

Market Analysis, Goals and Marketing Strategies

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■ Marketing planning...manager *task*...
is

of determining the **future** course

of marketing **action**

preceded by an **analysis of the past**

and projection **of future**

marketing events.

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Market Analysis

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What is market analysis ?

- ...quantitative and qualitative assessment of a **market.**

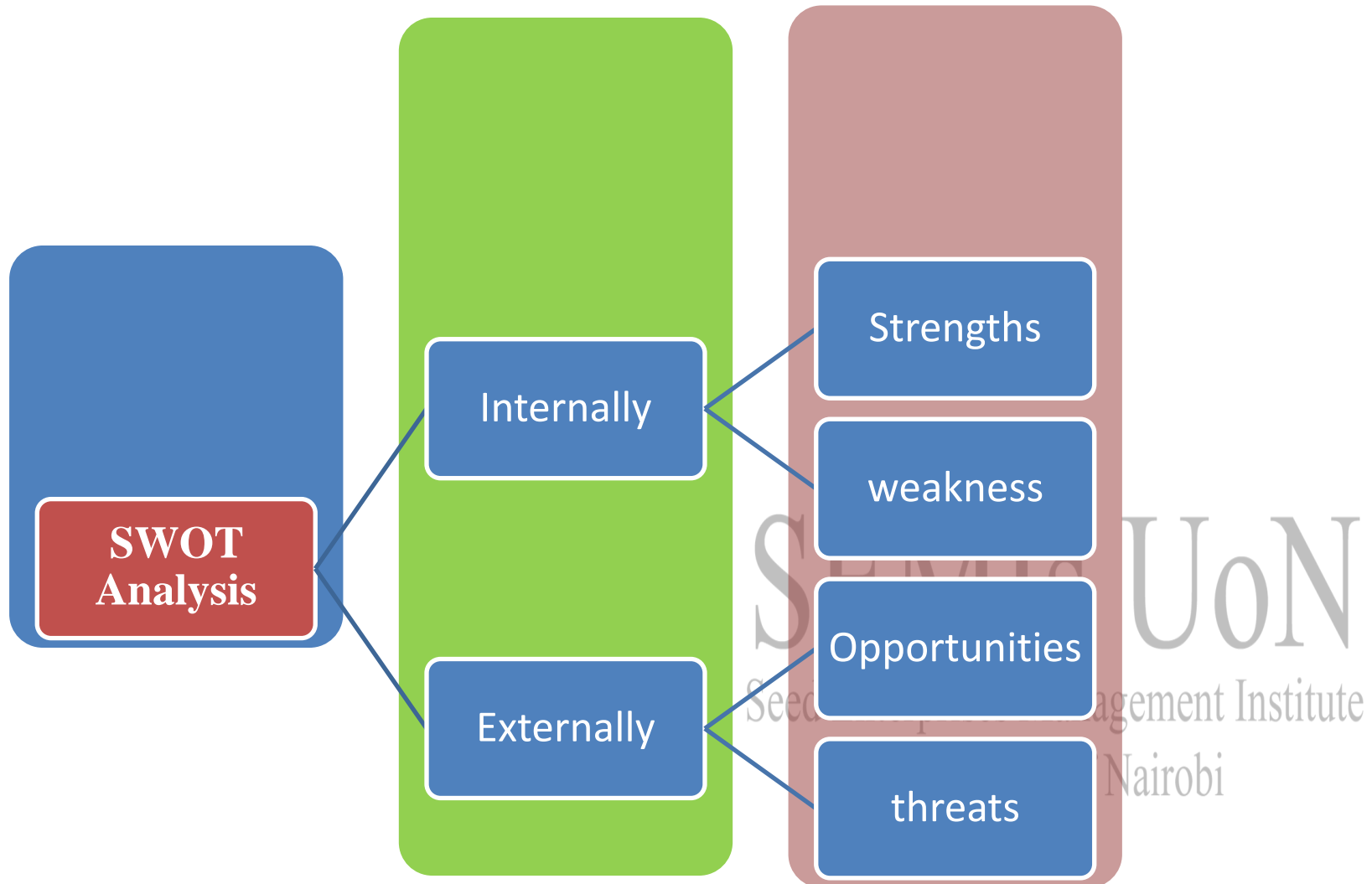
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Key components of Market analysis

- SWOT Analysis
- PESTLE Analysis
- Market size (current and future)
- Market trends
- Market growth rate
- Market profitability
- Industry cost structure
- Distribution channels
- Key success factors

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Develop SWOT Analysis



Marketing mix variables

- Assess all dimensions of these variables...



Marketing Objectives & Strategies

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An **objective** is
what you want
to achieve.

A **strategy**
is **how** you
plan to achieve
your
objectives.

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Highlights

- ...set objectives and strategies at **all levels** in marketing
- ...set objectives for **products** and **markets**
- ...objectives to be Measure-able in terms of
 - ✓ *sales volume;*
 - ✓ *market share;*
 - ✓ *profit;*
 - ✓ *percentage penetration of outlets*

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Marketing strategies

- are concerned with the four Ps, as follows:

Product Strategies ...the general policies for product, eg

- » deletions,
- » modifications,
- » additions,
- » design,
- » branding,
- » positioning,
- » packaging, etc.

