Mohamed Khaider University, Biskra
Faculty of Economics, Commerce and Management Sciences
Commerce Department

Module: English
Branch: Marketing
Level: Third year Bachelor

Homework

A new competitor has entered your local market and is offering a subscription model for a product that customers usually buy only once when they need it (for example: coffee, detergents, school supplies, bicycle maintenance, etc.).

Your task:
Explain how your company should respond with a complete marketing strategy to protect its market share.

Your answer must include:
1. Segmentation:
- Identify at least two groups of customers that would be most influenced by the new subscription model.

2. Value Proposition:
- Rewrite or adjust your product's value proposition (the main promise to customers) in a way that directly responds to the competitor's subscription offer.

3. Pricing Model:
- Suggest one pricing change (bundle, tiered pricing, loyalty discount, "subscribe & save," flexible pay-as-you-go).
- Explain why this pricing choice is suitable for the customer segments you identified.

4. Distribution / Channels:
- Recommend one distribution strategy (home delivery, click-and-collect, smart lockers, app-based ordering) that increases convenience or competitiveness.

5. Promotion (one pilot idea):
- Propose one promotional experiment (e.g., first month free, student bundle, gamified rewards, influencer collaboration, free samples, partnership with a local business).

Important:
Explain clearly why your response could succeed and help your company compete effectively against the subscription-based newcomer.