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Marketing strategies in the product life cycle

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ABSTRACT

Objective: Nowadays, with the acceleration of competition in the field of production and consumption, most successful companies place their resources and competitive power in the marketing circuit, or in a more complete sense, at a commercial level. **Methodology:** It is clear that the way of life and the continuity of organizations goes through the marketing brush, and in this complex and obscure environment that ever grows strong and innovative rivals, having a marketing strategy becomes irrelevant and necessary. **Results:** This article is a glimpse into product marketing strategies in its life-stages, which organizations need to find their own position in each product, to consolidate their marketing strategy to effectively combine these strategies in order to maintain their survival in the dynamic environment around them. **Conclusion:** It is believed that there is always a better and more effective way of doing things. The purpose of engineering is to find this way. Value engineering is an organized method and consists of various techniques. Some techniques are old, some are modified and some are new. The engineering value of the return value is the highest value for money (cost) spent.

1. Introduction

In the competitive market, economic and productive enterprises, in addition to paying attention to the company and domestic resources, are required to manage and monitor the resources and related elements outside the company. Accordingly, activities such as procurement of materials, production, storage and warehousing of goods, inventory control, distribution, delivery and service to customers, which were previously undertaken at the company level, have now been shifted to the supply chain level. Meanwhile, supply chain integration, as an important factor in establishing coordination and cooperation among the different elements of the supply chain, has played a vital role in improving the performance of existing supply chain companies (Khorshid and Nojavan, 2013; Mahmoudabadi and Esmaeilpour, 2016).

2. Materials and methods

2.1 Market entry strategies

to enter the market, two major strategies can be considered:

1. it can enter the marketplace as a pioneer and innovator.
2. You can follow this field as followers (Makori, 2017).

2.2 Pioneering strategy

The key to adopting this strategy is to innovate (in the product) or to innovate in the market. In this strategy, market research is the first step that, after discovering the market demand and optimizing its processing, comes with innovations in addressing that need or invention in the product (Mojez et al., 2016). This invention, if not arising from the market need, will soon fail, and will lead to huge losses to the company, but if carefully, delicately, and

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attention is paid to the market demand, it will have significant success. It should never be forgotten that pioneering requires the discovery of market demand and the speed of product design. If any of these two principles are not considered, the costs of creating and entering the market will be wasted.

2.2.1 The pioneering features of the market are:
1. High risk aversion
2. The need for significant financial resources (for research, launching production, supply and promotion, which are at this stage in cost).
3. Achieve faster and easier than other sources of resources and suppliers
4. In the case of success, the criterion for measuring the product of the next producers will be.
5. The rules of production and distribution determine the quality and price (Morton-Owens, Hanson, 2012).

2.3 Follow the strategy
Adhering means that the product is not your invention, but due to the high demand of the market or a small supply of producers, the presence of a follower company can be justified. In some cases, Peer's company can have a successful presence in the market by improving the product (technically, quality or price). Given the fact that other companies have been present before the market, which is likely to be a pioneer company, these types of companies should be able to add value to the customer and attract him to their products (Mostafapour, 2016). This is not so easy, because the criterion for measuring the product of the follower is the pioneering product and, therefore, improvements should not conflict with the principle of the product. Reducing the cost, packing more attractive, increasing the quality of the product without changing its price and ... can be among the successful tactics of this strategy.
The features of this strategy are:
1. Exploiting and correcting others' mistakes in product design and market position.
2. Reduce the cost of identifying primary sources and suppliers (albeit with reduced bargaining power with primary resources).
3. Reduce the cost of identifying target markets.
4. Possibility to exploit the latest technology
5. The need to comply with the standards set by the pioneer (Mulani and Pingle, 2016).

2.4 Growth strategy
By introducing the product into the market and putting it among customers, the product will enter its growth stage. At this stage, each of the product manufacturers, markets, and, while loyal to their customers, move to new markets.
At this stage, two categories of strategy can be considered: 1. maintaining its market share 2. Increasing market share
Successful companies must capitalize on both of the strategies mentioned above by combining strategies consistent with their potential, and maximizing their final profits (Pang et al., 2015).

2.5. To maintain market share
2.5.1 Strategy for defending the situation
with the arrival of other new companies in the industry, customers can choose from among the manufacturers.
In this strategy, companies increase customer satisfaction and loyalty towards themselves by offering services, increasing quality, providing discounts and ... redeeming them. That means trying to keep customers and their loyalty for re-purchases and thus keep their current position (Tabatabaei and Vahedi, 2016).

