

LCBB5015

Principles of Marketing in Johnson and Johnson company

Students Names: Badru Keanene ID: 2416450

Constantin-Danut Chinole ID: 2316293 (Leader)

Cristian Valenzuela Garcia ID: 2312699

Lecturer Name: Tushara Balendran

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1. Introduction of the Report

The purpose of this report is to analyse Johnson & Johnson's marketing department through a PESTLE situational analysis, assess strategies to identify global opportunities and threats, integrate a marketing plan based on seven key elements, and provide recommendations to strengthen the company's overall strategy.

1.1 Introduction on the Johnson and Johnson company

Johnson & Johnson (J&J), founded in 1886 in New Jersey by the Johnson brothers, entered the UK in 1924 and has since established a strong industrial and healthcare presence with manufacturing facilities, renowned products, and support for the British health system (Johnson & Johnson, 2025).

According to Ross (2024), J&J operates in over 60 countries, offering pharmaceuticals in oncology, immunology, and neuroscience, alongside clinical trials, research collaborations, and patient access programmes. It also provides hospital technologies in surgery, orthopaedics, cardiology, neurovascular care, and vision, as well as consumer health products such as Johnson's Baby, Listerine, and Neutrogena. In partnership with the UK government, J&J supports vaccination, universal health programmes, and education campaigns.

According to Johnson & Johnson (2025), the company remains in 19th place in the global market capitalization ranking, with a market value of USD \$491.26 billion. In the United Kingdom, it has consolidated its position as an essential part of the British healthcare system, serving as a key provider for the NHS (National Health Service).

The mission statement of Johnson & Johnson is focused on placing the needs and well-being of people first. Through "*Our Credo*," the company establishes objectives and principles that guide informed decision-making and govern its actions. Critical components include improving lifestyles in categories such as baby care, skin care, and oral care, all of which enable people to live exceptional lives. Delivering a superior customer experience is imperative to the company's mission. Moreover, Johnson & Johnson emphasizes community development by empowering people through programs such as educational sponsorships. The vision statement highlights people engagement, expressed through the slogan "*To help people see better, connect better, live better.*" It is centred on responsibility for people's health and a strong

commitment to communities by upholding ethical responsibilities. The overarching vision is to achieve global leadership in pharmaceuticals, medical devices, and consumer goods (Johnson, 2022).

1.2 Introduction on Marketing plan

J&J applies a structured STP framework and a 7Ps marketing mix to sustain its global healthcare presence. It segments customers by demographic, geographic, and psychographic criteria, targeting hospitals, pharmacies, and private clinics. Its positioning strategy emphasizes trust, innovation, and diversification, aiming to improve quality of life. (The Marketing Explainer, 2024)

2. Situational Analysis on the Johnson and Johnson company

Suggested by the Oxford College of Marketing (2016), the PESTLE methodology supports effective decision-making and long-term planning by analysing macroeconomic factors. These include direct influences such as legal, economic, and technological dimensions, and indirect ones like social behaviour, ecological considerations, and political developments. For example, Johnson & Johnson adapts its strategies to market, political, and societal events.

2.1 PESTLE Analysis



(de Bruin, 2016)

Political: The political factor directly influences J&J in a favourable way, mainly due to the strong role of the NHS, which determines contracts, pricing, and access to medicines. UK health policies provide a stable environment for investment, supporting long-term collaboration with hospitals and research institutions. Nevertheless, post-Brexit regulations may create challenges for the supply chain, including customs procedures and potential trade barriers. In addition, adjustments in pharmaceutical legislation and pricing frameworks could affect operational flexibility. Despite these risks, government support for healthcare innovation and sustainability continues to generate opportunities for J&J in the UK market (Momin, 2023).

Economic: The fluctuations and recession of the UK economy have an unfavourable impact on J&J's economic performance, as taxes and inflation (6.79%) (Macrotrends, 2024). constrain consumers' financial capacity and limit public health spending. In addition, variations in the local currency negatively affect production costs and reduce profit margins. Nevertheless, the UK continues to invest significantly in medical research, which represents a strategic opportunity for collaboration with the NHS, hospitals, and universities. These investments not only mitigate some of the economic risks but also strengthen J&J's long-term position in the British healthcare market (Momin, 2023).

Social: According to Shaw (2021), this indirect factor has a favourable impact, as it is population-based and creates new opportunities for J&J's economic development. Population growth increases demand for pharmaceutical and medical products, particularly in oncology and orthopaedics. In addition, rising awareness of health and wellness among British consumers has strengthened the preference for safe, ethical, and high-quality products. At this point, J&J maintains consumer trust by aligning its portfolio with these expectations. This social trend not only supports the company's reputation but also enhances its long-term competitiveness in the UK healthcare market.

Technological: Due to technological advancements, J&J is able to make significant investments in the digital field, which is favourable as it opens new opportunities for growth, such as innovation in robotic surgery and recovery therapies. In the UK, the company collaborates with hospitals and universities, thereby promoting biomedical innovation and strengthening its role in healthcare. Furthermore, digital tools such as telemedicine and artificial intelligence in diagnosis provide new business possibilities and enhance patient care. These technological developments not only expand J&J's portfolio but also reinforce its competitiveness in the global healthcare market (Shaw, 2021).

Legal: Suggested by Rahman (2023), this factor has a direct and unfavourable impact on J&J, as new regulations have become stricter regarding the safety and effectiveness of medicines and medical devices. Furthermore, data protection legislation, particularly the General Data Protection Regulation (GDPR), affects the handling and storage of patient information, requiring compliance with rigorous standards. In addition, intellectual property rights and patent protection can generate high costs for J&J, especially in maintaining exclusivity and defending against legal disputes. These legal pressures increase operational complexity and pose significant challenges to the company's long-term strategy.

