

## **DEVELOPMENT OF MARKETING STRATEGIES FOR CONSUMER GOODS**

The marketing concept of building an organization around the profitable satisfaction of customer needs has helped firms to achieve success in high-growth, moderately competitive markets. However, to be successful in markets in which economic growth has leveled and in which there exist many competitors who follow the marketing concept, a well-developed marketing strategy is required. Such a strategy considers a portfolio of products and takes into account the anticipated moves of competitors in the market. By possessing the precise marketing strategy for its production the company gets an opportunity to implement the goals it has set for itself and occupy the leading positions in the market.

The following marketing strategies for consumer goods are developing:

- Strategies of new products and services (new brands) launch to the market.
- Strategies of improving the level of recognizing and consumer loyalty to the brand.
- Strategies of conquering new markets.
- Strategies of effective struggle with a more powerful competitor striving for penetrating to the local market.

Basic stages of development of marketing strategies:

### 1. Situation analysis:

- Audit of the macroeconomic environment is study of macroeconomic factors influencing the branch, revealing the market opportunities and threats.
- Audit of the microeconomic environment is study of microeconomic factors existing in the branch (dynamics and tendency of the product or service market, the competition level and structure, suppliers, clients/consumers, danger of appearance of new players, influence of substituting goods).
- Audit of the internal environment of the company is study of company's capability of efficiently working with a product or brand, opposing the market challenges, efficiently using the market opportunities, achieving the set goals.

- Competitive analysis is a special block intended for the detailed analysis of competitors and their marketing strategies in relation to a product/brand.
- Analysis of efficiency of the formerly used strategy/strategies of the company in relation to a product or brand during previous years, revealing the reasons of failure to achieve the formerly set goals, revealing the factors contributing to achievement of success.

Results of the stage: The detailed analysis of the market and the internal environment of the company has been conducted. Factors have been determined having the decisive importance for the future strategy.

## 2. Objectives setting:

- Objectives setting for the medium-term period (3 - 5 years) is the general purpose formulation of development of products or brand in the market.
- Objectives setting for the short-term period (1 year) is formulation of numeric indices which must be achieved in relation to a product/brand during a year.

Results of the stage: Marketing objectives have been formulated for the medium-term and short-term period.

3. Marketing strategy is development of strategic solutions which make it possible to efficiently implement the tasks of the middle and short period.

Results of the stage: Main trends and directions of the marketing strategy have been determined.

4. Marketing budget is determination of the marketing budget value which is required for fulfillment of the preset tasks and objectives and successful realization of the chosen marketing strategy; determination of the order of marketing budget formation.

Results of the stage: Financial resources have been determined which are required for strategy implementation.

5. Segmentation and Targeting is making of market segmentation for goods and brand, making up the profile (description) of indicated segments, selection of target segment(s).

Results of the stage: Target segment(s) have been selected to which a product/brand is going to be oriented.

6. Positioning is development of the unique positioning of a product or brand for target segment(s) which will make it possible to carry out the preset objectives

and tasks, including formulation of the Unique Selling Proposition beneficially distinguishing the product/service of the company from competitors.

Results of the stage: Positioning has been determined for a product/brand which is most efficient for operation with target segment(s) in the present and forecasted market situation.

7. Product, pricing is determination of the product portfolio and pricing policy ensuring the optimum fulfillment of the preset objectives and tasks.

Results of the stage: Determination of principles of the product portfolio and pricing policy in compliance with the preset objectives and formulated marketing strategy.

8. Brand strategy is development of the brand portfolio structure for a product or service ensuring the efficient realization of the marketing strategy.

Results of the stage: Determination of principles of the brand strategy in compliance with the developed positioning and product portfolio.

9. Marketing activities directed to a client/consumer is development, calendar and financial planning of activities directed to a client/consumer ensuring the fulfillment of the preset objectives and tasks.

Results of the stage: Specific activities have been determined which are directed to a client/consumer for ensuring the achievement of preset marketing objectives.

10. Marketing activities directed to the product distribution network is development; calendar and financial planning of activities which stimulate the product distribution network and contribute to effective implementation of the activities directed to a client/consumer and ensure the advantage in the competitive struggle.

Results of the stage: Specific activities have been determined which are directed to a product distribution network for ensuring the achievement of preset marketing objectives.

After the completion of the marketing strategy development the subsequent supervision is carried out with the aim of promoting the practical implementation of the worked out strategy.