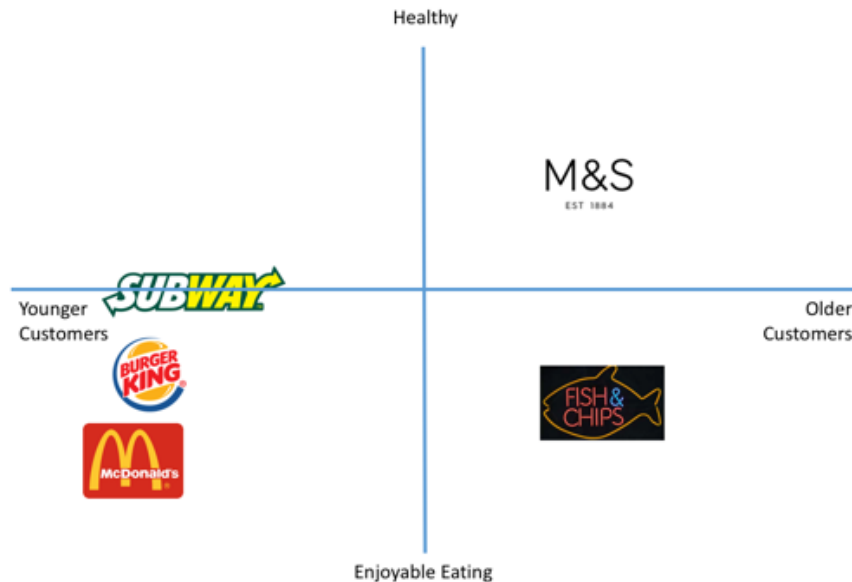


Market Mapping

It helps to identify key features which characterise consumers within a market. Once having identified key characteristics you can place every brand on a grid. This will reveal where the competition is concentrated, it may highlight any gaps in the market.



^ examples of fast-food market map.

Cost and differentiation (Setting yourself apart from competitors) would give you a **competitive advantage**. Having a competitive advantage enables the producer to set the price without worrying about the competition.

Product Differentiation

A differentiated product is one with a unique feature. If the differentiation is strong enough then consumers won't look at other brands when making a purchasing decision. The product needs a unique selling point.

Creating Product Differentiation

- Actual differentiation with benefits to consumers.
 - Unique design that's aesthetically pleasing.
 - A unique product function.
 - Unique taste.
 - Ergonomic factors – easier to use.
 - Superior performance.
- Creating differences that only exist in the mind of the consumer.
 - Created by persuasive advertising through brand image.

Purpose of Product Differentiation

- Insulate the product from the competitive market.
 - Therefore, they control their market position and their sale.
- It enables the business to increase its prices if costs go up in order to protect its product margins.
 - The higher the product differentiation, the lower **price elasticity**.