantages through reduced risks and cost efficiencies. A successor company launches its offerings into a market that pioneer firms have already classified. A follower company benefits from watching examples of pioneering successes and failures to develop superior products that meet better customer requirements (Xie, Donthu and Johnston, 2021).

Samsung is an outstanding follower company. The smartphone market introduced the iPhone through Apple, followed by Samsung in 2007, when the smartphone industry underwent a revolutionary transformation (Johnson, 2010). After watching the iPhone's market success, Samsung used original technology features such as enlarged screens and enhanced cameras to launch its smartphone series at lower prices. The Statista (2021) report shows Samsung took the lead from Apple regarding worldwide smartphone sales through its extensive range of products that matched various market price points (Dreiling and Bican, 2022). Followers who optimise and enhance established products reduce market risks when they launch new products because Samsung has shown this model to work successfully (Gearino, 2023).

The reduced market entry and development expenses benefit follower companies across the industry (Francis, 2025). The early phase of product research, product development, and marketing expenses typically generates high costs for pioneers, although followers benefit from pioneer investments. After other companies introduced search engines, Google entered the market to develop an enhanced algorithm, resulting in its status as the world's leading search engine. Through market research and innovation, Google became the top leader in search and advertising. However, it also minimised the early risks encountered by search pioneers (Dong, Mao and Li, 2023).

The discount retailer Aldi adopts its business approach from following the market leaders. After Tesco and other hypermarket brands gained success in the UK customer base, Aldi introduced its stores. Aldi maintained viable competition in the UK market through its operational focus and strategy of providing reduced-price products. Aldi gained market share efficiently by streamlining its operations while offering good value,

enabling the company to enter the market profitably without costly pioneer phase exploration and marketing expenses (Wurzel, Andersen and Tobin, 2021).

1.4 Product Life Cycle Strategies

The Product Life Cycle (PLC), developed by Theodore Levitt in 1965, outlines a product's stages from market introduction to decline. These stages are introduction, growth, maturity, and decline. During the introduction stage, companies invest heavily in marketing and promotions to raise awareness (Mehta, 2024). The growth stage sees rising sales as consumer adoption increases and competition enters the market. In the maturity phase, sales peak, and businesses focus on differentiation and cost reduction to maintain market share. Finally, in the decline stage, sales drop due to technological advances or changing consumer preferences, prompting companies to decide whether to discontinue or reposition the product (Lacroix, Seifert and Timonina-Farkas, 2021).

