



ĐƠN GIẢN LÀ KHÁC BIỆT

CHAPTER 4: CATEGORY DEVELOPMENT

TRADE MARKETING

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OBJECTIVES

- 1 An understanding of components of Category Development strategy
- 2 Applying knowledge to practical situations

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- 1 Penetration Strategy
- 2 Portfolio Strategy
- 3 Pack-size strategy
- 4 Pricing Strategy



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1 PENETRATION STRATEGY

- Market penetration is **a low pricing strategy** adopted by companies for new and existing products **to attract larger number of buyers and a larger market share** (Kotler and Armstrong, 2009).
- This strategy **increases the product sales** in the company's present markets through an aggressive marketing mix. It is usually introduced to: increase the rate of product/service usage; encourage repeat purchases; attract consumers away from competitors; or attract current non-users (Drummond et al., 2008).



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HOW TO CALCULATE MARKET PENETRATION RATE

MARKET PENETRATION



Kelly, R. (2021). Market Penetration: What It Is, Strategies To Increase It. Investopedia. Retrieved October 25, 2022, from <https://www.investopedia.com/terms/m/market-penetration.asp>



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PENETRATION STRATEGY

PRODUCT

		PRODUCT	
		Existing	New
MARKETS	Existing	MARKET PENETRATION	PRODUCT DEVELOPMENT
	New	MARKET DEVELOPMENT	DIVERSIFICATION



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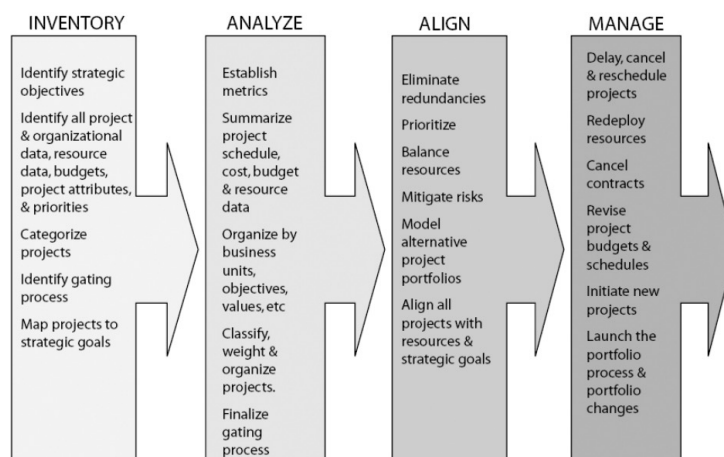
2 PORTFOLIO STRATEGY

Strategy portfolio management — or strategic portfolio management — is the process an organization uses to **decide how it should focus its available resources** within a portfolio to meet its strategic objectives.



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2 WHAT IS THE STRATEGY PORTFOLIO MANAGEMENT PROCESS?



Source: Miller, J. (2002). A proven project portfolio management process. Paper presented at Project Management Institute Annual Seminars & Symposium, San Antonio, TX. Newtown Square, PA: Project Management Institute.



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PACK-SIZE STRATEGY

- Right-size packaging refers to using **the appropriate amount of material for products** while leaving room **to emphasize branding** without sacrificing protection or the quality of the packaging in general.



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PACK-SIZE STRATEGY



What is the difference when the manufacturer uses two different types of packaging?



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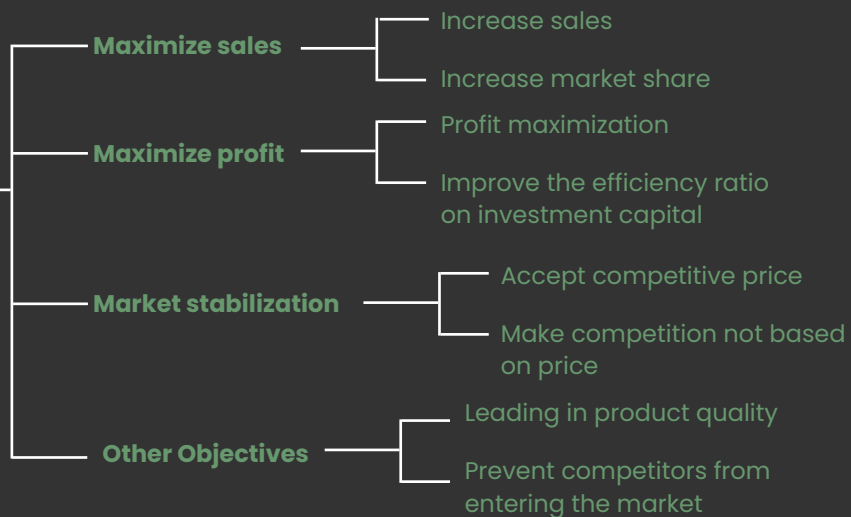
PRICING STRATEGY

- **According to Prof. William J. Stanton**, "Price is the amount of money and/or other items with utility needed to acquire a product".
- **According to Prof. Philip Kotler**, "Price is the only element in the marketing mix that produces revenue, the other elements produce cost".



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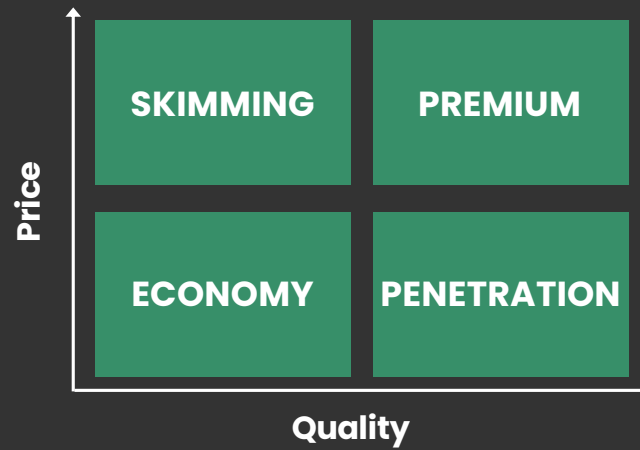
Pricing Strategy Objectives



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PRICING STRATEGY MATRIX



Eyhorn, F. (2010, 1). Pricing strategies matrix (Source: www.marketingteacher.com) |
Download High-Quality Scientific Diagram. ResearchGate



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THE END



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