Example of business plan on branding, pricing, and distribution

Business, Marketing

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The channel of distribution, branding, and pricing are vital components for effective functioning of a business. The success of a business depends on a distribution channel that is cost effective, branding that stands out, and optimal prices.

Global branding strategy

For better and faster growth of a business, going global plays a significant role. Besides an expanded market, the business enjoys the economies of scale; comparatively lower market costs, faster integration of innovations, among others. To create a global branding strategy, global brand constants like corporate brand, brand essence, and brand identity system (which is normally your logo) must be maintained. After taking the global brand constants into consideration, global brand variables like corporate slogan, products and services, product features, differences in culture, language differences, and product names have to be considered .

It is essential to translate the brand name into the local language of the target country. Building a strong and consistent branding culture is key to the success of international business coupled with borderless marketing. Use of social and international media amongst other forms of marketing is vital in reaching the global community.

Domestic branding strategy

Creating a domestic strategy enables a business to express what it stands for. It also explains what its capabilities to offer quality goods and services to the designated customers. Some important elements to consider while creating a branding strategy are your logo, slogan, and color palette. These elements will convey your brand, and, therefore, market it. To achieve a competitive positioning on the market, your brand has to be unique; creatively designed logos and a unique identity.

Optimum pricing strategy

If a business is already selling at the lowest prices but the sales are still poor, what such a business needs to adopt is the optimum pricing strategy. However, this does not necessarily mean that the business has to raise its prices. Raising prices could be part of the solution, but it is not always the case. Optimum pricing strategy is also referred to as perfect price discrimination. The use of perfect price discrimination by a business allows it to partition its market into segments. The business charges these market segments differently; according to how much the customers in this segment are willing to pay.

The optimal price is the equilibrium price at which a business maximizes its profits. Optimum pricing strategy is, however, difficult when it comes to small businesses. These small businesses can still benefit from optimal pricing by drawing reasonable trajectories of the market situations, and making assumptions.

How my pricing strategy supports my branding strategy

Optimum pricing strategy is a strategy that needs to be employed by businesses to minimize the risks of making losses. Businesses with redundant pricing strategies face a high likelihood of getting phased out of business.

My branding strategy advocates for effective marketing through advertisements, and creativity when designing the business' identities. For the business to adopt effective marketing, both domestic and global, costs are inevitable. The whole process of product differentiation and marketing, if done well, could give the business a competitive advantage. However, the management of the business needs to consider the costs aspects. Most managers fail because they focus too much on product promotion, and forget the costs involved. Therefore, optimum pricing strategy is ultimately what every business requires while branding its products, both, domestically and globally.

Distribution channel analysis

Distribution channels are used to show how products move from the manufacturer to the final consumer. These channels determine if a company will increase their sales and revenues. A well managed distribution channel will ensure profit maximization and retaining of customers, whereas a poorly managed channel can create losses.

In a distribution channel, a distributor plays a crucial role in obtaining goods from the manufacturer and passing it on to the retailer then to the final consumer. The relationship between a manufacturer and wholesaler is interdependent in some special way. If a producer increases their prices, the manufacturer is directly affected and most likely will increase their prices too, which will in turn affect the retailer and final consumer .

The strategy is to find a reputable wholesaler who is trustworthy and does not increase prices of goods even when there is no need to. Retailers can obtain their goods from a wholesaler and sell them to the consumer. This method involves the distribution of goods from the manufacturer, through the wholesaler and to the retailer delays delivery of goods to the consumer, and increases the price. Manufacturers may adopt direct dealings with the retailer to reduce cost for the consumer.

Distributors create a link in the distribution channel in such a way that they deliver goods to the retailer from the manufacturer. Distributors move goods from one or more manufacturers to the retailer. It is economical to use distributors in a business with high volume of goods that require a constant supply, for example, beverages.

Push and pull strategy with rationale

The push and pull strategy can be used in a supply chain. The push and pull determines the goods pushed to the consumer by the manufacturer and demand of the goods by the consumer respectively. The push is determined by predictive analysis of goods to be supply, and the pull is the actual demand of the consumer. Push and pull in a supply chain is an interaction which can be best defined as the decoupling point. The supply chain is in a continuous push by the manufacturer based on previous orders by the retailer and at the same time, a constant pull by the consumer. A good example is the supermarket model where the inventory is kept at constant and goods are replenished as they are consumed .

However, to be more specific this kind of push and pull strategy will create lags in the supply chain through under stocking and overstocking, and delay in delivering goods. The best strategy to be used is the pull strategy. This is created by absolute demand of the consumer. It will ensure that goods reach the consumer in time; there will be no loss to the manufacturer due to excess goods. It will also enable manufacturers realize actual profits and save wasting resources, which are already scarce, rather than producing excess goods that will never sell .

Distribution strategy

A distribution strategy involves how products get to the consumers after manufacturing. A distribution strategy should fit the product in such a way that it reaches the consumer in time and at a reasonable price. For example, some products are perishable hence will require a quicker means of reaching the market. The distribution strategy should consider all product types. It should also ensure that the target market gets goods in time when they are required .

A distribution strategy should ensure that the target market receives the goods they should. For example, children’s goods should be strategically distributed to people with children or stores selling children’s goods. A strategy to distribute goods and services should be in accordance with the overall marketing strategy of a company. For example, it must ensure that the prices of goods are appropriate to the consumer while at the same time bringing sufficient revenue .

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