

Paradigm Industry Sdn Bhd effective marketing turnaround strategies

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ABSTRACT

In the dynamic landscape of the nutraceutical industry, Paradigm Industry Sdn. Bhd. (PISB) faces the imperative to refine its marketing strategies to align with evolving customer demands and industry trends. Situated in Klang Sentral, Malaysia, PISB operates as a pivotal player in nutraceutical-based trading and manufacturing. This case study delves into the pivotal challenges encountered by PISB and elucidates the transformative measures implemented to fortify its market presence. At the core of the narrative lies the indispensability of effective Customer Relationship Management (CRM). Through a meticulous analysis, the case underscores how CRM efficacy serves as the linchpin for sustained customer satisfaction and loyalty amidst an increasingly competitive milieu. Furthermore, the case study delineates the profound impact of re-mapping future New Product Development (NPD) initiatives. By leveraging insights gleaned from CRM analytics and astute market assessments, PISB embarks on a strategic trajectory to conceptualise and introduce novel products that resonate with evolving consumer needs and market dynamics. Upon delving into this case study, readers gain a nuanced understanding of the pivotal role of CRM effectiveness, the imperatives of re-strategising market positioning in nutraceutical businesses, and the transformative impact of re-mapping NPD endeavours. Through the lens of PISB's journey, this case study serves as a beacon for organisations navigating the intricacies of the dynamic nutraceutical landscape, offering actionable insights to fortify market resilience and drive sustained growth.

Keywords: Nutraceutical, Positioning, Penetration, Customer Relationship Management, New Product Development

Introduction

Dr James is becoming increasingly frustrated since his appointment as the Head of Paradigm Marketing of PISB in June, 2021. In the existing plan, there are multiple elements involved, from the basic marketing mix to complicated theories in arts of marketing. Dr James has proposed suitable strategies and ways to make necessary changes. Since the company do not have constant revenue for the past few months, many strategies and decisions need to change. The board of directors of PISB would like to solve the issue comprehensively as any prolong of those will impact the revenue of the company. Failure for Dr James to identify quick solutions might greatly hamper company's future expansion plan and seriously impact the business strategy he had planned throughout the months. So, he is under tremendous stress to deal with the situations and regain company's competitive strength.

Protagonists of the Study

The Head of Paradigm Marketing, Dr James, grew-up in Kelantan, East-Coast of Malaysia. He completed his primary and secondary education from SRJK (C) Chung Cheng, Kota Bharu, Kelantan and SMJK (C) Chung Cheng, Kota Bharu, Kelantan respectively. He further his Form Six studies in Sultan Ismail College, Kota Bharu, Kelantan. He received an Honorary Degree in Business Administration from Open University Malaysia, and further obtaining a Degree in Master in Business Administration from the same University. In 2023, he completed his Doctorate (DBA) in Univeristi Utara Malaysia (UUM), Kedah Darul Aman.

He started his career as Central Depository System Executive at Faiz Securities Sdn Bhd, Kota Bharu, Kelantan. He left the capital market industry to get involve in sales and marketing industry in Kuala Lumpur for ten years. After graduated and get his Bachelor Degree in Business Administration (BBA) and Master of Business Administration (MBA), he joined RHB Investment Bank and was appointed as one of the branches managers in Penang. After six years of service in RHB Investment Bank, he joined YHL Trading (KL) Sdn Bhd as a Senior Sales & Marketing Manager. He then joined Paradigm Industry Sdn Bhd until now.

Industry Background

Many definitions of "nutraceutical" exist around the world. Phytochemicals, functional foods, medicinal foods, designer foods, and nutritional supplements are other names for nutraceuticals. The Foundation for Innovation in Medicine's founder and chairman, Stephen De Felice, came up with the term "nutraceutical," which is defined as "food, or components of food, that give medical or health advantages, including the prevention and treatment of disease." In 2021, the global market for nutraceuticals was estimated to be worth USD396.29 billion. The industry is expected to increase at a compound annual growth rate (CAGR) of 5.2% between 2022 and 2030, driven by rising concerns about metabolic syndrome.

