

Orchestrating the Marketing Mix Mosaic: A Strategic Framework for Enhancing Competitive Positioning Across Customer Segments: An Abstract

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ABSTRACT

This study examines strategic marketing mix orchestration across customer segments and competitors in the retail food industry. In today's highly competitive marketplace, securing sustainable competitive advantages is critical for robust market positioning and profitability. A key aspect involves adjusting the marketing mix in response to consumer behaviors and competitive dynamics. However, precise methodologies offering actionable insights across diverse competitors and market segments remain scarce.

To address this gap, we introduce Competitive Segmentation Analysis (CSA). For the empirical analysis, we use household panel data from GfK. The data contains purchases from 2006 to 2022. It includes purchases from the product categories coffee, chocolate, hair shampoo and laundry detergent. The purchase data covers information about the price, date of purchase, quantity purchased, amount of purchase, whether the product is a national brand or a private label and whether the price is a regular or a promotional price. The dataset contains of 11,358,316 purchases. Additionally, the data consists of information about at which retailer the purchase was made at and the store format of the retailer. For our empirical analysis, we consider 15 retailer that are grouped into five store formats. We investigate how variations in marketing mix variables influence market share relative to competitors. We decompose retailers' market share across three consumer segments. This segmentation entails a cluster analysis incorporating various psychographic and demographic variables. By integrating market segmentation, we analyze which segments drive competitive advantages and evaluate the necessity of segment-specific marketing mix adaptations.

Our approach includes comprehensive market-wide comparisons and detailed pairwise analyses with an exemplary retailer for each marketing mix variable, yielding targeted strategic recommendations. The findings highlight potential competitive advantages with an estimated revenue impact between 130 million and 7,010 million euros. With this research, we aim to provide firms with actionable insights to optimize competitive positions through strategic marketing mix adjustments. We emphasize CSA's broad applicability across diverse disciplines and contexts.

Keywords: Competition Analysis, Competitive Segmentation Analysis, Market segmentation, Competitive Advantages, Marketing Mix

References available upon request