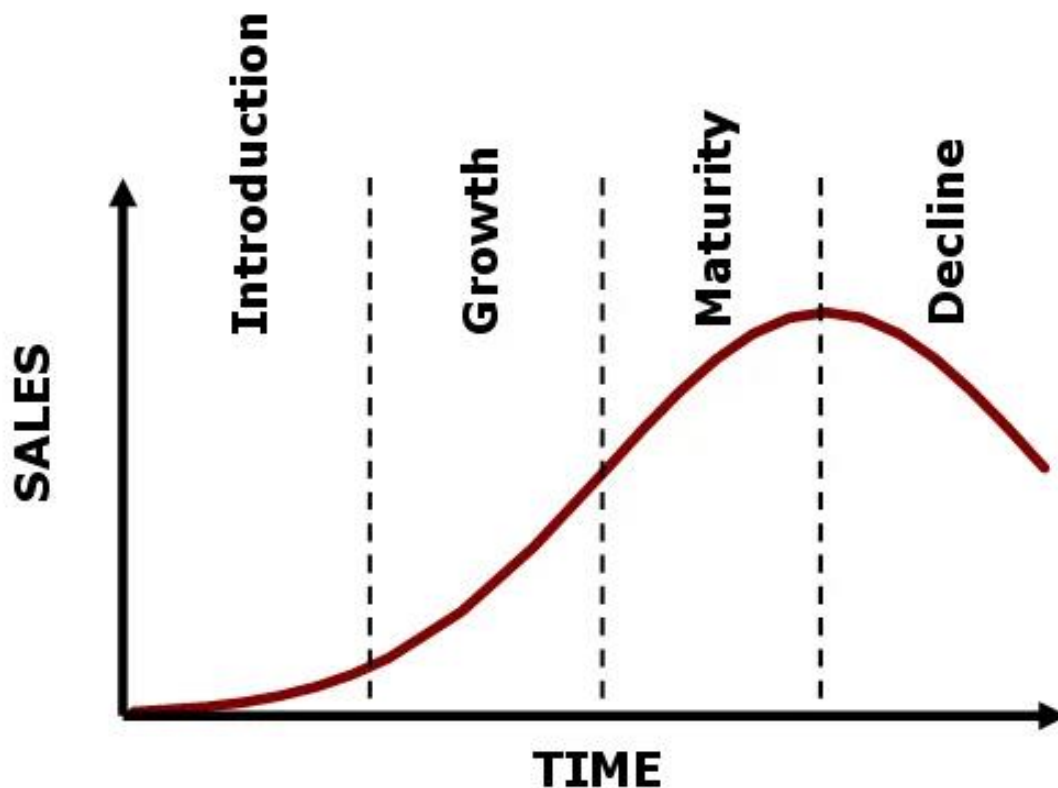


Figure 3: Product Life Cycle Stages (Francis, 2025)

2.0 Product Life Cycle Strategies for Pioneer Companies

2.1 Tesla's PLC Strategy

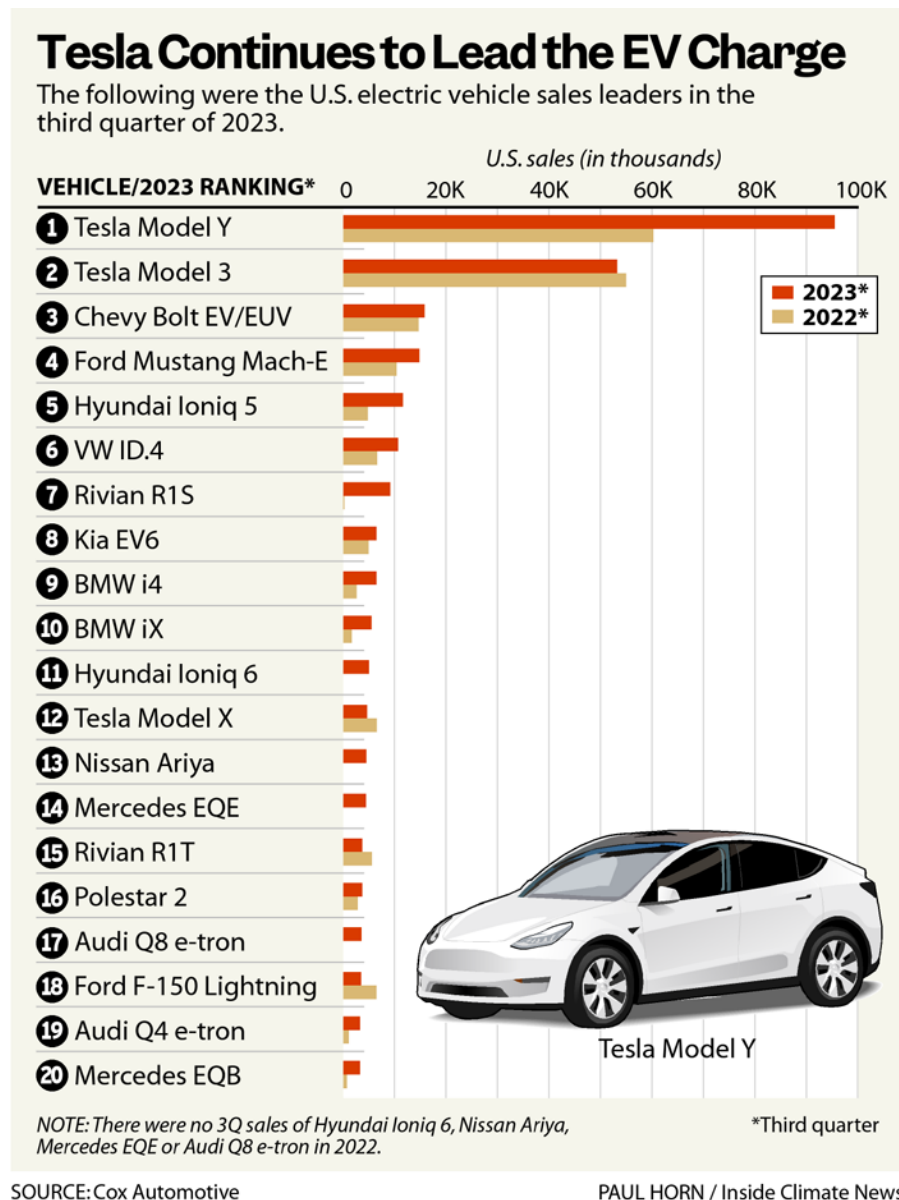


Figure 4: Tesla EVs Market Pioneer (Gearino, 2023)

