8.2 Marketing strategy

Name: ____________ Class: ________ Date: __________ **Total: 29 marks**

Objective

Build the skills to answer exam questions on **marketing strategy** 营销战略—**Ansoff's matrix** 安索夫矩阵, **product portfolio analysis** 产品组合分析, and entering **international markets** 国际市场 (globalisation and **localisation** 本地化).

You must be able to:

- describe Ansoff's four growth strategies and their risk
- explain product portfolio analysis and the ways to enter a foreign market
- analyse and evaluate a marketing strategy for growth

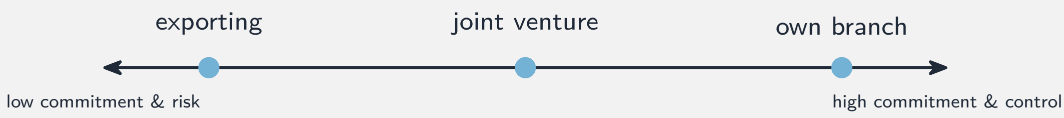
1 Worked examples

■ Ansoff's matrix

Existing/new products across the top, existing/new markets down the side

- **Market penetration** (existing product, existing market) —safest.
- **Product development** (new product, existing market) and **market development** (existing product, new market).
- **Diversification** (new product, new market) —riskiest (both are new).

- **International entry:** exporting (least risk/control) → joint venture → own branch (most). **Localisation** adapts the mix to local tastes and laws.



Ways to enter a foreign market trade off commitment against control

Answer shapes: AO1 + AO2 + AO3 (reasoning chain) + AO4 (a supported judgement *in context*).

2 Practice

2.1 State what **market penetration** means in Ansoff's matrix. [2]

2.2 State why **diversification** is the riskiest growth strategy. [2]

2.3 Define the term *localisation*. [2]

3 Exam-style questions

3.1 Explain one reason a business might choose **market development** to grow. [3]

3.2 Analyse two ways a business could enter a foreign market. [8]

3.3 A successful firm wants to grow. Evaluate whether it should use **market penetration** or **diversification**. [12]

4 Go further

You are now ready for the real exam questions on this subtopic. Open the **8.2 Marketing strategy** past-paper sheet in the Library, or try this related Paper 3 case-study question in **Practice mode**:

- 9609/33 N25 —Q2 (sales forecasting for marketing planning)

Solutions

Business answers are marked by **level of response** against the assessment objectives: award **AO1** knowledge, **AO2** application, **AO3** analysis and **AO4** evaluation.

2.1 selling more of an existing product to its existing market (2 for a clear idea; 1 for a partial idea).

2.2 because both the product and the market are new, so the firm has no experience of either, giving the highest chance of failure (2 for a clear reason; 1 for a partial idea).

2.3 adapting the marketing mix (product, price, promotion, place) to suit a local market's tastes, language, laws or incomes (2 for a clear definition; 1 for a partial idea).

3.1 *[3]* **AO1** 1 —give a reason (the home market is saturated; to use spare capacity; a new region wants the product). **AO2** up to 2 —develop it, e.g. selling the existing product in a new country reaches more buyers → higher sales → without the cost of developing a new product (2 developed / 1 limited).

3.2 *[8]* For **each** of two ways: **AO1** 1 + **AO2** 1 + **AO3** up to 2. Example chains — *exporting*: sell from the home base → low cost and risk → but less control over how it is sold. *Joint venture*: partner with a local firm → local knowledge and shared risk → faster entry, but profit and control are shared. Maximum 4 per way, 8 total.

3.3 *[12]* **AO1** 2 / **AO2** 2 / **AO3** 2 / **AO4** up to 6. **Market penetration:** low risk, uses what the firm knows —but limited growth if the market is saturated. **Diversification:** large growth and spreads risk —but the highest chance of failure, needing new skills and finance. Judgement: a cautious firm should grow first by penetration or development, turning to diversification only when it has the resources and the core market is exhausted —the choice depends on its finances and the state of its current market.