Price Strategies ...the general pricing policies to be followed
for

- groups,
- bands and
- variants in market segments etc.

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Place Strategies

...the general policies for

- ✓ customer service levels.

Promotion Strategies :

...the general policies for communicating with customers under the relevant *headings, such as,*

- ✓ *sales force,*
- ✓ *advertising*
- ✓ *sales promotion,*
- ✓ *public relations, exhibitions, direct mail, etc.*

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MODELS

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Introduction

...these are the strategic response models marketer use in making marketing decisions/ formulation of strategies

Some models Include:

- Igor Ansoff's Model
- BCG Model
- PLC Model
- Adopters Categories Model/Bass Diffusion Model
- Ansoff's Product/Market Model

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Igor Ansoff's

Matrix

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... developed by **Igor Ansoff**

... matrix *focus* on

a) Products: firm's present and potential products

b) Markets: firm's present and potential markets (customers).

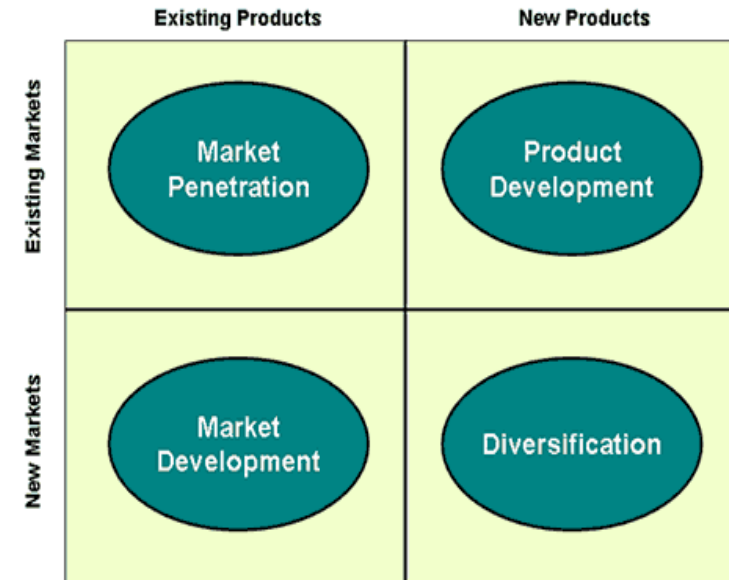
ANSOFF'S PRODUCT/MARKET MATRIX

Product Market	Present Product	New Product
<i>Present Market</i>	Market Penetration	Product Development
<i>New Market</i>	Market development	Diversification

1. Market penetration Oriented Strategies

- ... normally *growth* strategies
- ...where the business *focuses* ON selling existing
 - ... products
 - ... into existing markets.

See



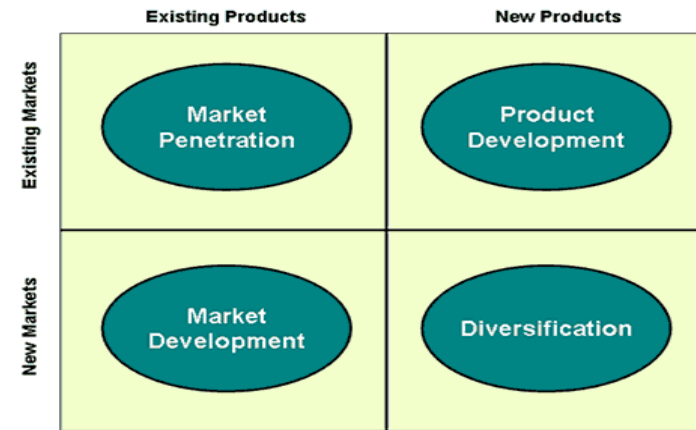
Main Objectives:

1) Maintain the **market share** of current products

How? :... Possible strategies

➤ ... a combination of

- ✓ competitive *pricing strategies*,
- ✓ *advertising*,
- ✓ *sales promotion* and perhaps more resources dedicated to personal selling