Environmental: The ecological factor exerts an indirect yet unfavourable impact on J&J, largely driven by social pressure and government intervention. The British government has implemented stricter regulations requiring emission reductions and sustainable waste management. As a result, J&J is compelled to minimize the use of plastic in its packaging and enhance its recycling processes. These measures have been incorporated into the company's operations in the UK, reflecting its adaptation to sustainability requirements. Although compliance increases operational costs, it also strengthens J&J's corporate responsibility and alignment with consumer expectations for environmentally conscious practices (Rahman, 2023).

In conclusion, J&J faces a regulated and competitive environment, where technological innovation, sustainability, and adaptation to post-Brexit policies are essential to maintaining its leadership.

4. Marketing Mix Strategies

Suggested by Bremana et al. (2025), the marketing mix is a set of strategic tools classified into the 4 Ps Product, Price, Promotion, and Place and expanded in the 7 Ps model for services, which adds People, Process, and Physical Evidence.

4.1.1 Product Branding Strategies

Corporate Umbrella Branding:

According to Alyafei (2022), corporate umbrella branding is a product strategy in which a company uses its name and main image to endorse and lend credibility to all products and

services associated with it. This approach provides reputation and trust across the company's goods and services, strengthening consumer confidence and brand recognition.

For instance, J&J could implement a new product line of child-friendly foods characterized by smooth textures, small sizes, high nutritional value, and fun shapes. For example, cereal and fruit bars in the shape of dinosaurs, low in sugar and rich in vitamins and minerals,

Individual Product Branding:

According to Bhasin (2023), individual product branding also known as stand-alone branding is a strategic method in which each product of a company receives its own brand identity, such as its logo and name, independently of the corporate brand. This approach offers the advantage of greater creative freedom in marketing and communication, as well as protecting the overall brand, since if a new product fails, it does not affect the rest of the corporation's portfolio.

On the other hand, it has disadvantages such as higher costs in management and advertising, which require a stronger strategy to avoid the waste of resources.

For example, J&J could create a new brand specialized in health and hair-loss prevention by introducing a gel applied to the scalp that stimulates hair growth, increases density, and helps prevent hair loss.

4.1.2 Price Strategies

Penetration Pricing:

Penetration pricing is a strategy based on launching a new product into the market with a low initial price in order to attract customers, gain market share, and build a consumer base. Once the product has been consolidated, the price is usually increased to a more sustainable level.

This approach offers several advantages, such as rapid entry into the market and the ability to compete with established brands. It can also foster customer loyalty from the beginning, which may be maintained even after prices have increased, and provide a competitive edge that forces rivals to react.

On the other hand, the disadvantages include low initial profits, changes in consumer expectations as they may resist paying higher prices later, and the risk of price wars with competitors who may also lower their prices.

(Majka, 2024).

For instance, cereal and fruit dinosaur bars could be introduced into the market at a price 20% lower than that of the leading brands in the sector, thereby offering a more affordable option for customers and facilitating rapid market penetration.

Bundle Pricing:

Fang et al. (2017) argue that the bundle pricing strategy consists of offering various products or services grouped together at a lower price than if they were sold separately. As a consequence, this approach encourages continued purchasing and facilitates the introduction of less well-known or new products alongside others that are more popular.

For instance, a new J&J brand could offer a bundle that includes a hair care gel, a vitamin supplement, and a dermatology consultation, all at a combined price lower than the total cost of purchasing each product and service separately.

4.1.3 Promotion Strategies

It is a strategic process that organizes communication within the marketing department of a company such as advertising, public relations, digital marketing, promotions, sales, and sponsorships with the aim of delivering a clear and unified message that reinforces the brand identity and uses available resources effectively. (Nadube, 2018)

Sponsorship:

According to Sela (2023), sponsorship promotion strategy is based on the patronage of events, organizations, or influential individuals within society's lifestyle. The advantages of this strategy include high brand visibility due to its association with admired figures, which can increase sales linked to sponsorship. It also provides competitive differentiation compared to companies that rely solely on traditional advertising, and it helps protect corporate reputation by associating with prestigious events.

However, the disadvantages include high investment costs, especially when sponsoring high-status figures. Moreover, if the sponsored event or individual suffers a reputational crisis, the brand may be negatively affected, putting its own reputation at risk.

For example, companies may collaborate with events such as the World Congress of Dermatology (WCD) and sponsor influencers with high levels of media activity to enhance

brand visibility and credibility. For example, The Spanish national football team, following its victory in the 2024 UEFA European Championship.

Digital Marketing:

The strategies of promotion in digital marketing are based on the use of online channels such as social media, email, search engines like Google, blogs, and advertising on video platforms such as TikTok and YouTube. The objective is to increase visibility, attract customers, and build audience loyalty (Verma, 2025). For instance, the product can be promoted through health magazines, beauty blogs, wellness podcasts, and social media platforms such as Instagram and TikTok.

Sales Promotion:

Sales promotion strategies are among the most widely used tools within marketing communication. These strategies aim to stimulate the immediate purchase of a product through additional incentives, such as offering discounts or free items (e.g., a “3-for-2” deal). Generally, they are temporary in nature and involve short-term tactical actions with the objectives of increasing sales, reducing excess stock, introducing new products, attracting customers, and building client loyalty (Balarabe, 2024). For example, a company may propose a family pack promotion where customers can buy six packs for the price of four. Additionally, gifts such as stickers, cups, or lunchboxes featuring children’s characters may be offered when purchasing these products.

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