From Malaysia perspective, the development of nutritional supplements has benefited greatly from ethnic variety and traditional medical practises. The nation is also home to some of the oldest rainforests in the world and boasts a high biodiversity, making it a treasure trove of more than 2,000 plants with potential therapeutic use. On developing nutraceuticals, Malaysia has a competitive advantage over other countries because to its vast availability of raw materials. The Nutraceutical products, one of the 2011's New Important Economic Areas in agriculture, has been designated as a new source of economic growth and is closely tied to nutraceutical products (NKEA). With RM19 billion to RM28 billion in potential GDP contributions by 2027, the sector presents the nation with several interesting opportunities.

Company Background

Located in Klang, Selangor, Paradigm Industry Sdn Bhd (PISB) are fully Halal certified manufacturer by the Department of Islamic Malaysia (JAKIM), providing the assurance that products manufactured and distributed undergone the strictest hygiene and sanitary in accordance with Islamic faith. The Stevia used by PISB in its products is sourced from PureCircle Ltd, the world's leading producer of high purity Stevia ingredients to the global food and beverage industry, while the formulations were made by Pharmaniaga Research Centre (PRC) to ensure the stability, safety, and quality of the products, as one of the healthy alternatives to sugar. It also houses the latest equipment and machines that mix, manufacture, and pack all the Stevia based products. In line with the Malaysian Government's efforts through the "Kurangkan Gula" Campaign to address the rising number of diabetic patients, PISB, subsidiary of Pharmaniaga Berhad (Pharmaniaga), has acquired the intellectual rights of the Stevia products back in year 2017. PISB has commercialised Stevia products in the form of glass candy and gum drops as well as Stevia beverages to the mass market. These Stevia products have penetrated the F&B industry via online order and physical stores.

In year 2021, PISB expand their wings in nutraceutical business by introducing their house-brand stingless bee honey named "Arnia". Taking the advantage in many benefits of stingless bee honey, PISB started to market Arnia though out the country. It is not only nutritious and beneficial to health, but it is an agro product that has the potential to be developed given its high demand. Malaysian Agricultural Research and Development Institute (MARDI) has recognized stingless bee honey as the first 'superfood' in Malaysia. In addition to being recognized as a 'superfood', the product has gone through various processes including being recognized as halal by the JAKIM. There is a natural sugar called trehalulose and can be found up to 40 percent in stingless bee honey, that is a specialty of Malaysian stingless bee honey. Thus, as a market leader in the industry, PISB has taken up the initiative to promote Arnia to the domestic and international market.

Organisation Background

PISB has four different divisions. The sales department team played a vital role in the penetration of domestic and international; market which is viewed as a huge breakthrough in the company's overall revenue. The sales department have primarily responsible for generating revenue for company by selling products or services to potential customers or clients. This involves identifying and pursuing leads, negotiating sales agreements, and ensuring that customers are satisfied with their purchases.

The marketing department plays a vital role in promoting the business and mission of the company. It serves as the face of the company, coordinating and producing all materials representing the business. Marketing department's job is to reach out to prospects, customers, investors and/or the community, while creating an overarching image that represents the company in a positive light. It involves creating strategies to attract prospects to business offerings, generating leads, and converting those leads into customers.

The operation department is responsible for the company's running operation as well to meet the expectations and needs of the company itself. The department works together with sales and marketing department to identify potential customers. Operations department has a broad and specific responsibilities. It manages day-to-day activities, analysing statistics and reading and writing reports.

PISB finance department serves a fundamental role in making financial decisions for internal and external affairs. Their activities are highly depended on the competence of the

department. This is the unit of a business responsible for obtaining and handling any monies on behalf of the organization. The department controls the income and expenditure in addition to ensuring effective business running with minimum disruptions.