In the introduction phase, Tesla used an aggressive marketing strategy to build awareness and educate consumers about electric vehicles (EVs). By offering luxury cars with groundbreaking features like long-range batteries and autopilot, Tesla targeted early adopters, positioning itself as a leader and innovator in the EV market (Wurzel,

Andersen and Tobin, 2021). Tesla dedicated its growth stage to increasing production and introducing the Model 3 as well as additional affordable vehicle models. The company reduced production costs through economies of scale while continuing to innovate in battery technology and global charging infrastructure, increasing mass adoption beyond early adopters. In the maturity phase, Tesla faces rising competition from other automakers. Tesla focuses on innovation, developing autonomous vehicles, and improving battery technology to maintain its leadership. Additionally, Tesla is diversifying into energy storage solutions and solar products, helping to differentiate its offerings and ensure sustained market dominance (Mehta, 2024).

2.2 Dyson's PLC Strategy

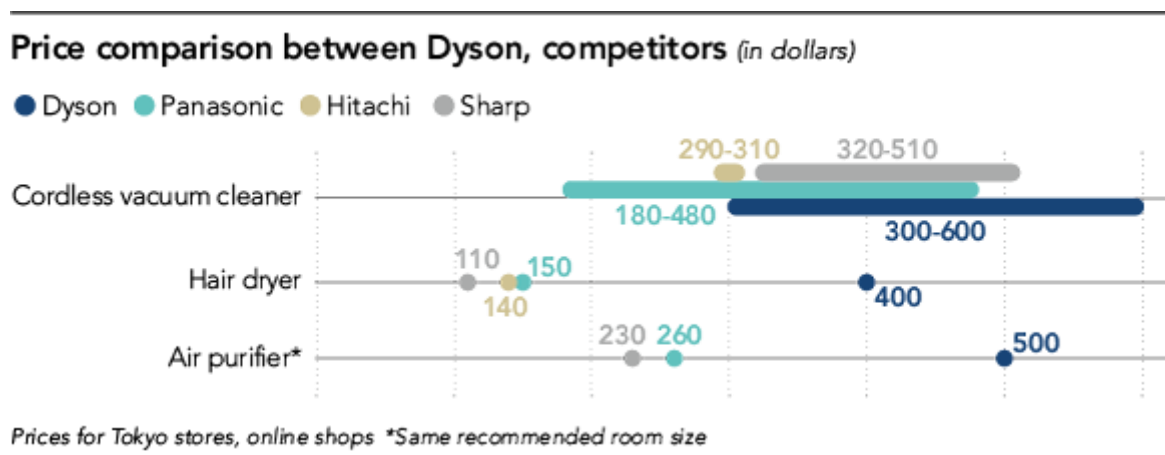


Figure 5: Dyson and Competitors (Mehta, 2024)

In the introduction phase, Dyson's pioneering strategy centred on establishing itself as an innovator in the home appliance market by introducing the bagless vacuum cleaner. Dyson invested heavily in R&D to develop superior cyclone technology, which addressed the common issue of clogged vacuum bags (Mohammadi, Sani Heidary and Shahraki, 2023). The company focused on educating consumers and building trust around this innovative concept. During the growth phase, Dyson's success with the bagless vacuum cleaner allowed the company to scale production and expand its product range. Dyson introduced new vacuum variations, including cordless models, to meet the rising demand for convenience. Dyson's continuous innovation, including energy-efficient vacuums, solidified its position in the global market, with products reaching major retail stores internationally. Dyson diversified its product portfolio in the

maturity phase to maintain market leadership (Wurzel, Andersen and Tobin, 2021). Expanding into air purifiers, hand dryers, and hair care products, Dyson continued to rely on its reputation for quality and innovation. The company's investment in new technologies like digital motors ensured continued growth and differentiation in an increasingly competitive market (Dyson, 2020).

