PULL STRATEGY EXPLAINED:

- 'Pull strategy' refers to the customer actively seeking out your product and retailers placing orders for stock due to direct consumer demand.

- A pull strategy requires a highly visible brand which can be developed through mass media advertising or similar tactics. If customers want a product, the retailers will stock it - supply and demand in its purest form, and this is the basis of a pull strategy. Create the demand, and the supply channels will almost look after themselves.

- A successful strategy will usually have elements of both the push and pull promotional methods. If you are starting a new business and intend to sell a product through retailers, you'll almost certainly need to persuade outlets to purchase and stock your product.

- You'll also need to raise brand awareness and start building valuable word of mouth referrals. If you have designed a product around the customer and have considered all elements of the marketing mix, both of these aspects should be achievable.
- A pull marketing strategy, also called a pull promotional strategy, refers to a strategy in which a firm aims to increase the demand for its products and draw ("pull") consumers to the product. Pull marketing strategies revolve around getting consumers to want a particular product. A pull marketing strategy can be used by itself or in conjunction with a push marketing strategy.
- In a pull marketing strategy, the goal is to make a consumer actively seek a product and get retailers to stock the product in response to direct consumer demand.

xamples of Using a Pull Marketing Strategy

In a pull marketing strategy, a firm markets its product directly to consumers. The consumers then seek out the products to purchase. There are several pull marketing methods available today, including:

- Social media networks
- Word of mouth
- Media coverage
- Sales promotions and discounts
- Advertising
- Email marketing

Members of a Vertical Marketing System

The three components of a vertical marketing system are the producer, the wholesaler and the retailer. The producer is the manufacturer that actually physically makes a product. The wholesaler purchases products from the producer and manages the distribution to retailers. Retailers in turn markup the price and sell products to consumers.

Corporate Vertical Marketing

A corporate vertical marketing system involves the ownership of all levels of the production or distribution chain by a single company. This would include the production, development, marketing, and distribution by a single company. This system is often the result of forward or backward integration; a manufacturer expanding into all parts of the distribution network is considered forward integration while a company buying up suppliers of its widgets would be backwards integration. An example of a corporate vertical marketing system would be a company such as Apple selling the products it designs and manufactures through its own retail stores.

Contractual Vertical Marketing

A contractual vertical marketing system involves a formal agreement between the various levels of the distribution or production channel to coordinate the overall process. This system allows companies to benefit from economies of scale and marketing reach. These relationships are a popular form of vertical marketing. Franchising, retail sponsored and wholesale sponsored are forms of a contractual vertical marketing system. McDonalds and Burger King are examples of franchises.

Administered Vertical Marketing System

An administered vertical marketing system is one in which one member of the production and distribution chain – due to its sheer size – is dominant and organizes the nature of the vertical marketing system informally. An example of this type of system could include a large retailer such as Wal-Mart establishing standards for makers of smaller products, such as a generic type of laundry detergent.

Electing the Right Vertical Marketing System

To decide which system is best for a business, business owners should consider environmental, consumer, product, and company factors. According to UT Dallas, marketers should consider the following three questions: Which system will provide the best coverage of the company's target market? Which system will provide the prospective buyers with what they want? Are they interested in convenience, variety of products or customer service? And finally, which system is the most profitable for their company?