Stevia Based Sweetener

There are 230 species in the genus *Stevia* of the Asteraceae family, but only one of them, *Stevia rebaudiana* Bertoni, yields sweet steviol glycosides. It was formerly believed that *S. phlebophylla* also possessed this characteristic, however recent study disputes this (Brandle & Telmer, 2007; Ceunen et al., 2013). *S. rebaudiana*, often known as "Honey Leaf," "Sweet-Leave," or "Sweet-Herb," is a perennial shrub that grows in South America, specifically in Brazil and Paraguay. *Stevia* preparations come in a variety of forms, including powdered, dried, and fresh stevia leaves, extracts, and liquid concentrates. Being 200 to 300 times sweeter than sugar, stevia extract is a fantastic substitute for artificial sweeteners (Singh & Rao, 2005). Several research have demonstrated the effectiveness of natural *Stevia* leaf preparations. Non-calorie sugar alternative is not only safe for those who have diabetes, high blood pressure, or obesity, but it can also be used to cure these conditions or prevent the consequences that can arise from them (Carrera-Lanestosa et al., 2017). Furthermore, demonstrated was the safety of children using the herb (Aguero et al., 2014).

Health Benefits of Stevia

Antioxidant properties of Stevia. rebaudiana

Free radicals, which are constantly created by metabolic processes or exposure to various stimuli in every organism, may be a factor in the development of many human diseases, including as cancer, diabetes, obesity, and neurodegenerative disorders (Garaschuk et al., 2018; Bayliak et al., 2019). Under normal circumstances, the body's natural antioxidant defence system is capable of neutralising free radicals and preventing oxidative damage. Hence, employing bioactive phytochemicals with anti-inflammatory and antioxidant properties is seen to be a viable treatment strategy to counteract ageing and related pathological diseases (Michels et al., 2018; Piskovatska et al., 2019).

Anti-cancer effects

The second greatest cause of death worldwide is cancer. Breast cancer, colorectal cancer, prostate cancer, and lung cancer were the most prevalent types of cancer in 2017. Consequently, it is crucial to look for substances that could aid in the treatment or prevention of cancer (Ferlay et al., 2018). According to the findings of one trial, steviol prevented the growth of six different types of gastrointestinal cancer cells in humans (Chen et al., 2018). Colon cancer cells' viability was demonstrated to be decreased by high amounts of stevioside (Boonkaewwan et al., 2008).

Anti-inflammatory and bactericidal action of Stevia. Anti-cariogenic properties

Recent research has shown that *Stevia. rebaudiana* is a special plant with antibacterial and anti-inflammatory effects. Several harmful germs are inhibited by stevia extract, which can also be used to treat immunological disorders and lessen edoema (Jeong et al., 2010). The ethyl acetate fraction from *Stevia* leaves was found to drastically reduce the NF-B-mediated gene expression that was induced by bacterial lipopolysaccharide in RAW 264.7 macrophage cells (LPS).

Stingless Bee Honey

The Meliponini tribe of stingless bees, which has more than 500 species, is the world's largest eusocial bee group and has 50 times more species than its rival honey bee (*Apis* sp.) cousins (Vits et al., 2013; Roubik, 2006). They have been on the planet 65 million years longer than *Apis* species, and compared to most honey bees, their honey has stronger antibacterial activity and less sugar (Amin et al., 2018; Rao et al., 2016). Yet, compared to honey bees, stingless bees have received significantly less research (Rao et al., 2016). Although stingless bee honey has a wide range of medical benefits, it has long been overshadowed by the commonly used honey of *Apis* sp., the subject of extensive scientific research in fields like behavioural science, microbiology, ecology, etc. The biological makeup of the stingless bee plays a role in this as a causative element. According to theory, stingless bees generate less honey than honey bees do, making them less economically desirable to humans. This could be attributed to its less well-known biologic processes and farming practises (Roubik, 2006).