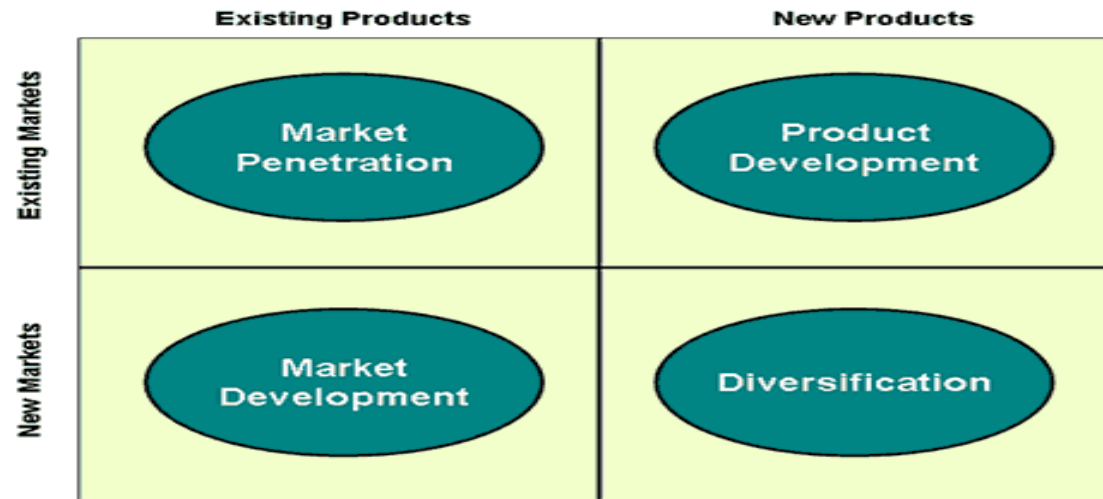


2) . To *Increase* the *market share* of current products

How ?... *Possible strategies*

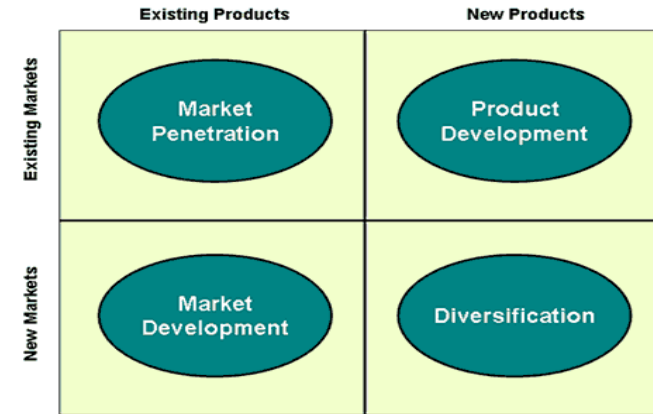
... see previous slide/ ...

... use product element too/ introduce new variants.



3.) Secure *dominance* of *growth* in markets

How? ... Possible strategies



Strategy-1 -Restructure a mature market

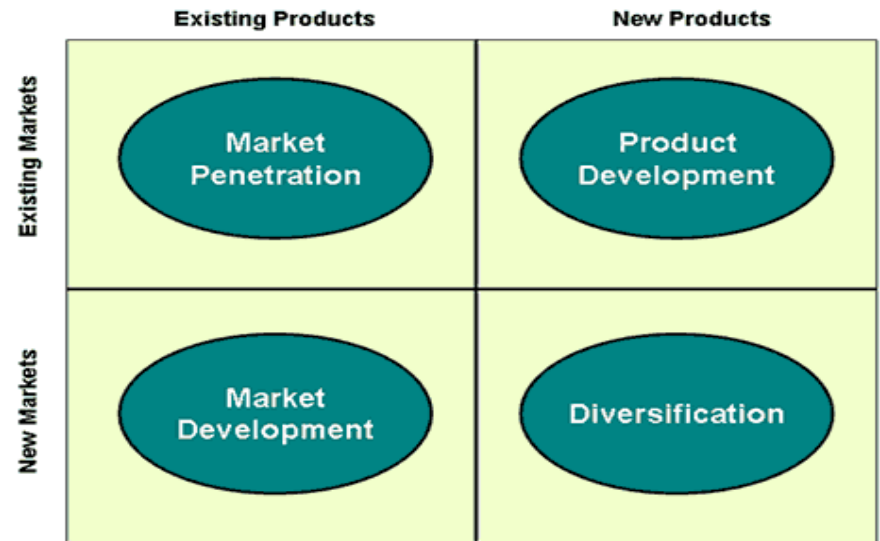
- ... by *driving* out competitors;
- ... but this *require* a much more aggressive promotional campaign,
- ... supported by *a pricing strategy designed* to make the market *unattractive for competitors*

