

Product Differentiation Activity

You're a new company about to launch a product line in a monopolistic environment. Your goal is to differentiate your product so that you can gain a large percent of the revenue generated by your particular market segment.

Create a Poster showing the name of the new company, what your company is doing that's better than the competitors, who your ultimate target market is, and how you would share the information to your target market.

For example:

*Soda Pop Market Segment generates **\$45 billion** in revenue
480 companies that manufacture Soda Pop
51,000 employees

What can you do differently than the competition to earn a percentage of this revenue?

Change: Packaging, Taste, Ingredients, How you get it, Pricing, etc....

Packaging: Instead of a round can, a square recycled material cardboard with natural colors

Taste: Sweet but not too sweet, refreshing and hydrating

Place: Instead of water fountains, soda fountains where the soda is dispensed and bottles can be filled up like a water bottle filling station

Price: Higher than average price point to attract the elite early adopters of new products

Monopolistic competition

A market situation in which there are many buyers along with a relatively large number of sellers

Product differentiation

The process of developing and promoting differences between one's products and all competitive products

*Source: "Soda Production in the US: Market Research Report." *Soda Production in the US Market Research* | IBISWorld, www.ibisworld.com/industry-trends/market-research-reports/manufacturing/beverage-tobacco-product/soda-production.html.