

Marketing – location, size, growth & share

- *Page 251: What is market share, how to measure it and why is it important*
- *How to measure market size and growth*

Successful marketing requires firms to understand

Market location:

Local markets	
Regional markets	
International markets	

Market size:

Market size can be defined as

This can be measured in two ways:

- 1.
- 2.

The size of market is important for **three** reasons:

- 1.
- 2.
- 3.

Market growth:

Market growth is

What markets do you think are growing?

What markets do you think are declining?

For a firm, it is usually best to be in a rapidly growing market – but not always due to competition

The pace of growth depends on several factors:

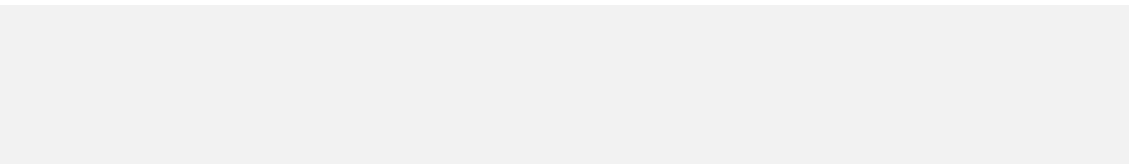
Activity 14.5 – A tale of two markets

1.

2.

Market share:

Market share is



*'Firm's sales' or 'total market sales' can be measured in either **units** (volume) or **sales value** in this market.*

***Market share**, and increase in it, is often the most **effective** to measure the **RELATIVE** success on one firm's marketing strategy **against** that of its competitors.*

The term '**brand leader**' is the product with the _____. The **benefits** are:

Volume or value terms?

For example: if **total sales** in the **market for jeans** rose from **24 million** pairs at an average price of **\$32** to **26 million pairs** of average price of **\$36** , then market growth can be measured in **two** ways:

- By **VOLUME** – the **market** has risen from **24** to **26 million UNITS**, an increase in **8.33%**
- By **VALUE** – the **revenue** has risen from **\$768 million** to **\$936 million** an increase of **21.88%**

Which of these two methods – value or volume – should be used to calculate the changing market share for any jeans manufacturer? The **manufacturer** will choose the measure that reflects its **OWN** position. So perhaps:

- *Luxury brand - Low unit sales of expensive goods - **value***
- *Coca-cola - High unit sales of low price goods – **units***

Activity 14.6 – Tesco is market leader in Thailand (p.254) – Q1-Q3

Summary of the worksheet in your own words (in English and Chinese):

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Vocabulary check:

English	Chinese