Marketing and organizational markets

[Business](), [Marketing]()

Strong's stance was that Aloud would make a distinction of the two positioning of each of the major products. Before this, Aloud offered a single product that transcended the difference between the business and the professional market. Aloud' management heavily questioned this strategy. Positioning Is seen as a way a market niche Is Identified for a brand and strategies Instituted to cement a brand In the minds of the consumers. According to Trout (1 969), the mind of a consumer is a repository. All types of information enter the mind of the consumer including advertisements.

Trout states that if a consumer lacks Interest In an advertisement, It will be forgotten but they will remember the needed ones. Trout (2001, p. 19) explained that positioning is: " an organized system for finding a window in the mind. It is based on the idea that communication can only take place at the right time and under the right circumstances. " The art of positioning Is to outwit Industry competitors. A 2 summary of Moore (1991) is that strategies should be formulated to convince the customer that products and services of one company are better than the competition.

In 1 985, the process of publishing was so time and resource consuming hat literally any advancements In assisting the publishing Industry would be embraced. Strong saw that various users would benefit from Aloud' products and services. Because of this, Strong felt Aloud should take a customer need type approach and go after market segmentations. Now I will discuss the difference between consumer and organizational markets. To summarize Reynolds & Olsen (2001 the difference between consumer and organizational markets is a matter of degree; meaning that there are parallels but great differences.

Consumers obtain goods and services for personal consumption. Organizational markets obtain goods o be resold or to produce for profit. Consumer markets composed of Individuals buying In small amounts. Organizational markets are often groups Like wholesalers, government and manufacturers that buy bulk. Consumer market are known for its complex diversity of expectations and sheer consumer numbers. Organizational markets are more narrowed in numbers with similar expectations. Summarizing Philipp (2007), organizational products are often less complex, ready-to-use and requires very little expertise.

Organizational markets produce to meet the demand of the consumer market. Organizational markets obtain raw materials for production to chemical expertise. 3 Consumer markets tend to acquire goods based on personal preference, lifestyle, family influence, peer influence and self consumption trends. Organizational markets tend to involve more people in the organization as well as influence from competitors. Within Organizational Markets, raw materials involve much involvement to acquire at lower costs that affect the profit margin. Organizational markets often utilize a salesrooms for one-to-one sales and direct sales.

Organizational markets depend on and strive to be cost conscious and prefer longer relationships with suppliers. Organizational markets usually employ a multinational approach to tap into the consumer market. They will use direct internet sales, retail stores, factory outlets and licensee to third party distributors. I will now talk about how these differences augment the strategy of positioning. The goal of positioning is to get a leg up on the the competition by cementing your brand in the minds of the consumer. In other words, if a consumer thinks " smartened", they think phone.

Knowing the differences between the needs of the organizational market and consumer market and the goals of purchase by each will lead to strategic selling which ultimately testifies the needs of the consumer. Also, knowing the make up and sheer complexity of each market will lead the organization to choose what different medias to deploy to make the end products available through the desired channels. It is imperative to know your consumer. An organization can use different positioning attacks if the make up of lifestyle choices, feelings, motivation, peer 4 influence and consumer tastes are known.

Knowing your consumer in short leads to more sales. What is the criteria for market segmentation? Strong stance was the market was split by what computer SO was used by the consumer. The split was the generic business consumer and professional graphic designer. Ultimately, this lead Strong to a four market segmentation which were the business users and graphic professionals using Mac (segment 1 and 2) and business users and graphic professionals using PC MS-DOS (segment 3 and 4). I will now discuss the segmentation plan of the Aloud corporation based on marketing characteristics.

As previously discussed, Strong segmented the market into 4. Users in the first segment users, graphic professionals were given Pacemaker as a substitute to previously used systems or manual working ways. The old ones being used instead of the manual ways of working. The second segment were the Mac using business people that are often identified as folks that love to employ document graphics. The third segment were business users that used a PC MS-DOS based SO. Their needs were exclusively business related. Finally, the fourth market segment were regarded graphic professionals that used a PC MS-DOS based SO.

Strong identified market targets for the Aloud corporation. Strong concluded that the Aloud corporation had majority control of segments 1 and 2; business people and graphic professionals using Mac. Ultimately, the target market of segments 3 and 4, corporate and business users using PC MS-DOS was identified. This opened the door to strategic selling. Built a wall in the market for Aloud. There were 4 stages that were identified stages of the Pacemaker market. Pacemaker has performed differently each of these identified four stages.

