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New Balance Marketing Strategy

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New Balance Marketing Strategy

New Balance emerged in producing products that have a perfect blend of roles and fashions by giving their customers' performance technology as well as the style they want. Moreover, the company has hired employees who have high-level skills and creativity to deliver unique products that will inspire customers (Newbalance, 2019). The company has managed to make over four million pairs of shoes within one year and the United States being its largest consumer taking 70 percent of the sales. This paper will focus on competitive strategies used by New Balance in its success, opportunities and threats as well as how they can positively impact the company.

One of the competitive strategies used by New Balance is cost-leadership that comprises reducing the cost of their products and hence low prices than their competitors. Through this New Balance can increase its profits. Besides market share will be intensified by selling products at lower prices as well as making rational profits. Another strategy is differentiation strategy which involves making the products unique and gorgeous from their competitors. As long as New Balance wants to gain more competitiveness in today's global market they should follow tracks of their competitors such as Adidas. For instance, taking manufacturing operations overseas. According to Hill (2017), operating in the United State is costly than oversea. Also, Hill (2017), argues that the cost of manufacturing in Asia in 50-80 percent less the cost incurred in the United States. Although the company is working well, shifting its operations will enable them to be more competitive through selling their footwear and apparel at a lower price.

New Balance has a threat of wide market competition and another threat is having products that are common and ordinary as other companies can easily imitate each other products. To cater to these threats New Balance should concentrate on market segmentation to

allows them develop customer relationships and enhance the quality of their service through delivering products on time. Also, focusing on extensive research will enable them to provide remarkable high-quality products for their customers that are attractive and innovative. However, opportunities available such as the wide market is taken as an advantage towards marketing products differently with their competitors and thus making their products appealing in the market. Also, focusing on retailers allows the company to divide them into two groups that are the specialty dealers and key accounts. Through this, the company can focus on retailers who bring more sales and hence increased profits.

The current market is carried away by consumers' wants and therefore, companies such as New Balance should focus on products that attract the customer. With the use of cost-leadership and differentiation strategies New Balance will manage to compete with its competitors, however, several threats are with them which needs to be taken into considerations. Furthermore, giving attention to marketing strategies there is a high chance for the company to achieve better market influence.

References

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