2.3 Apple's PLC Strategy

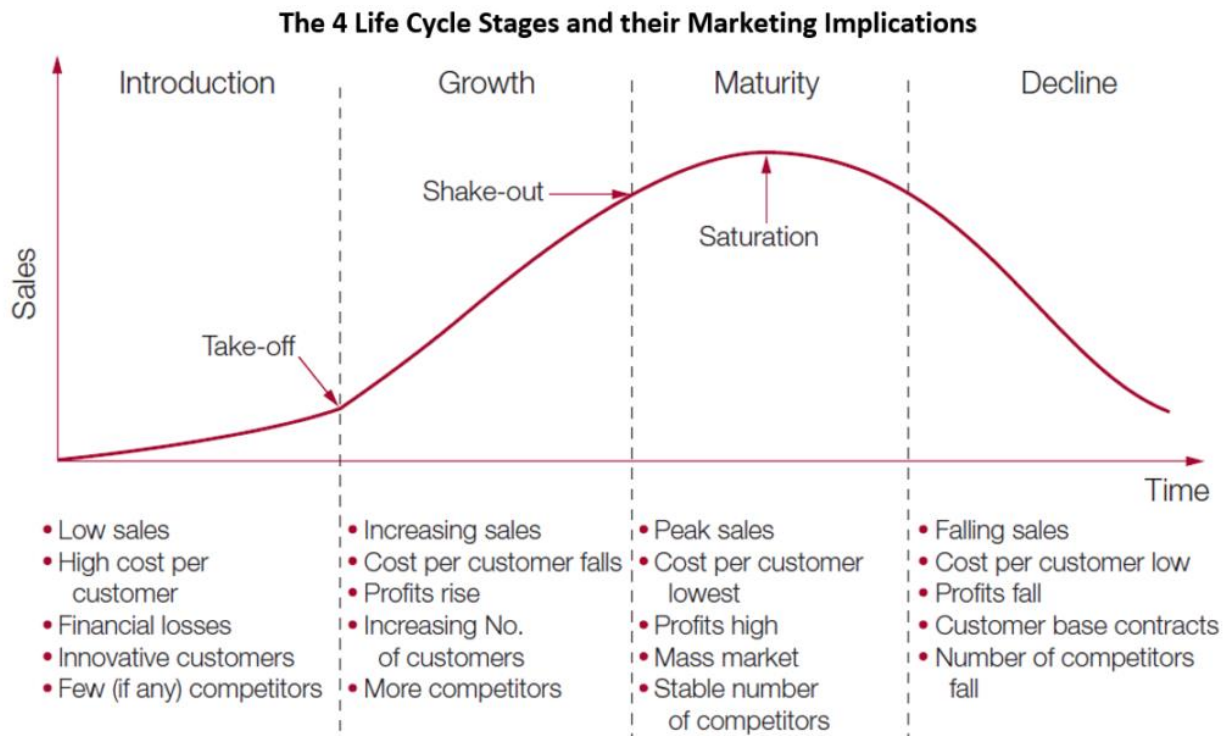


Figure 6: Apple's PLC Strategy (Saxena, 2018)

In the introduction phase, Apple revolutionised the mobile phone market with the launch of the iPhone, combining a phone, media player, and internet browser into one device. Apple's strategy targeted early adopters, offering a high-end, premium product with a new, integrated touchscreen interface. Through strategic marketing, Apple focused on educating consumers about the device's revolutionary features, positioning the iPhone as a must-have gadget for tech enthusiasts (Mehta, 2024). The combination of innovation, ease of use, and Apple's simplicity made the iPhone instantly successful globally. Apple established growth in the iPhone market through feature improvements while increasing customer diversity during its expansion phase. The iPhone reached

new customers through third-party app integration and upgraded cameras along with faster speeds. Apple released successive iPhone models that combined superior features with its high-end status to gain appeal among both business operators and regular consumers. Telephone market sales led Apple into its dominant market position and allowed it to expand its customer base to emerging markets worldwide (Gearino, 2023). For the maturity phase, Apple dedicated efforts to sustain its iPhone market leadership by giving its product unique characteristics above its competitors. The iPhone received various successive enhancements, such as better cameras alongside faster function speeds, as well as extended battery duration and new features, including Face ID and wireless charging capabilities. The company maintained customer retention by delivering software updates that extended the usability of their existing iPhone models. Apple exploited the launch of the iPhone 16E to draw new consumer clusters yet stay true to its distinguished product branding. The company maintained its leadership position against market competitors (Dreiling and Bican, 2022).