Benefits of Stingless Bee Honey

Antioxidant properties of stingless bee honey

According to clinical research, antioxidants can block or slow down the process of oxidative stress in cells, which can lead to oxidative damage to proteins, lipids, and DNA (Block et al., 2002). Alzheimer's and Parkinson's disease, atherosclerosis, joint disorders, cardiovascular diseases, lung and kidney disorders, eye disorders, cancer, ageing, and other degenerative diseases are all conditions that can be brought on by oxidative stress (Rahman et al., 2012). As a result, substances with antioxidant characteristics, such phenolic acid, can reduce oxidative stress.

Anti-inflammatory

Earlier research claimed that phenolic compounds produced effects on animals that were connected to being anti-inflammatory (Larrosa et al., 2009). The phenolic acid derivatives caffeine and ferulic acid can suppress macrophage inflammatory protein-2 (MIP-2) and diminish neurovascular inflammation (Larrosa et al., 2009). Kaempferol, meantime, inhibited the activity of the enzymes NO synthase (iNOS) and COX-2 (Crespo et al., 2008). In vivo techniques were used in a study by Larrosa et al. (2009) to describe the anti-inflammatory effect of honey extract from stingless bee species (*M. marginata*), and they concluded that this honey could reduce ear edoema (Borsato et al., 2014).

Anti-proliferative

There are not many studies examining how stingless bee honey inhibits the growth of cancer cell lines. Previous research revealed that lung bronchus carcinoma cell line and liver hepatocellular carcinoma cell line (HepG2) were both sensitive to the cytotoxic effects of stingless bee honey (ChaGo- I). According to the findings, these substances are cytotoxic to the ChaGo-I and KATO-III cell lines, as well as BT474, respectively (Kustiawan et al., 2014; Yazan et al., 2016). This implies that each phenolic acid compound has the potential to be cytotoxic to the cancer cell under study.

Antimicrobial

Honey's purported antibacterial properties are a result of its phytochemicals, acidity, high osmolarity, and hydrogen peroxide content (Molan, 1992). According to Table 4, stingless bee honey has broad-spectrum antibacterial action because it can fight off a variety of germs that might cause sickness (Boorn et al., 2010; Nishio et al., 2016). Most honey research has

been done on *Staphylococcus aureus*. (Miorin et al., 2003; Demera et al., 2004; Temaru et al., 2007) showed that it is the most susceptible tested pathogen to stingless bee honey.

Issues/Problems

Sales Department

For several months, the sales department has been reporting problems, but there has been no sign of progress. The department is aware of what has happened in the market; **PISB** is facing significant obstacles and is competing in a fast-paced environment. Although the labels "hyper competitive" and "rapid moving" have been around for some time, the rate of change at the level of both customers and competitors is accelerating at never-before-seen rates.

“When a consumer is satisfied, they will keep calling us for ordering and will also give us money. The company will be able to pay the salaries of all employees with the money. We must constantly follow through on our commitments and produce high-quality services...” ...message came from company’s Senior General Manager, En Mhd Nazrul Aswad.

The department staffs led by Mr Nirmell are feeling the burden now. They need to act fast to discuss and communicate to find the solutions in the short period.

Marketing Department

Head of Paradigm Marketing, Dr James, who is responsible for the whole company’s marketing communication work and brand value. It means the marketing team must effectively communicate with employees, customers, and partners about its value and how it perceives its key priorities.

Dr James: “Hello Puan Muna, please rearrange and map up our previous customer’s data. I need all those data from the first day we do business.”

Puan Muna: Sure, Dr James. But for digital business i only can generate and export it into excel file for the past 6 months.”

Dr James: “Get Mr Nirmell to help, let him know our current situation and let us do something before it is too late.”

Research & Development (R&D) Department

The department head, Puan Azmah meanwhile facing huge pressure from Dr James as they are still losing directions in NPD planning. Previous planning has been delayed and behind initial schedule. She then escalated the issues to get some ideas from En Aswad.

Dear En Aswad,

“With refer to Dr James’s email, this is to inform you that we need to call for urgent brain storming meeting to look back our NPD plan. We are also running into another serious issue, which would most likely impact the R&D operations. The NPD is way behind the schedule. Hope to get favourable response from you.”