The identified 4 stages are introduction, growth, maturity and decline. The characteristics of the introduction stage is characterized by the release to market and slow growth rate. Frequently, companies experience loss instead of profit during the introduction stage. Growth is slow at this stage because the product is newly introduced into the market. During the introduction stage, the goal is product awareness of the target market. The ultimate goal is to satisfy the need of the consumer. The growth stage of the product life cycle acceptance by the consumer based on need satisfaction.

This is often the stage in which a company starts to turn a profit bases on acceptance and performance. You will often see companies experiment with different strategic selling techniques to sustain the growth. Commonly, the growth stage is characterized by strong brand building with the goal f keeping a leg up on the competition. Much like real life, the maturity period is marked by period of plateau in growth. Often during the maturity stage, the competition between your established brand and the up and coming competition heats up and can become rather aggressive.

This stage is often marked by increased marketing spending, aggressive advertising and decreased company profits. The handling of this stage often makes or breaks the long term stability of a company. 6 Decline is the stage in which the decay of a product is identified by low to no growth. This is often the end of life cycle for a product. Marketing dollars and profits markedly decrease at this stage. By this stage, the market may be flooded with similar products and heavily diluted by previous consumer purchases. In short, the market often sees a product as old and obsolete during the decline stage.

I will discuss what stage of the product life cycle as described above applies to the pro version of Pacemaker based on the company's vision. I would conclude that this product is in growth stage. Pacemaker has completed the introduction stage by cementing alliances with companies such as Apple. Aloud used public relation campaigns and a retreat number of 3rd party resellers to peak the interest of their target markets. Strong Justifies the growth cycle conclusion in his market analysis. Aloud felt that graphic professional were up and coming over the next 5 years which would expand the market for Pacemaker.

Aloud market analysis showed the desktop market was dynamic, competitive and had rapid change potential. This analysis coupled with the Pacemaker industry name recognition puts Pacemaker in the growth stage. I will discuss the marketing mix of the pro version of Pacemaker. I feel the marketing mix or the pro version of Pacemaker is product, price, promotion and place. First it is important to define what a product is. Product are often defined as something tangible or intangible that satisfies a consumer's needs. Tangible products can be seen, touched and/or smelt.

Intangible products are not actually physically there and are often left to customer emotional feelings. Pacemaker 7 qualifies as both because you can't physically touch computer code, but it is used to produce a tangible end product. Price means how much does a product cost in to make the product profitable to the company. Price point directly affects company profits, product adoption and product longevity. The meaning of promotion is what is the strategies and investments that a company is willing to make to sell a product. There are multiple channels in which a product can be promoted.

Examples of channels are the direct marketing, 3rd party marketing, internet marketing and visual and/or digital marketing. The definition of place is where products and services are positioned and where the consumer has access to them. Placement is paramount in the success of a product and subsequently the success of a company. A consumer will not use a product if they have to Jump through hoops and go out of their way to obtain it. Good product placement drives company name recognition. Let's discuss what perceived value is. In short, perceived value is how much is a consumer willing to spend on a product.

You often hear the term, " Bang for your buck". This means what does to consumer expect to gain by consuming your product and the personal value to the consumer leading to a benefit. So for example, if I am a graphic artist charging by the hour and I expect to charge $50 an hour and Pacemaker saved me 10 ours of work over a 40 hour work week I could potentially increase my profits by $500 a week. So, I may 8 not feel paying $1000 for Pacemaker as a bad price. This is why perceived value directly influences marketing strategies.

Quality market research is imperative to a company. Market research can yield how much is a consumer willing to pay for a product. This is done by gathering information of consumer needs, trends, wants and competitive usage. This information will yield information for a companies target market and conceptual market segmentation. This allows for strategic marketing campaigns. In conclusion, I will discuss potential problems Aloud may come across if the decision was made to go after the selling of products to organizational buyers. A potential problem for Aloud is acquisition.

For example, Apple was experiencing internal problems during the time Aloud introduced its product Apple. So, the problems of Apple became the problems of Aloud. Therefore, a company must help these organizational buyers solve their problems for it's own product must hit the market. Another problem that may be countered is the possibility of its product running into opposition with theirs. Finally, directly linking your product to organizational buyer's business means that your product fails if organizational buyer's business fail which negatively affects the sales and growth.