

3 marketing strategies



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Marketing Strategy to Launch New Business Launching business in a very competitive market segment is one of the main hurdles the new business brands face while entering into a business. The task becomes even tougher when the target market segment is already dominated by major brands. They can follow a number of business strategies to launch their products or services in the market. There are three major and distinct types of marketing strategies which can be followed by a new brand to launch in a market already dominated by other brands. The market challenging strategy is that where the new brand directly attacks the market leader or the other competitors through general market attack strategies or any specific ones. The market follower strategy makes the new entrant follow the existing technologies or products to maintain its own market share playing the role of counterfeit, cloner, imitator or adaptor. The third major launch strategy is the nichemanship where the new entrants target a small market segment and try to meet the needs of a certain group of customers offering premium price with specialization in the field.

Emaar Group of Saudi Arabia entering the hotel business is an example of the market challenge strategy of business launch. Emaar Group is an established brand in the real estate sector in the country. Their offerings include houses, schools, healthcare centres and many more to which they are going to add “ The Address Hotels and Resorts”, their five star premium global brand of leisure and hospitality. The hospitality sector is already a much flourished sector in the Saudi Arabia dominated by Jumeirah’s rep the leading hotel brand in the country. The fast and aggressive strategy of the Emaar Hospitality Group taking control over both business and leisure tourists through its sub brands including Resort, Retreat, Urban and Business

with the help of its around 100 newly recruited hotel staff has threatened the business of Jumeirah's rep. With this aggressive market challenge and attack strategy of launch the Emaar Group expects to control the hospitality market in the Middle East, North Africa, Indian Subcontinent, Asia, Europe and America in the next 10 years to come (Anon. "Joined up..." 2008).

E-banking is not a new concept in the banking services when the Samba Financial Group started its business in the Saudi Arabia in 1980 taking over two existing branches of Citibank in the country. Since the beginning it initiated core banking system in its branches following the technology used by the Citibank and customizing it to fit Saudi banking. One of the largest banking business holders in the Saudi Arabia closely depended on the external and proven technologies available in the market to offer core banking, ATM and phone banking facilities giving the main importance to its intra-organizational development. Its hardware and software enhancement along with the internal trainings all followed the already existing scenario which gave it the foothold in the banking business during its first phase of business and making it capable to enter the more innovative second phase post 1990. Thus the Samba Financial Group can serve as a perfect example of market follower strategy of business launch (Ben-Jadeed and Molina 2004).

Zain the leading mobile service provider joined hand with Javna the Arabian software leader to bring about a new technology of mobile advertisement under the brand name of MobiAd. This is an example of the nichemanship launch strategy which targets the needs of the advertisers and the advertising companies to reach more and more customers in innovative ways. Targeting the specific customers for each product will be easier

through this new technology and the customer can also choose from the segments of her/his interests. This new technology is expected to serve the needs of ad campaigners in the entire Arab region along with African countries. Penetrating the market in Saudi Arabia is going to become easier by the company as expected by the management of Zain (Anon. “ Javna...” 2008).

References

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