Thanks, and regards,

Puan Azmah

Head of Operation

An e-mail from PISB Operation Head to En Aswad.

The mentioned above was just part of the issues. The middle team did not do any better than just escalate their problem. They are somehow lost in nowhere. Every member of this relatively management team was battling for career survival at this critical stage.

Issues start to swarm into Dr James. Sales Department team performance did not meet company's expectation, added with they are losing their existing customer to their competitors. They need to re-position their company's CRM, and look back their NPD to the right track.

"I never experience such a tough situation before; things do not look good at all. The whole sales team are working extra hard to try putting off the fire. They are working their hearts out but I just do not see how the situation can be turn if we keep going that mode. Do not get me wrong! I do not want my career to end over here. I work late nights and sometime overnight but not like this one as we do not foresee converging point." Dr James expressed out to En Aswad during their company directors meeting.

"James, what are the costs and benefits of doing something different approaches? Is it simply trying to become more agile and respond quicker when changes occur a viable alternative to trying to better predict marketplace dynamics and change? For us, to get a presence in the nutraceutical industry, we should first focus on conceptualize ourself. Once we had identified where are we, and where we want to go, it should come out with strategy plan to market positioning ourselves in the industry...."

Thus, during the meeting, three major problems have been identified in their company which are:

- 1) Importance of customer relationship management (CRM) effectiveness.
- 2) PISB re-strategizing market positioning factors in nutraceutical businesses.
- 3) Impact of re-mapping futures new product development (NPD).

Problem Analysis

Problem analysis therefore involves identifying the overriding problem and establishing the causes and effects related to that problem. A key element of this analysis will ensure that "root causes," not just the symptoms of the problem, are identified and subsequently addressed in the project design. In this case, PISB use SWOT analysis to identify their problems.

SWOT Analysis

According to Gregory (2017), SWOT analysis is a strategic planning tool that helps a business to identify his or her own strengths and weaknesses, as well as any opportunities and threats that may exist in a specific business situation. A SWOT matrix is usually depicted as a square divided into four quadrants. Each quadrant represents one element of the SWOT analysis which is Strengths, Weaknesses, Opportunities, and Threats. Therefore, Dr James takes all the elements and ideas that he has and starts to plot it into the right quadrant shows in Table 1.

Table 1
SWOT Analysis for PISB

Strengths	Weaknesses
<ol style="list-style-type: none"> 1. Highly motivated and experienced management team members. 2. Leverage on existing customer data base. 3. Wild network coverage domestic and international. 4. Demographic competitiveness. 	<ol style="list-style-type: none"> 1. Take long time to build reputation in the industry. 2. Lack of awareness on the product. 3. Heavy working capital needed on R&D. 4. Poor communication among employees.
Opportunities	Threats
<ol style="list-style-type: none"> 1. One of the largest nutraceuticals players in Malaysia. 2. Largest number of scientists to support in R&D to help in NPD. 3. Matured logistic and distribution network. 4. Expend to another region, domestic and international. 	<ol style="list-style-type: none"> 1. Strong industry peers' competition. 2. Economic downturn. 3. Public concern on nutraceutical products, price, and benefits. 4. Not enough technical support from local authority.

Strategies Involved in Customer Relationship Management (CRM) Effectiveness

The next day after the meeting, Dr James immediately call his sales team for an urgent meeting. He knows that he needs to act fast and need to align everyone in the team to have the same objectives. Everyone in the department seems to agree with him. They had pointed and identified out some points that need to focus on. It seems that the sales team of the company is the main issue of the company. Primary function in doing sales is to educate, support and convey the benefits of the business to the customer. The team believe, by having good strategies can improve company's revenue. Hence, the team propose with these inputs:

Email

Getting the right product information at the right time can be extremely profitable for a business, inviting clients to choose over their competitors even in the pre-sale stage. According to an April report from Pew Research Centre, 52% of United States (US) cell phone owners access their emails from their phones. From Malaysia perspective, according to Malaysia Communication and Multimedia Council (MCMC), there are 25% of cell phone owner access their emails from their phone. Email marketing also works with other mobile devices.

