

### Chapter 1 : Sweetener Equivalents & Substitutes

*In this article, we will look at an 1) introduction to the threat of substitutes, 2) conditions that increase the risk of substitutes, 3) analyzing the threat of substitutes, 4) mitigating threat of substitution, 5) capitalizing on the availability of substitutes, as well as 6) example from the soft drink and 7) example from airline industries.*

Depending on the recipe, apple juice or chicken broth often makes a good substitution for wine. When using flavored liqueurs, extracts can be substituted if you make up the balance of the liquid with water. Just be sure to get the same level of orange flavor. This may take some experimentation. Baking Soda There is no recommended substitute for baking soda. Butter Unsalted butter can be substituted for regular butter in any recipe. It is NOT necessary to add salt. Margarine can also be substituted for butter. Do NOT use lowfat spreads or light butter for baking. Chocolate Chips, Semi-Sweet 6 ounces semi-sweet chocolate, chopped, can be substituted for 1 cup 6 ounces semi-sweet chocolate chips. When substituting for chocolate chips, make sure to use the same type of chocolate i. Chocolate, Semi-Sweet 3 tablespoons chocolate chips OR 1 square 1-ounce unsweetened chocolate plus 1 tablespoon sugar can be substituted for 1 square 1-ounce semi-sweet chocolate. Cooking Sprays Can usually be successfully substituted for shortening to prepare baking sheets and baking pans. Cornstarch 2 tablespoons all-purpose flour or 2 teaspoons arrowroot starch can be substituted for 1 tablespoon cornstarch. Corn Syrup, Light 1 cup dark corn syrup can be substituted for 1 cup light corn syrup, and vice versa. Flavor will be affected somewhat. Cream of Tartar There is no recommended substitution for cream of tartar. Egg Whites Meringue powder can be substituted for egg whites in a meringue application. Three egg whites equal approximately 3 tablespoons meringue powder plus 6 tablespoons water. Flavor Oils It is not recommended that you substitute flavor extracts for flavor oils. Oil based flavorings are necessary for hard candies because the liquid portion of the extracts add too much liquid, causing steam, to the hard candy syrup. Flour, Cake 1 cup minus 2 tablespoons all-purpose flour can be substituted for 1 cup cake flour. Whole milk is higher in total fat than low-fat milk. Be cautious about substituting skim milk in pudding, custard and sauce recipes. These recipes rely on the dairy fat for added texture and flavor. Baked items such as cakes and cookies can usually tolerate the use of low-fat milk. Molasses 1 cup honey can be substituted for 1 cup molasses. Oil 1 cup melted butter, margarine or shortening can be substituted for 1 cup oil. Recipe results may vary. Texture and appearance may be affected. Shortening 1 cup butter or margarine can be substituted for 1 cup shortening. DO NOT substitute vegetable oil for shortening when recipe calls for melting the shortening. Sour Cream 1 cup plain yogurt can be substituted for 1 cup sour cream. Sugar 1 cup firmly packed brown sugar can be substituted for 1 cup sugar. Slight flavor differences will occur. Sweet Potatoes 1 ounce can vacuum-packed sweet potatoes can be substituted for 1 ounce can sweet potatoes, drained. Vanilla Extract or Vanilla Flavoring If you run out of vanilla extract or flavoring, you can substitute maple syrup, teaspoon for teaspoon. Substitutions for Milk in Baking Milk is one of the easiest ingredients to substitute in baking. Non-dairy milks and water are suitable replacements with only subtle effects on taste and texture. Some ingredients may affect the coloration of the finished product. Soy will often cause a darker color or browning effect. Another consideration is that not all liquid replacements are as thick as milk; therefore, the amount used may need to be reduced from the amount called for in the recipe. For baking, you can add 2 or 3 extra tablespoons of cooking oil to help offset a watery consistency. Fruit juice can be used as a replacement, but can impart sweetness. Juice is also acidic and is best served in recipes that include baking soda. The amount used will depend on the thickness of the juice. Add water last to the recipe, stirring in small amounts until the proper consistency is achieved. Milk substitutes may still have dairy ingredients in the product. Many brands claim to be dairy-free, but in truth they only eliminate lactose. Dairy protein casein is commonly included in both soy and rice milks. Also, many brands of rice milk are not gluten-free, such as Imagine Foods Rice Dream, because of their manufacturing process. Other dairy substitutes, such as non-dairy cheese, will often use dairy or soy protein in their ingredients. There are currently no known cheese substitutes that do not contain either dairy or soy protein ingredients.