2.5.2 Offensive strategy
With the entry of other companies in the industry, some of the most powerful companies can use the following tactics to maintain their market share:
A) a temporary decrease in price (so that the competitor does not have the ability to cope with and out of the industry).
(B) The threat of increased production (officially declares that it has launched a new production line that will affect the price so that it does not compete with the industry's dash of dangers), so-called bluff tactics (Tanwar et al., 2018).
To develop products for a variety of markets (for cheap markets, they offer the same product in cheap ways, for example, by changing packaging and for luxurious luxury markets, so that the competitor does not have an empty space).
These tactics cause newcomers to not be able to have active presence on the market. This will save the market share of the attacker.

2.5.3 Focusing strategy
In the event of new entrants entering the industry and the inability of the company to adopt an aggressive strategy and defending its success, the company can, in place of its presence in all parts of the market, pay special attention to a particular sector (for example, luxury product buyers) and attract all its customers., Maintains its market share (Wortman and Flüchter, 2015).
This strategy, with the release of other parts of the market, rely on the special focus of facilities and resources on product specific production for a specific market, which leads to the attraction of all the customers of the specific market. Of course, if this strategy is not chosen by its own delicacies, or that it enters a specific market where rivals operate a bit, or that the company's production capability does not respond to a specific market need, it will certainly lead to failure (Xia et al., 2012).

2.6 Increase market share
1. Direct attack strategy

To gain more sales, you can directly capture the rivals and seize the market. In this way, we must add value to the customer's product, giving them a higher degree of utility than buying competing products, such as offering discount coupons, after-sales services, and more.
Adopting this strategy requires a lot of financial resources and effective propaganda methods. In the event of a weakness in either of these three processes, this strategy will be condemned to failure.

2.7 Siege strategy

in this strategy, instead of a direct attack on markets where competitors are active, we are moving into markets that are rivals, inferior, or weak. In fact, by placing them around the rivals' markets, they are surrounded by them.
With this technique, you can focus on these markets, gain market share from competitors, and increase your market share.

2.8 Market Development Strategy

In this strategy, the company is looking for the virgin and unpolluted markets that are commonly found around us, but often due to our channelized approach, we do not see the market. The discovery of new markets and their influence is an effective model for this strategy.
Obviously, choosing this strategy requires a market research team or at least a very strong marketing team to discover market opportunities.

2.9 Supply chain strategy

By supplying the supply chain, such as the establishment of chain stores, the supplier can, firstly, save on its distribution costs; secondly, the availability of products at different points to the customer creates a value added to other competitors. This could increase the number of customers and, as a result, increase the market share of the product.
Of course, you should rely on the trustworthy distribution team in choosing this strategy, since the potential disability of the distributor will have a direct effect on the product's production. In other words, it distorts the image of customers from the product.

2.10 Maturity Stages Strategies

In the product life cycle, the maturity stage is a stage in which sales growth and market share growth are somewhat constant, and on the other hand, this is the peak period of product sales in which well-known competitors are selling the product. . At this stage, usually all production capacities are used, and prices have become competitive.
Two types of strategy can be adopted at this stage:
1. Maintain competitive advantage and survival of the company
2. Maximize sales volume
both of these strategies must be in the organization's strategic plan, and choosing one does not mean nothing to the other.

3. Discussion and results

A. Preserving competitive advantage (survival)
1. Differentiation strategy
in this strategy, we try to create a reasonable reason for the customer to buy a distinction from the company. That is, the value added to the goods is created in comparison with the competitors, so that the product of that company, in comparison with the product of competitors, has a superiority and distinction. Solutions such as warranty period, after-sales service, etc. can provide these goals.
2. Leadership Strategy
given that at this stage, usually the full capacity of production is used, the costs are at least possible. By reducing their operational and non-operational costs, companies are trying to reduce the quality of goods. In adopting this strategy, a company is more successful to create the lowest price consistent with the highest value for the customer. This is the true meaning of cost leadership.
3. Customer Excellence Satisfaction and Loyalty Strategy (Human Relations)
In this regard, organizations try to keep them loyal to their customers, keeping them satisfied. In many cases, this can only be achieved through phone calls and product performance surveys.
In fact, this strategy relies more on oral communication with the customer and feedback from their satisfaction.
B. Increase sales volume
1. Research and development of product
in this approach, we need to find new applications for the product and strengthen the need for consumption in the customer. In some cases, by adding or reducing the price of a product, a more advanced product can be obtained that provides this.
2. Product Development Strategy
In order for customers to buy the product more and, as a result, increase our sales, the product development approach can change the level of customer use with the upward trend. In fact, by using tactics such as: discovering new applications of a product that satisfies new needs, reducing the margin of profit and selling excess product, making it available and offering it, packaging and advertising, and ... the incentive to buy a double Has created.
3. Strike strategy
Customers who have not yet bought the product and who do not know the use of this product need to believe in the need for it and to accept it using the product.

Creating this belief is based on focusing on new customers and penetrating their past mentality and changing it slowly, which is itself a subject blended with the science of psychology and lessons of customer engagement.