Strategy-2 : *Increase usage* by existing customers

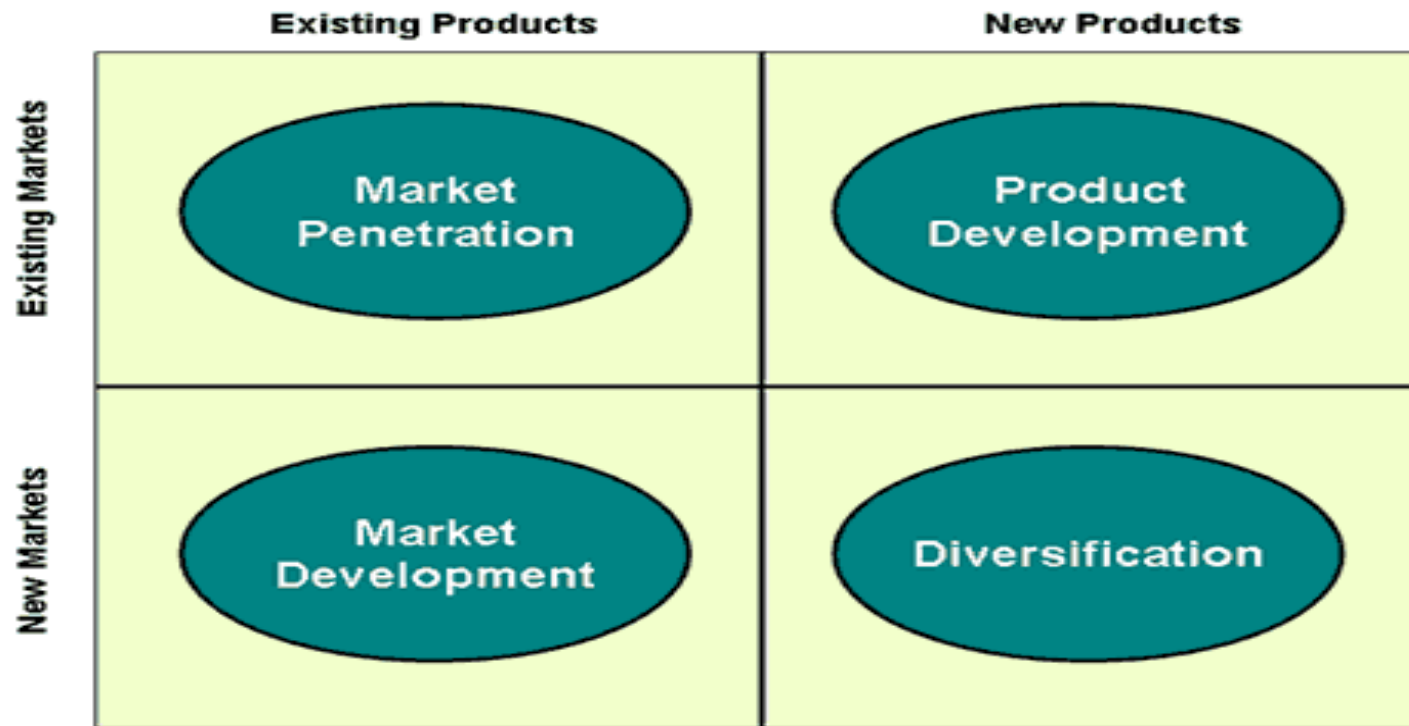
How? ... Possible strategies

- ... by introducing loyalty schemes, etc
- ... claim other product usage/ *blue band/ugali ad*
- ... tied promotions

■ @@@



2. Market Development Oriented Strategies

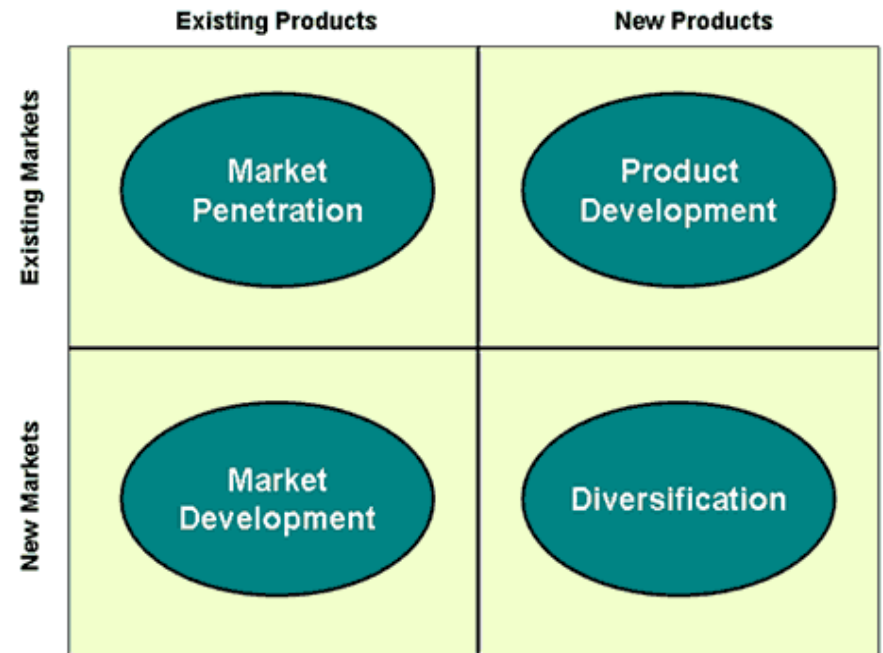


■ ... this is a *growth strategy*.. too.

... where the business seeks to sell

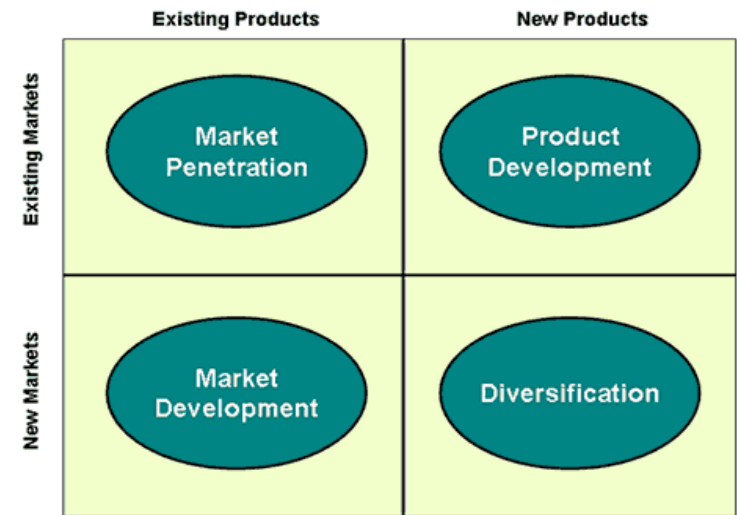
■ ... its *existing products* into

new markets



Possible Objectives:

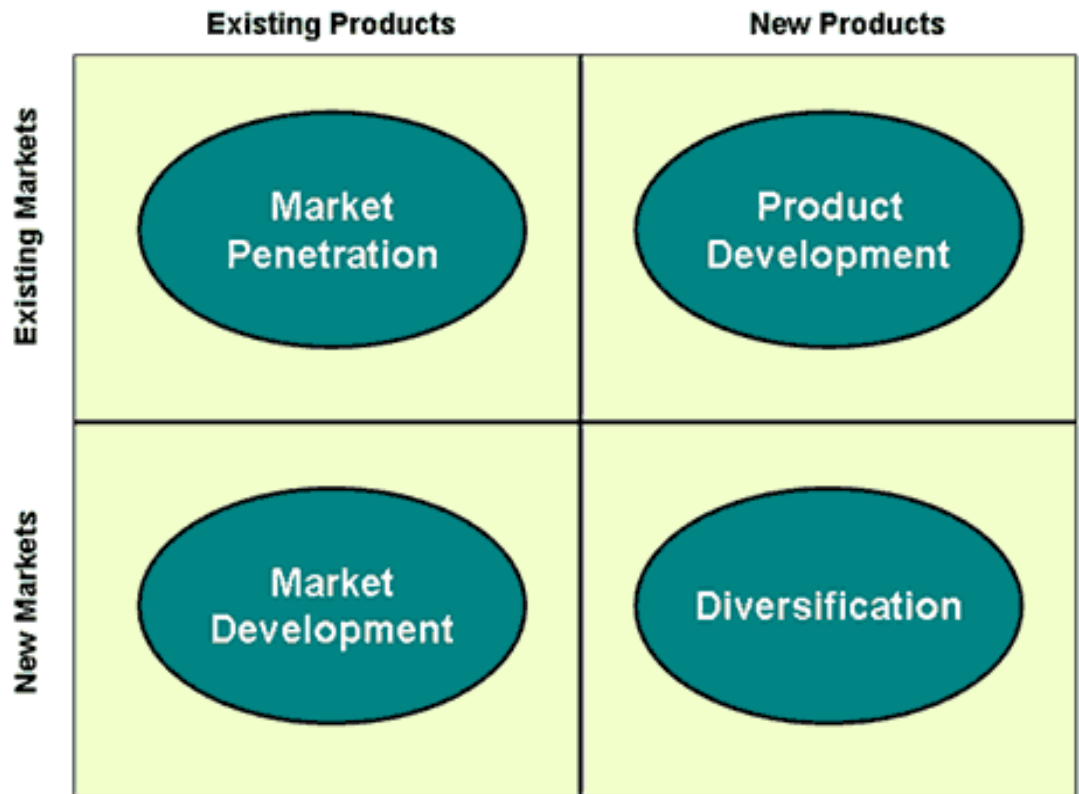
- To **Growth** business
- To intensifying **Competition.**