3.0 Product Life Cycle Strategies for Follower Companies

3.1 Samsung's PLC Strategy

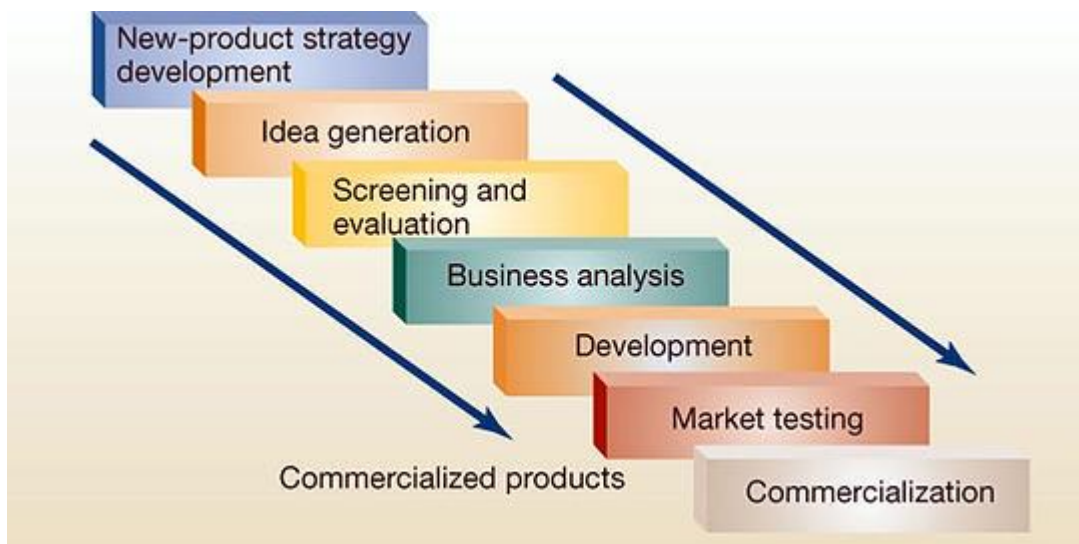
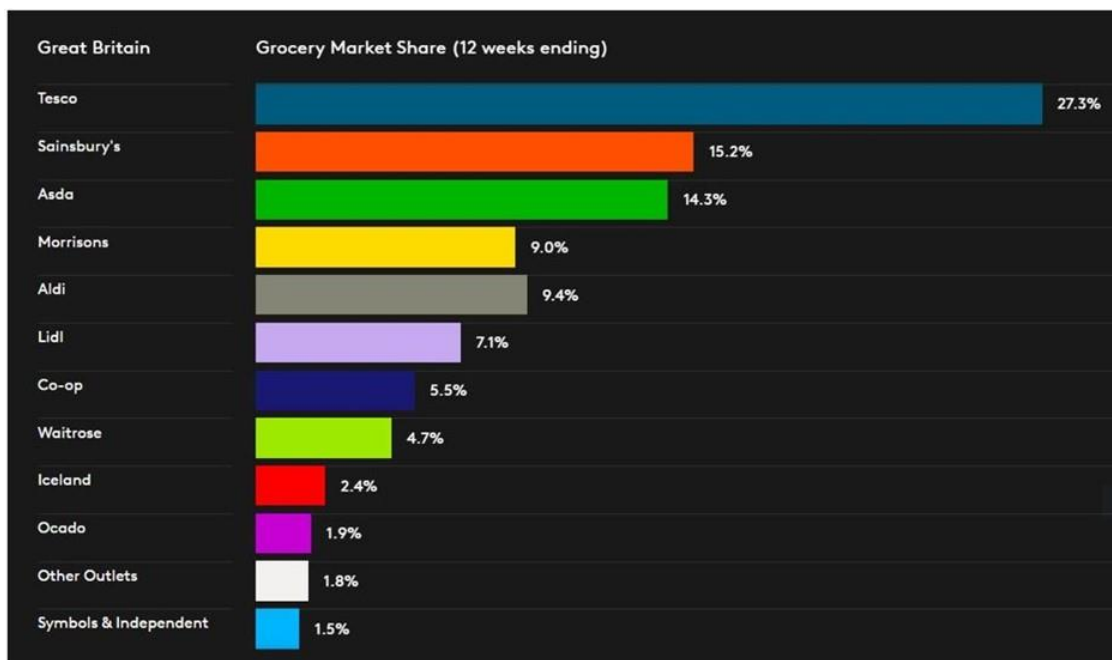