Referral System

Nothing sells better than a referral (Black, 2015). With more than 6% of the research being done by a prospect before they even contact a sales-person, one third party endorsement can sometimes be more powerful than hundreds of presentations. Using the correct approach, a suitable referral system can be a great source of high-quality leads. Anything from free product, to a subscription, a points system, or a competition to win a trendy gig ticket, can drive referrals and provide companies with leads they never dreamed of. In fact, the cycle self-perpetuates with satisfied customers referring their business to other interested customers.

Networking

Networking is one of the most essential personal skills for business people, but it is extremely important for entrepreneurs. Business networking events organized around the world bring together extraordinary groups of highly-skilled and talented entrepreneurs who are united around the idea of communication, sharing, creating, and developing ideas and finally meeting with potential investors. There is a good chance for him to promote to best prospect through in his/her colleagues and college alumni, a gala organizes by the charity the company's support or any other networking event that people within industry will attend.

"Brilliant! Keep it up! Please do what is necessary to support other department as well and as front-liner, the future of the company depends on our team work. It is not a one person or one department's task, it is everyone's task." ... Message from the Dr James to all sales team staff.

Strategies Involved in Market Positioning and Penetration

Differentiation

Differentiation is the process of distinguishing a business from competitors through the identification of unique selling proposition which creates value for customers. This is an important aspect of market positioning as it helps businesses stand out from the competition, and attract and retain customers. Here are some effective strategies for differentiation in market positioning.

a. Offering Unique Features and Benefits

One of the most effective differentiation strategies is offering unique features and benefits that no other competitor is providing. Company should identify the needs of their target market and design products and services that address those needs in a unique way.

b. Developing Strong Brand Identity

Developing strong and recognizable brand identity is another effective way to differentiate a business from competitors. A brand identity consists of a business's name, logo, and design which represents the business to its customers.

c. Focusing on Customer Service

Customer service is an important part of differentiation strategy that businesses can leverage to stand out in the market. Providing exceptional customer service, such as personalized attention or follow-up after purchase, can make a business memorable and increase customer loyalty.

Cost Leadership

Cost Leadership is a common business-level strategy that emphasizes producing goods or services at the lowest possible cost. There are several strategies that a company may employ in order to achieve a successful cost leadership position. Some of these strategies include:

a. Economies of Scale

Economies of Scale refer to the cost advantages a company can achieve by increasing its production scale. As production volume increases, the average cost per unit decreases. This decrease in average cost is due to the spreading of fixed costs over a larger number of units produced.

b. Economies of Scope

Companies that can leverage their core competencies and capabilities across multiple product lines (or markets) can see reduced costs and increased efficiency. This happens

when a company can use its existing resources and capabilities to produce a variety of products or services more efficiently than producing each product or service separately.

c. Outsourcing and Supply Chain Optimization

In today's globalized business landscape, outsourcing and supply chain optimization have become key components of market positioning strategies for businesses of all sizes. Outsourcing involves delegating tasks or processes to third-party service providers to reduce costs, increase efficiency, and enhance quality.

Branding

When it comes to market positioning, branding plays a critical role in the success of a business. The following are some of the key branding strategies that can be used to position a brand in the market.

a. Unique Value Proposition

A unique value proposition (UVP) is a statement that describes what makes a product or service different from others in the same category. It should be clear, concise, and represent the brand's core values. A strong UVP can help a business differentiate itself from competitors and position itself effectively in the market. This uniqueness makes it easier for customers to identify, recognize, and remember the brand, making it more likely to be top of mind when making purchase decisions.

b. Brand Identity

Brand identity refers to the visual and other sensory aspects of a brand, including its name, logo, color scheme, tone of voice, and style. Having a consistent and recognizable brand identity can help a business establish a strong presence in the market and build brand recognition. A strong brand identity can help a business stand out in a crowded marketplace and attract customers who identify with the brand's values and personality.

c. Target Audience

Understanding the target audience is crucial for effective market positioning. Brands must know who their target audience is, what they want, and how they can fulfil their needs efficiently. Uses the insights gained from audience segmentation and messaging to inform company's positioning strategy. This includes determining unique selling proposition (USP), outlining key benefits, identifying competitors, and refining brand messaging to stand out in the market.