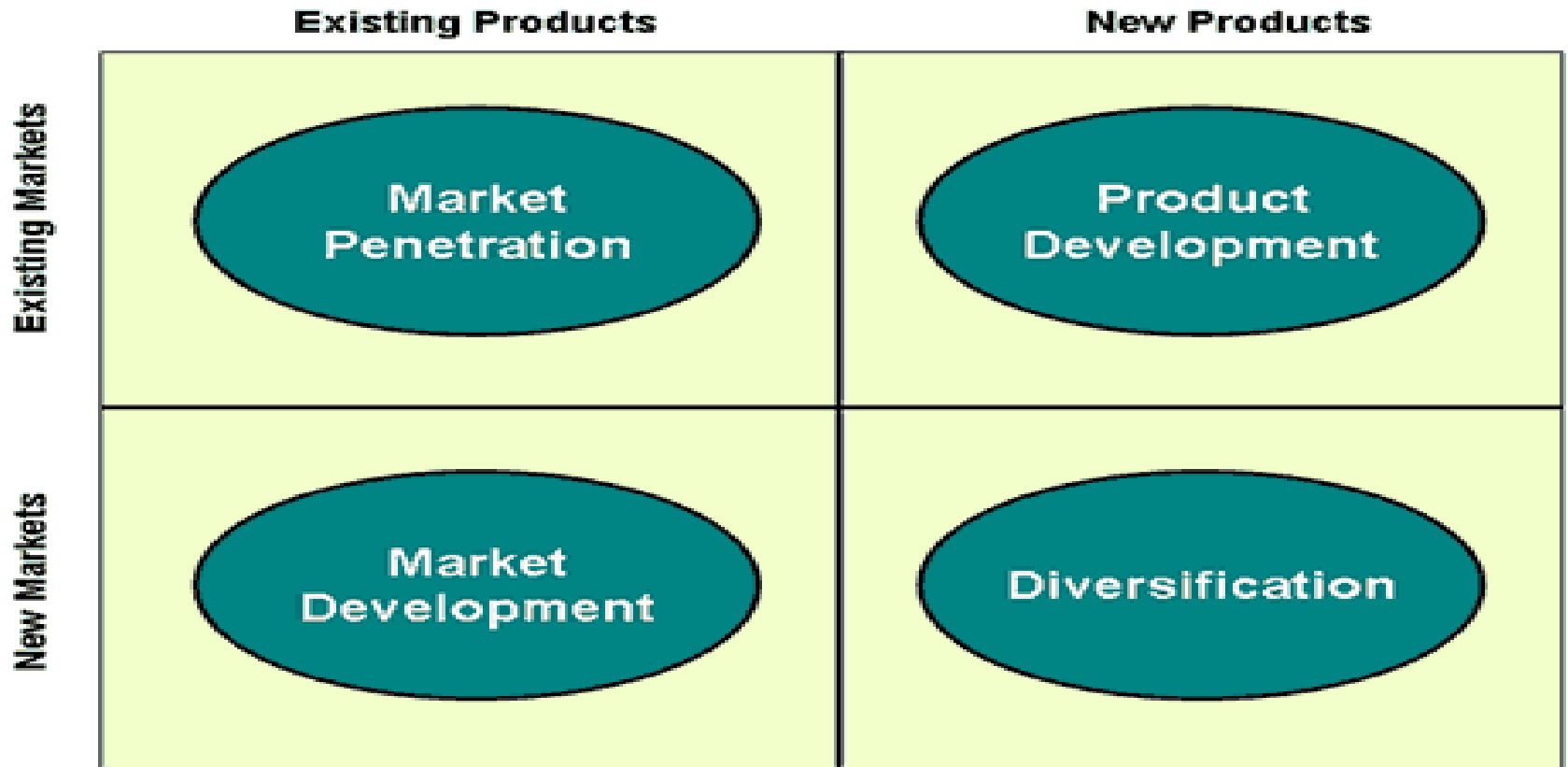
How?..Possible strategies

1. Enter **new geographical markets** eg ; export
2. Use **new distribution channels** (e.g. moving from selling via retail to selling using e-marketing)
3. Use different **pricing policies** to attract different customers or create new market segments

🌐 *Market development* is a more **risky** strategy than *market penetration* because of the targeting of new markets.



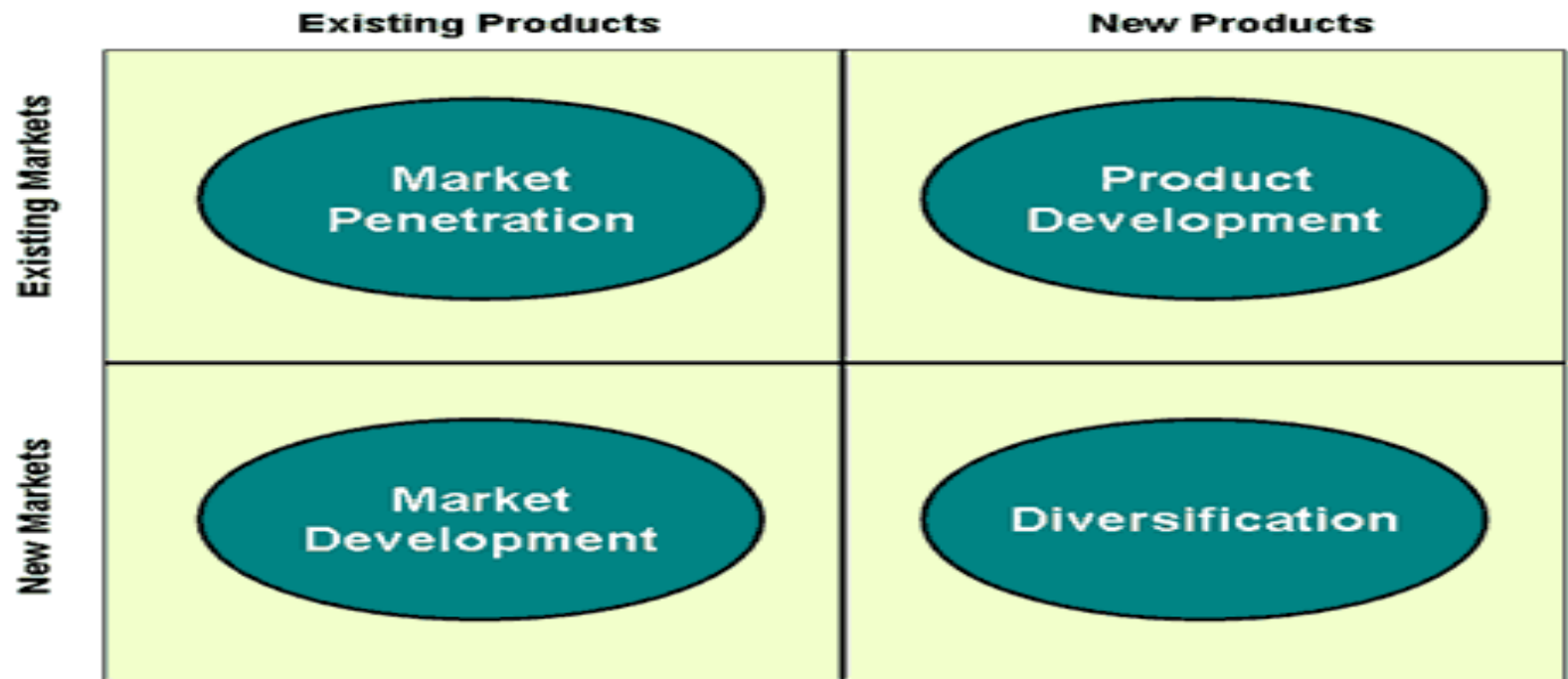
3. Product development Oriented Strategies



...this is another *growth* strategy

where a

- business aims to introduce *new products* into *existing markets*.