Figure 7: Samsung's PLC Strategy

Samsung launched its smartphone products after Apple founded the industry with its iPhone release. Samsung entered the smartphone market during the growth phase because Apple had already taught customers about smartphone benefits and convenience (Kotler and Vibrant Publishers, 2024). The absence of an educational phase cost enabled Samsung to redirect its resources from consumer education toward enhancing its product offerings. The strategy used by Samsung included superior hardware features for its phones, such as enhanced display size and digital camera performance and extended battery capacity, thus accumulating extensive consumer adoption. By setting distinct product features along with competitive pricing, Samsung gained the ability to disrupt Apple's market control. Samsung demonstrates in its 2024 Annual Report that its ability to provide well-executed features at pricing below competitor offers gave the company significant market penetration worldwide, including in the United Kingdom. Samsung developed its product attributes through successive launches while embracing user needs and technological developments until it achieved leading status among mobile phone manufacturers worldwide (Mehta, 2024).

3.2 Aldi's PLC Strategy



Kantar data over the 12 weeks to 19 February 2023.

Figure 8: UK Grocery Market Share (Mohammadi, Sani Heidary and Shahraki, 2023)

Aldi launched its grocery business in the United Kingdom as major competitors Tesco and Sainsbury's operated there. The supermarket sector in the UK reached maturity when Aldi launched its operation because customers habitually shopped at large stores and grocery chains. The management at Aldi decided to focus on cost leadership during the maturity stage of their market expansion by concentrating on operational efficiency and low prices (Kamp and Ruiz De Apodaca, 2023). Aldi optimised its supply chain and reduced operational costs by streamlining processes, reducing store overhead, and offering a limited but carefully curated selection of products. This allowed the company to maintain low prices while providing high-quality goods. The strategy enabled Aldi to successfully differentiate itself as a discount retailer while focusing on providing excellent value for money. Aldi's emphasis on efficient operations helped it thrive in the competitive UK supermarket landscape, offering an alternative to the more expensive supermarkets. Aldi's business model of no-frills stores with cost-effective pricing quickly gained traction among UK consumers, allowing the company to establish a strong presence and compete with more prominent brands (Wurzel, Andersen and Tobin, 2021).