4. Strategy of penetration in global markets

even at maturity, there are underdeveloped markets in other countries that easily sell products. As a result, entering these markets can increase sales volumes.

5. Production authorization permission strategy

in this strategy, the main producer and product developer will allow other producers to produce their goods, provided that they meet their standards and standards and pay a percentage of their profits. Perhaps the best example for this strategy is McDonald's restaurants.

By adopting this strategy, while responding to the need for more customers, other manufacturers' equipment and equipment are used to seize the market and benefit more. Indeed, the main producer, without any initial investment, is to earn secondary revenues from the production standards and monitors it.

Stability and Decline Strategies

this stage, the last stage of the life of the product, before the death, is that if a suitable strategy for it is not developed, it will even lead to the death of the producer (organization).

One of the important features of this stage is the existence of surplus production capacity, the reduction of the profit from sales and the entry of alternative products to the market.

At this stage, by adopting specific strategies, it can delay the death of the product or, by leaving it, save the organization from bankruptcy. You can even climb a different position from the current position. The strategies of this stage can be explained in the following five approaches:

1. The final profit strategy (withdrawal)

Measures to increase sales volumes and maximize potential profits and reduce effective costs and maximize short-term liquidity flows. The strategy is to feed the lactating cow before cutting it, that is, the last benefits that can be obtained from it.

2. Output strategy

In the event of unjustified reductions in sales and after the implementation of the withdrawal strategy, the industry could be excluded before the loss of return on goods, warehousing and the purchase of additional raw materials would lead to bankruptcy of the organization. One of the suitable solutions for the industry's withdrawal is the award of a production point, which, if it is a reputable producer, can be evaluated for the exit from the industry.

There are two basic barriers to leaving the industry:

1. the high amount of fixed assets that sells it to other, difficult or time-consuming ones will cause loss of opportunity.

2. The diversion of various parts of the organization to the industry, which, if left, will be dismantled by the entire organization, which means that the organization will be ineffective.

3. Preservation strategy

this approach applies only to vague markets and specific circumstances in which market conditions are not clear and no other decision can be made.

This strategy is accompanied by a reduction in the margin of profit or without the profit of placing the price of the product, in order to maintain a relative market share and sales, that is, only by covering the costs of supplying the product.

4. Strategy remained

This approach can be adopted if the competitors leave the industry and the company remains as an exclusive producer. To supply the remaining marginal demand with a low profit margin and continue to benefit from the current market share.

5. Integration strategy

In this strategy, the remaining producers in the industry, as business partners, together with each other, cover each other's weaknesses and, as a result of the reduction in production costs, jointly offer the product, each with a share equal to or equal to its facilities, from the market Remaining receipts. In fact, an attempt to make a full use of the market conditions and possibly the need for stability in commodity prices leads to the adoption of a merger strategy.

6. Market rotation strategy

in the absence of undeveloped markets, this approach can be picked up and, by focusing on them and taking on market share, delayed the strategy of the period of stability and decline.

7. Product rotation strategy

Perhaps the best strategy for this stage is the product rotation approach. By reaching the product life cycle towards the end of puberty, the company introduces a new product to replace or offer to the market.

Clearly, one of the inevitable requirements of this strategy is the application of research and development and market research and their dynamism throughout the life of products. By developing a product and entering the growth stage, the team begins to design and deliver a replacement product or a complete product with another market-compatible product, so that it can be stabilized by introducing a new product and using the old-fashioned product's reputation, it has acquired a new market position. In other words, by entering the stage of product stability, we can turn to the stage of a new product growth and extend the organization's life in succession.

Entrepreneurial and innovative organizations market new products at the stage of maturation of their products and never allow the organization's position to enter into the stability phase.

Determine the life of the product determining the starting time of each stage of product life depends on market conditions, product type, industry, community culture and other factors. Providing a fixed scheduling pattern for each product is not feasible. It is important to timely diagnose the product's condition (age of the product) and adopt an effective strategy in time. This causes the organization's life or death. Therefore, the presence of business professionals in the body of decision making companies and organizations is inevitable, and the requirement for this presence is to such an extent that many board of directors prefer to direct the companies to the hands of top business managers while leading the organization towards predetermined goals. It is important to adopt marketing strategies and prioritize business as a vital vessel for companies.

4. Conclusion

It is believed that there is always a better and more effective way of doing things. The purpose of engineering is to find this way. Value engineering is an organized method and consists of various techniques. Some techniques are old, some are modified and some are new. The engineering value of the return value is the highest value for money (cost) spent. Value engineering is involved in all stages of design, technical specifications, manufacturing, purchasing, packaging, transportation, sales, services, etc. Any action taken should have the economic justification necessary, and if the product meets the desired performance effectively with high returns and low cost, then the customer is satisfied.

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