Possible Objectives:

- *To growth business*
- *To intensifying competition*
- *To Widen product mix*
- *To broaden consumer choice*

How?.. Possible strategies

- *Differentiate product* in order to remain competitive.
- development of *new competencies*
- develop *modified* products which can appeal to existing markets.

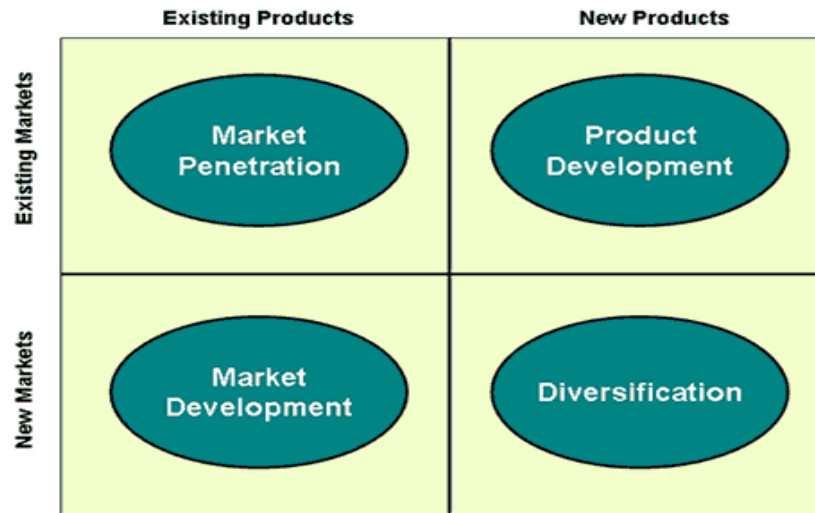
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Marketing emphasis... on :

1. Research & development and innovation
2. Detailed insights into customer needs (and how they change)
3. Being first to market...

...initiate new product dimensions or packaging: *for example changing packaging shape, etc*

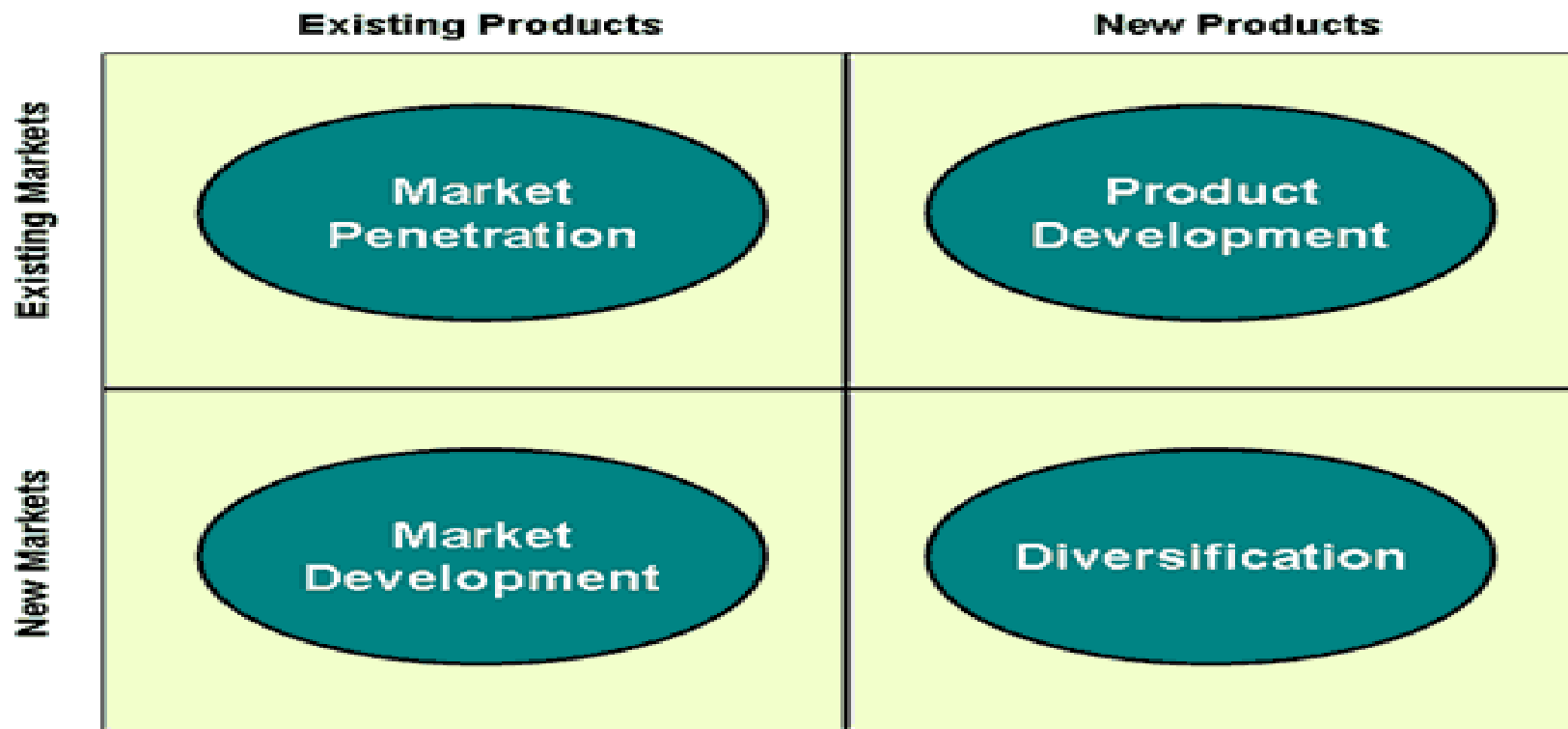
4. Diversification *Oriented Strategies*