### Chapter 2 : Ingredient Substitutions and Food Substitutes

*A threat of substitutes example is the beverage industry due to a market with many competitors. Threat of Substitutes - Determining Factors Several factors determine whether or not there is a threat of substitute products in an industry.*

Scope of the Report Water purity is extremely important to pharmaceutical and biochemical industries and daily uses. Suspended or dissolved particles, organic compounds, impurities and other contaminants prohibit the use of tap water in laboratory applications and scientific research and as a drinking water. Parameters such as resistivity, conductivity, size of particulate matter and concentration of microorganisms are used to categorise water quality and, therefore, specify intended uses for water. Some applications can tolerate the presence of specific impurities in the water, but others, such as High-Performance Liquid Chromatography HPLC require removal of the majority of contaminants. As disposable income of the consumer is increasing, people are more interested in having a healthier lifestyle and purified water. For this reason increase in the growth in the water purification market can be seen. Increased incidence of waterborne diseases has led the water filtration industry growth. Improving concerns towards health is another major driver who is driving the water filtration market. Poor water quality is another reason for which people tend to buy a water filter, which in turn giving the boost to the water filter industry. Technological advancement and variation in the purifier market are one of the reasons as people are tending to buy more as there are more options and better product is available. As there is the availability of many substitutes this industry, the manufacturer is facing problems for this market. Increase in the number of unorganised players becomes the major restraint for this market. Rising demand in the emerging market is one of the reasons this market has grown in future. Rising disposable income, urbanisation, and the growing population, this will, in turn, lead the growth of the market during the forecast period. Europe Water Purifier Market Size: The efficiency of the reverse osmosis technology in eliminating water contaminants compared to gravity-based and UV water purifiers is a major driver for the growth of RO water purifiers. RO water purifiers kill microorganisms by destroying their cells along with eliminating turbidity. Regarding the end-user, the market is segmented into industrial, commercial, household. Regarding accessories, the market is segmented into pitcher filter, under sink filter, shower filter, faucet mount, water dispenser, replacement filters, countertop, whole house, and others. Of these categories, the replacement filter segment is expected to transcend as the most lucrative segment with a CAGR of 9. Europe Water Purifier Market Trends:

Chapter 3 : how to solve 3 variable systems of equations using elimination? | Yahoo Answers

*A threat of substitutes is the potential that customers will replace your product or service with something completely different outside your market. Food & Healthcare In the long run, healthy food can be a substitute for healthcare.*

Fashion Threat of substitutes The threat of substitutes means that a product identical or similar with other product which same characteristics product we found easily. The industry is less attractive when the threat of substitutes is high. In this case, we need to produce different product compared to the other firm to attract consumer to buy from us. Our firm threat of substitutes is medium as we are producing the plus sizes of clothing for men and women. We will write a custom essay sample on Threat of substitute or any similar topic specifically for you Do Not Waste HIRE WRITER There is the difference between us because we only focus on the large size clothing while they are also having other product line like accessories and bag. Another brand like camel active, blue tom and etc is producing large sizes clothing too but their sizes is limited and normally their sizes are only available until XL or XXL. Compared to our brand, it is not the same because we are providing unlimited large sizes cloth. Normally, obese group will search for tailor on customize their clothing and the budget is high, some of them may be cannot afford it. Threat of new entrant The competitor can enter to the industry easily if they are selling identical or similar product. Which means that the treat of industry is high, not so profitable and the industry are not attractive. In this case, we are providing different clothing business with others because we targeted and focused on obese people and only selling the large size clothing. We are using good quality raw material and selling at suitable, reasonable, and affordable price for customer. Customer may found what they find and wanted as we are selling latest design and fashion clothing with our fashion master advises and we make sure that they will get what they pay for. Bargaining power of buyer Nowadays, there are plenty of obese people who having problem in searching for clothes but not much firm is providing what they want, the plus sizes clothing. Therefore, the bargaining power of buyer in our business is low because the customer less choice and has few switching cost. In addition, our plus size clothes are suitable for all level income; all people can afford to buy it. Therefore, the obese people can wear more beautiful cloth and we also can give some consultant to them how to matching cloth. These services do not have in other firm. So, customer can wear beautiful and more confident and also shopping happily and no need worry does not have beautiful cloth wear. Rivalry among exiting firm There are fewer competitors in our business, so this industry is more profitable and attractive. But the all competitor are more famous than us, they have loyalty customer. So we need innovation, different with other. We do this just specially for obese people and we also provide fashion master service for customer. Our business is consider as slow growth industry, the fashion of cloth always change so we need fight with other to win the market share. So sometimes need do promotion to attract new customer and hold the old customer.