3.3 Netflix's PLC Strategy

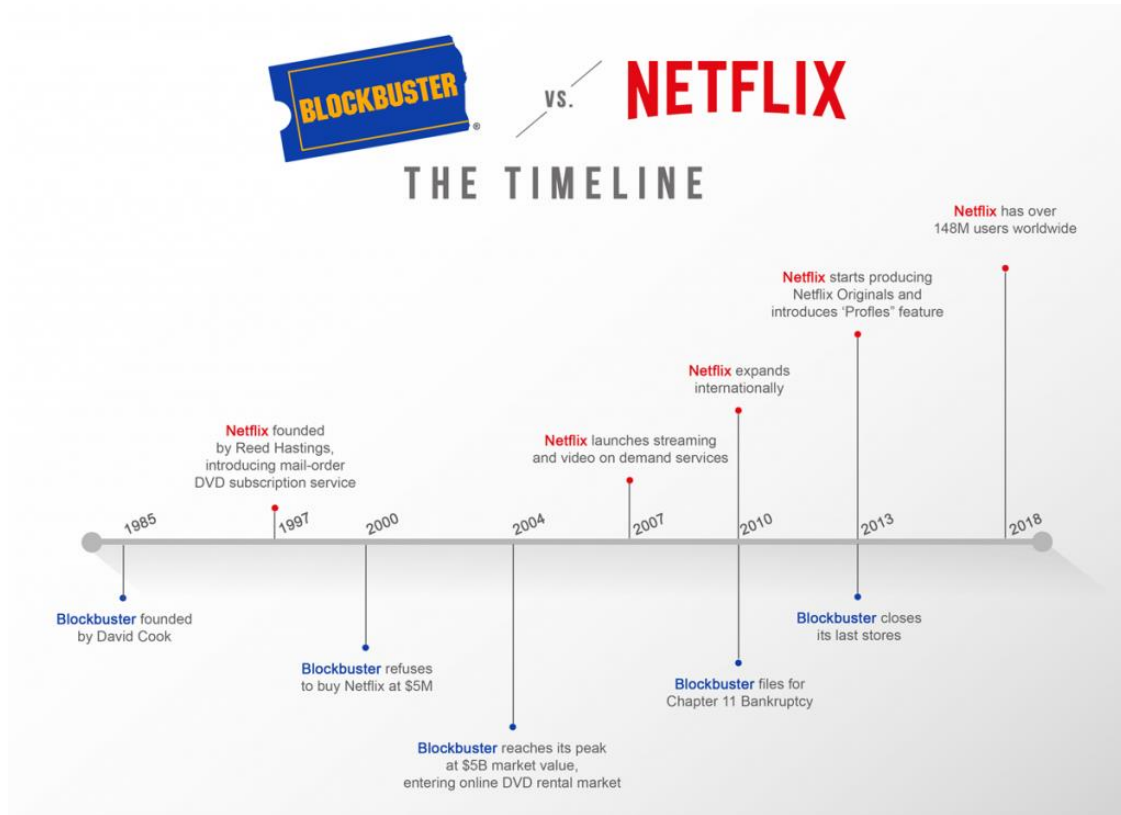


Figure 9: Netflix's PLC Strategy (Francis, 2025)

In the decline phase, follower companies face significant challenges as the original product or service becomes obsolete or faces intense competition. Blockbuster, once a dominant force in video rental services, failed to adapt to the technological advancements brought about by digital streaming. As a result, it was unable to keep up with Netflix. This market follower capitalised on the shift from physical rental stores to online streaming services (Wurzel, Andersen and Tobin, 2021). When Netflix first entered the market, it was a DVD rental service, essentially following the established model set by Blockbuster. However, as consumer preferences shifted, Netflix innovated by introducing streaming services, a move that would forever change the home entertainment industry. Netflix's ability to quickly adapt and pivot to the new market trend allowed it to move from being a follower to a market leader. Netflix focused on expanding its content library, offering an easy-to-use platform, and providing consumers with a subscription-based model that eliminated the need for physical rentals (Netflix,

2021). The company's investment in original content, such as popular series like *Stranger Things* and *The Crown*, further solidified its position in the market and allowed Netflix to lead the digital streaming revolution. In contrast, Blockbuster was slow to recognise the trend toward digital streaming and eventually filed for bankruptcy, unable to compete with the new business model pioneered by Netflix (Xie, Donthu and Johnston, 2021).

4.0 Conclusion

Being both a pioneer and a follower presents businesses with separate benefits and specific obstacles. Pioneering companies benefit from primary advantages, including building brand devotion, creating industry norms, and earning exclusive market presence during their initial period. Two successful examples demonstrate how innovation and long-term R&D investments enable companies to achieve monopoly status in their target markets through Dyson and Tesla. Being a follower provides security through lower costs, fewer risks, and access to insights gained by pioneers. This strategic approach enables Samsung, Aldi, and Google to use followership tactics to succeed in target markets by enhancing product quality, price fairness, and streamlined operational models. A product's Product Life Cycle (PLC) requires stakeholders, including pioneering companies and their following competitors, to change their strategic approaches. The pioneer business involves continuous innovation followed by consumer education during product introduction, then scale-up production, and finally market defence into maturity. A follower customer base should establish unique products to lead markets with efficient cost leadership systems that still maintain operational performance levels. Business resources, together with market situations and product or service characteristics, determine whether businesses will adopt pioneer status or a follower position. Organisations should conduct innovative strategy maintenance and constant enhancement activities to secure their sustained achievement.

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