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...also another **growth strategy**
where

- ... a business *markets new products* in *new markets*.

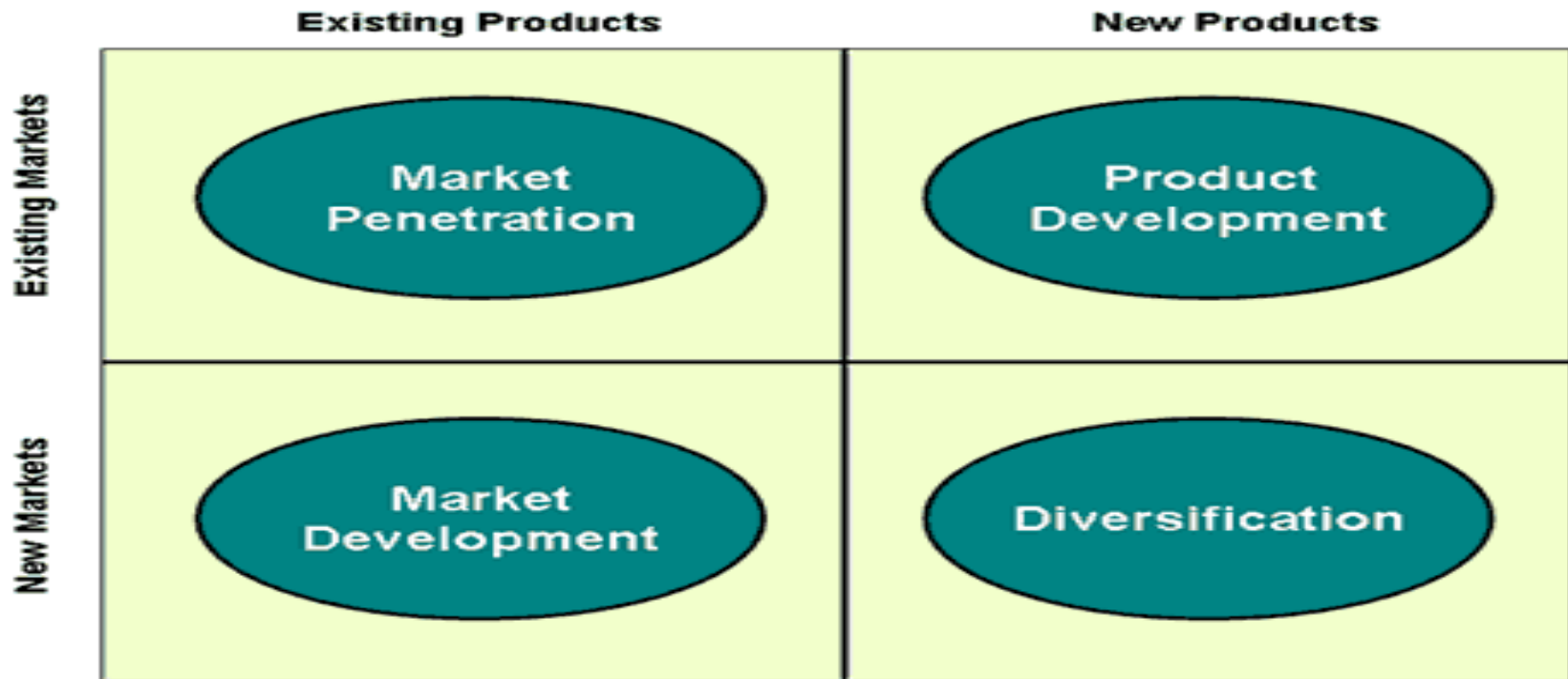


Possible objectives

- To gain *foothold* in an attractive industry and grow business.
- To *reduce* overall business *portfolio risks*

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... more **risk** strategy because the business is moving into markets in which it has *little or no experience*.



...to adopt a diversification strategy, mgt;

- ... must have a **clear object** about what it expects to gain from the strategy and
- an **honest assessment** of the **risks** must be done.

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■... However, for the *right balance between risk and reward*, a marketing strategy of diversification can be *highly rewarding*.

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