**Chapter 4 : If  $x+1/x=4$  then find the value of  $x^3+1/x^3$ ? | Yahoo Answers**

*Well, we want the threat of substitutes to be low. Remember, this is from the perspective of we're in the industry already and we're trying to assess how good it is to be in this industry.*

November 07, at Global clean label ingredient market is expected to value USD Clean label ingredient includes the ingredients, which are obtained by minimal process, have simpler ingredient composition on the label and can be claimed natural on the label. Increasing Consumer Demand for Clean Label Products Consumers demand clean labels on the products to know what exactly they consume and at what level. Their interest in identifying the ingredients present in the product has triggered the clean label products market. Consumers globally are highly concerned about the long-term effects of synthetic colors on health and so prefer natural colorants in their foods. They are found to avoid consuming of such products that contain synthetic colorants despite the price difference as there have been various studies published, which state that, natural colors help avoid hyperactivity disorders and behavioral issues among other benefits in children. Natural Colors with Its Organic Properties Witnesses High Demand Consumer preference for innovative flavors, health benefits, convenience, and alternative sources for nutrient supplements, has augmented the market. There has been much interest in the development of new natural colorants for use in the food industry, which is apparently due to strong consumer demand for more natural products globally. The health enhancing properties of natural colours combined with the organic properties in the natural products is also increasing their appeal. Restraints in natural colorants are mainly due to the higher production cost of fermentation pigments compared to those of synthetic origin or extracted from natural source. Today, food industry is producing natural colors at a commercial level. The natural colors, which are widely used in food industry are Caramel, Carotenoids, Anthocyanin, and Carmine. Asia-Pacific Shows the Fastest Growth Asia-pacific has the fastest growth rate for clean label products. According to the research conducted by the ingredient company Ingredion, Asia-Pacific showed the strongest demand for clean label products compared to any other region. The European Clean label ingredient market continues to capture the second largest market share, owing to growing health awareness and EU ban for non-GMO and antibiotic ingredients in food products. Arjuna, a leading Indian manufacturer of botanical extracts has launched clean label preservative lines in US. Consumers are aggressively seeking for safe products without artificial additives in US. Competitive Landscape Clean label products are marketed to consumers, who prefer wholesome, nutritious food, devoid of unnatural elements, to provide energy, owing to their focus on a healthy lifestyle. Research Approach and Methodology 2.

**Chapter 5 : Europe Water Purifier Market- Size, Outlook, Forecasts ( 2014-2020 )**

*Threat of substitutes (from Porter's five forces analysis) occurs when companies within one industry are forced to compete with industries producing substitute products or services. Threat of substitutes is one of the five forces that determine the intensity of competition in an industry.*

