

Image variable in marketing strategy

[Business](#), [Company](#)



Do you agree with Virgin's market diversification strategy? If so, what other markets should they pursue? If you disagree, what should be their business focus? Diversification is most commonly understood through the financial world, where one should have a diverse range of investments. Mixing funds that are countercyclical - the performance of certain funds is not correlated to the performance of others.

Usually when one set of funds are down, the value of another set of funds is up. This is where companies like the Virgin Group have adopted this kind of strategy to diversify their product line. Dixon (2009) explains what when building a customer base, it is a good idea to begin cultivating multiple customers in different industries. Then, this approach is modified to include target markets that have the countercyclical method that has been proven to work in the financial field.

After targeting diverse groups of customers, companies (like the Virgin Group) should then engage in "aggressive marketing and sales efforts to win new customers in the targeted markets" (Dixon, 2009). In order for Virgin to pursue other markets they should 1) gain clear understanding of the wants and needs of perspective customers ND markets, and 2) show that they have a unique capability for meeting these requirements (Dixon, 2009). I believe the Virgin Group should get involved with renewable energy projects, even on small scale targeting consumers.

Sustainability and being green are hot topics right now that consumers like to get behind. Since they have so much information already on current electronics customers, they can use this to target items like solar chargers or

recycled material packaging for electronic items. 2. How about some other examples of companies that have built their value proposition around the image variable? Other companies that have been successful are for example Apple, who undoubtedly has created value to its customers who are very loyal to the brand.

Customers recognize the "bitten apple" image across the spectrum and identify it with quality. BMW and Mercedes Benz are other companies that have used their image to build value for customers. Whenever anyone thinks of these two brands, they immediately think luxury and high end/high quality vehicles.