Price Adjustments

Price adjustment is a key aspect of market positioning for businesses. It involves developing different pricing strategies that can be used to position products and services in a competitive market. This is essential for businesses to gain an edge over their competitors. There are different price adjustment strategies that can be used for market positioning. These include cost-plus pricing, penetration pricing, skimming pricing, and value-based pricing. Each of these strategies has its advantages and disadvantages, and the choice of the pricing strategy will depend on the business' goals, product or service offering, and target market.

a. Cost-Plus Pricing

Cost-plus pricing involves adding a markup to the cost of the product or service to determine the final selling price. This is a common pricing strategy used by businesses, especially those that are just starting. The main advantage of cost-plus pricing is that it ensures that the business can recover its costs and make a profit.

b. Penetration Pricing

Penetration pricing involves setting the price of the product or service lower than that of the competitors. This is done to attract customers and gain market share. The advantage of penetration pricing is that it can help to establish the business as a new player in the market or to take over an existing market.

c. Value-Based Pricing

Value-based pricing involves setting the price of the product or service based on the value that it provides to the customer. This pricing strategy considers the benefits that the customer receives from the product or service, and sets the price accordingly. The advantage of value-based pricing is that it ensures that the customer is willing to pay the price for the product or service.

Promotions

Market penetration strategy is where a company seeks to gain a larger market share of an existing market for its current products or services. A good promotion strategy is essential for any company looking to penetrate a market since it helps to deeply engage with consumers and attract them towards the product or service.

a. Advertising

Advertising is an effective promotion strategy that puts a product in front of a lot of people. Advertising can play a crucial role in market penetration, as it helps to create awareness about a product or service and attract new customers. Through advertising, businesses can communicate their unique value proposition, showcase their competitive advantages, and differentiate themselves from their rivals.

b. Price Promotion Strategies

Price promotions are a fast-track strategy to penetrate a market quickly. Discounts or special offers can increase sales if the target market is looking for a bargain. Price promotion strategies are often used in market penetration to increase the demand for new or existing products. Some common pricing strategies for market penetration include: discount pricing, volume discount pricing, psychological pricing, and frequent buyer rewards.

c. Public Relations

Creating a buzz through public relations can also be an effective promotion strategy. This can be done by getting the product noticed in various media outlets or by creating newsworthy events. Public relations play a crucial role in market penetration by building a strong and positive image of a brand or organization in the public eye.

Targeted Marketing

Target marketing is a strategy that involves breaking down a larger market into smaller segments of consumers who have specific needs and characteristics. By identifying these segments, companies can create more effective marketing campaigns that are tailored to the specific preferences and behaviors of each group. One benefit of target marketing is that it allows companies to focus their resources more effectively by identifying and catering to the most profitable segments of the market. It also enables them to create more personalized messages and offerings that are more likely to resonate with consumers and drive sales.

“Yes! Well done, team! This is what I really want from you all. You come out with an idea that is brilliant. I am so impressive with all the idea. Leverage on advancement of technology

is the way of getting solutions.” This is how the Dr James re-act when the sales team present this idea to him.

Meanwhile, at the R&D Department, the Head of Operation, Puan Azmah makes an urgent conference call to all her department staff to rectify the new product development issues encountered and to come out with good solutions. The following is the message from Puan Azmah to all her staff during the conference call meeting:

“I have just finished a phone conversation with Dr James. He seems to be losing patience as the issue of our company’s NPD which are now way behind the schedule! He is not happy with our progress and outcome. I know this is not only our department task, it involved everyone in the company. So now, I would like to call for brainstorming session to come out some comprehensive solutions and I expect all of you to be cooperative!”

