

- 1.) According to the textbook, the product life cycle is concerned with the sales history of a product or product class. That being said, the concept includes a product's sales change over time in a predictable way as products go through a series of five distinct stages. Among them are introduction, growth, shakeout, maturity and decline. Each of the above-mentioned stages provides distinct opportunities and threats, which could potentially affect the firm's strategy and its marketing programs.
- 2.) **Introductory Stage:** When it comes to the introductory stage, there is a vast difference between pioneering a product class and a product type. The former is more difficult, time-consuming, expensive, and risky, as, for example, when the telephone was introduced versus the introduction of the cellular phone. The introductory period, in particular, is apt to be long, even for relatively simple product classes such as packaged food products. Because product type and subtype entries usually emerge during the late-growth and maturity stages of the product class, they have shorter introductory and growth periods. Once the product is launched, the firm's goal should be to move it through the introductory stage as quickly as possible. Research, engineering, and manufacturing capacity are critical to ensure the availability of quality products. Where service is important, the firm must be able to provide it promptly (as in postpurchase service and spare parts availability).
- 3.) **Shakeout Stage:** This stage is signaled by a drop in the overall growth rate and is typically marked by substantial price cuts. As weaker competitors exit the market, the stronger firms gain share. Thus, it is no surprise that major changes in the industry's competitive structure occur. During the shakeout phase, the firm must rationalize its product line by eliminating weaker items, emphasizing creative promotional pricing, and strengthening its channel relationships. The personal computer industry has been mired in a global price war in recent years as it adjusted to slowing growth, and several firms have dropped out of the retail computer market. To a considerable extent, what happens during the shakeout is predetermined by how well the brand has been positioned in relation to its targeted segments, its distribution system, and its relative costs per unit.
- 4.) One of the strategies is called Additions to existing product lines, which implies new items that supplement a firm's established product line. These items may be moderately new to both the firm and the customers in its established product-markets. Additionally, they may serve to expand the market segments appealed to by the line. Another strategy is called improvements in or revisions of existing products, especially when it comes to items providing improved performance or greater perceived value brought out to replace existing products. These items may present moderately new marketing and

production challenges to the firm. However, unless they represent a technologically new generation of products, customers are likely to perceive them as similar to the products they replace.

- 5.) In the corporate world two strategic objectives attained by successful new market entries. They can be distinguished by externally and internally driven motives. For externally driven market entries, one should defend the market and always authentically share one's position. Additionally, one should be eager to establish one's foothold in a new market as well as preempt one's market segment. When it comes to internally driven market entries, one should maintain one's position as a product innovator, exploit technology in a new way, capitalize on distribution strengths, provide a cash generator as well as use excess or off-season capacity.
- 6.) A pioneer has the first choice of market segments and positions and can influence on customer choice criteria. Should any mistakes happen, a follower has the ability to take advantage of the pioneer's positioning mistakes. While a pioneer defines the rules of the game, a follower also has the ability to take advantage of the pioneer's product mistakes. Moreover, a pioneer has distribution advantages as well as experience in economies of scale. However, a follower is also able to take advantage of the pioneer's marketing mistakes. Being a pioneer includes having high switching costs for early adopters and the possibility of positive network effects, when a follower can take advantage of the latest technology. Also, a pioneer is given the opportunity to preempt scarce resources, while a follower can take advantage of a pioneer's limited resources.
- 7.) According to the textbook, the most basic defensive strategy is to continually strengthen a strongly held position (e.g. to build an impregnable fortress capable of repelling attacks by current or future competitors). It goes without saying that this strategy is almost always part of a leader's share-maintenance strategy efforts. Each firm can improve the satisfaction of current customers by leveling up an already strong position, while increasing the attractiveness of its offering to new customers with needs and characters similar to those of earlier competitors. At this point, one should keep in mind that strengthening the firm's position makes the most sense when current and potential customers show relatively homogeneous needs and desires. The other strategies can be listed as follows: flanker, confrontation, market expansion, contraction or strategic withdrawal.
- 8.) In order to successfully implement a frontal attack, a challenger should seek one or more ways to achieve a sustainable advantage over the target competitor. One of the above-mentioned advantages could be based on attaining lower cost or a differentiated position in the market. Should the challenger have a cost advantage, it can cut prices to lure away the target competitor's customers (e.g. Ryanair and JetBlue have done this in the United States and Europe). Alternatively, it could maintain a similar price but engage in more extensive promotional activities. The other strategies can be listed as follows:

Leapfrog Strategy, Flanking and Encirclement Strategies, Guerrilla Attack and Supporting Evidence.

- 9.) The dimensions of quality include performance, durability, conformance with specifications, features, reliability, serviceability fit and finish and the brand name. When describing any three dimensions of quality, the performance deals with the question of “How well does the washing machine wash clothes?” At this point, the emphasis is on a well-rounded and high quality performance. When it comes to durability, one should wonder how long something will last and if it feeds into sustainability. When it comes to conformance with specifications, one could ask a question along the lines of “What is the incidence of product defects?”.
- 10.) When measuring customer satisfaction, it is important to first gain the knowledge necessary to continuously improve the value of their offerings to customers and understand how satisfied existing and new customers are with their current products. At this point, the focus on customer satisfaction has become increasingly important, considering that more and more firms question whether all attempts to improve absolute quality of their products and services generate sufficient and additional sales and profits to justify their cost. At this point, companies should improve their customer retention and loyalty, while an increasing number of companies are asking if every customer’s loyalty is worth the same level of effort and expense.
- 11.) One of the advantages in today’s digitalization world is the ability to optimize. In many aspects of marketing practice, it can be challenging for marketers to fully understand which methods are working and which ones aren’t and why. Therefore, data and data analytics enable marketers to dynamically change content and market segments and make adjustments. Living in a world where the digital landscape changes incredibly fast, new companies with new metrics and techniques are fueling rapid innovation in the digital marketing and big data industries, while attracting a considerable amount of venture capital as well. Additionally, the syndication of information via the internet and mobile devices opens up endless opportunities for marketers as well.
- 12.) Can digital and social networking tools reach and build relationships with customers in the target market?

Living in a world where digitalization and social networking is the main source of perceiving information and communicating, it goes without saying that it is possible to reach and build relationships with customers. However, one needs to keep in mind that the target market can be a dealbreaker at this point, especially if the target market is a group of people over the of 60, as older people are less prone to the digital world than younger generations who can’t picture their lives without smartphones, Regardless of the age group of a specific target market, there might be people that don’t have access to the digital world due to variable reasons, which is why the book suggests that simply reaching to customers with digital tools may not be enough. However, especially for marketers of commodity-like products. Therefore, going beyond reach

to build mutually beneficial relationships might be an ideal solution when it comes reaching more customers within the target market.