Strategies Involved from the Importance of Re-mapping Futures NPD

New Product Development (NPD)

New Product Development (NPD) plays a significant role in the growth of a business as it helps the business to stay competitive by providing innovative products to the market. The successful of NPD requires in conducting focus groups and surveys of potential customers and a thorough examination of business competition. Create strength in profitability by effectively managing cost of production and using distribution channels that give you the biggest sales volumes at the lowest prices.

Value Proposition

Value proposition in NPD should focus on the superpowers that potential customers get, not only the product. Rarely is value proposition of the product itself or its features. Instead, it is the way the brand or product fixes a meaningful pain point, improves the lives of target audience, and the way it makes them feel. A good value proposition uses voice of customer copy. That is, it uses the exact words of PISB customers to hook their future customers. For example, if they were interviewed for a case study, how would PISB target customers describe their product? How does it improve their lives? How do they describe their company? Why do they choose to associate with their brand?

Target Market Description

A target market is a specific group of people with shared characteristics that a business markets its products or services to. Companies use target markets to thoroughly understand their potential customers and craft marketing strategies that help them meet their business and marketing objectives. The purpose of identifying a target market is simple, which is to have a clear understanding of the possible customers that might purchase a product or service in order to direct marketing efforts. There are many ways to define a target market, including demographics, psychographics, firmographics, and customer behaviour.

Concept Development and Testing

Concept development and testing is a crucial step in the new product development process. It involves generating and evaluating new product ideas to determine their viability and potential success in the market. Concept development helps companies to align their new product ideas with the needs of their target customers. Testing these concepts enables companies to collect feedback from their target customers and adjust the product idea. This helps to minimize the risk of developing new products that would not satisfy market demand.

Business Analysis

Business analysis plays a crucial role in the development of new products. It helps organizations identify the right opportunities, develop strategies, and make informed decisions regarding product development. This article explores the role of business analysis in new product development. It helps company understand the market demand for new products and identify potential target audiences. Market research involves collecting and analyzing data on the competition, market trends, and customer behavior. This information is used to develop a product that meets the market needs.

Commercialization

The commercialization stage is the final phase of the new product development process. It involves launching the product into the market and making it available for purchase by customers. This stage requires a well-developed marketing plan to reach the targeted audience effectively. In conclusion, the commercialization stage is a critical step in the new product development process. It requires careful planning and execution to ensure the product's success in the market.

Conclusion

After conducting an in-depth analysis of the current status of its strengths, weaknesses, opportunities, and threats, it is evident that PISB requires a comprehensive consultation to enhance its overall effectiveness and profitability. Throughout the process, Dr James have identified several areas of improvement that can contribute to the company's success. The primary recommendation is to undertake aggressive CRM program increasing the company's engagement with their customer. Moreover, it is also crucial for the PISB to strengthen its market positioning, and this will enable the company to achieve its short and long-term goals, improve its bottom line, and maintain its position as a competitive player in the marketplace. It is essential to act on these recommendations immediately to gain a competitive edge, increase revenue, and excel in the industry. Dr James always believes, a company with a great reputation has thousands of customers on the streets spreading the word for it.

Discussion Questions:

1. How can PISB enhance its CRM strategies to better meet customer requirements and needs in the nutraceutical industry?
2. What role does effective communication play in CRM, and how can PISB improve communication among its departments to enhance CRM effectiveness?
3. What are the key factors influencing market positioning in the nutraceutical industry, and how can PISB re-strategize its market positioning to gain a competitive edge?
4. How can differentiation and cost leadership strategies be effectively utilized by PISB to enhance its market positioning in the nutraceutical industry?
5. What challenges might PISB face in its new product development (NPD) process, and how can these challenges be addressed?
6. How can PISB leverage customer insights and market trends to re-map its NPD strategy for future growth and competitiveness?