Enquire Before Buying Tomatoes were first used as food by the Mexicans, which later spread worldwide with the Spanish colonization of the Americas. Tomato processing began with its manual canning in and currently represents a highly organized industry with sales worth billions of dollars. The market is being driven by urbanization and increasing appeal of fast food to teenagers and youngsters. Historical market trends for the tomato processing industry have been provided from and forecasts have been presented till 2020. On a regional level, the report has segmented the global tomato processing market into the following regions – North America, South America, Asia-Pacific, Europe and the Middle East and Africa. Among these regions, North America represented the largest market. Country-wise, the United States represented the biggest market. Additionally, the report has analyzed the market on the basis of end-use processed tomatoes which include sauces, paste, canned tomatoes, ketchup and juice. Currently, sauces represent the biggest end-use segment followed by paste. The value chain analysis of tomato processing has also been covered in this report encompassing all the activities in the value chain such as procurement, processing, sales and distribution. A thorough evaluation of the competitive landscape of the tomato processing industry has also been provided. This report provides an exhaustive insight for setting-up and running a tomato processing plant. Factors such as land requirement, construction requirement, raw material requirement, labour requirement, machinery requirement, processing procedure, utility requirement, total capital investment, total operating costs, prices, income projections, expenditure projections, profit margins, net present value, return on investment, payback period, etc. The following are the key questions answered by this report: What are the market trends for the global tomato market? Which are the biggest markets regions for tomatoes? What is the utilization pattern of tomatoes? What are the market trends for the global tomato processing market? Which are the biggest markets regions for processed tomatoes? What are the key product types of processed tomatoes? Who are the key players in the tomato processing market? What are the land and construction requirements to start a tomato processing plant? What are the machinery requirements to start a tomato processing plant? How are processed tomatoes priced? What are the profit margins at various stages of the supply chain? What is the total capital investment required to start a tomato processing plant? What are the running costs of a tomato processing plant? How much revenue can a tomato processing plant generate? In order to prepare this research report, Expert Market Research conducted face to face and telephonic interviews with numerous industry participants in the tomato processing industry. They included processors, distributors, end users, consultants, marketing professionals, researchers, etc. Primary research accounted for the bulk of the research efforts, complimented by an extensive secondary research. Secondary sources included annual reports, press releases, books, journals, white papers, newspapers, magazines, government sources and various proprietary databases. Expert Market Research uses its comprehensive database of macroeconomic and industry specific data to produce its market forecasts. The initial baseline forecast is produced with the most recent market data. After an initial baseline forecast, all future macroeconomic and sector specific events and assumptions are taken into account to generate the final forecast. Chapter 1 Preface 1.

### Chapter 6 : Threat Of Substitutes | Porter's Five Forces Model

*THREAT OF SUBSTITUTES PRODUCTS* Switching costs Switching cost is a negative cost that consumers get regarding to the changing suppliers, brands, or products (Investopedia ). There are four different methods of switching costs that involve when substituting to another product.

However, baking powder may not always be readily available. Luckily, there are plenty of ingredients you can use instead. This article looks at 10 great substitutes for baking powder. What Is Baking Powder? Baking powder is a leavening agent that is frequently used in baking. It is composed of sodium bicarbonate, which is known in chemistry as a base, paired with an acid, such as cream of tartar. It may also contain a filler like cornstarch. When combined with water, the acid reacts with the sodium bicarbonate in an acid-base reaction and releases carbon dioxide gas. This leads to the formation of bubbles, causing the mixture to expand, which adds volume to cakes, breads and baked goods 1. Baking powder is often confused with baking soda, which consists only of sodium bicarbonate and is missing the acid component. Therefore, it must be combined with an acid to have the same leavening effect as baking powder 2. Here are 10 great substitutes for baking powder.

**Buttermilk** Buttermilk is a fermented dairy product with a sour, slightly tangy taste that is often compared to plain yogurt. Old-fashioned buttermilk is formed as a by-product of churning sweet cream into butter. Most commercial buttermilk is formed by adding bacterial cultures to milk and allowing for fermentation, breaking down sugars into acids 3, 4. Because of its acidity, combining buttermilk with baking soda can produce the same leavening effect as baking powder. To maintain the desired texture and consistency of your final baked product, make sure you decrease the amount of other liquid you add to your recipe to compensate for the amount of buttermilk added. Decrease the other liquids in your recipe to maintain the desired consistency.

**Plain Yogurt** Much like buttermilk, yogurt is produced through the fermentation of milk. The fermentation process breaks down sugars and increases the concentration of lactic acid, effectively lowering the pH and increasing the acidity of the yogurt 5. The pH of a solution is a measure of the concentration of hydrogen ions. Substances that have a low pH are considered acidic, while substances with a high pH are considered basic. Plain yogurt has an acidic pH, which makes it a perfect substitute for baking powder when mixed with baking soda. Plain yogurt works best over other varieties because it provides the acidity needed for leavening without adding flavor. Just like with buttermilk, the amount of liquid in the recipe should be reduced based on how much plain yogurt is added. The amount of liquid should be reduced to offset the addition of the yogurt. This sweetener is formed as a by-product of sugar production and is often used as a replacement for refined sugar.

**Molasses** can also be used as a replacement for baking powder. This is because molasses is acidic enough to cause an acid-base reaction when coupled with baking soda. In addition to reducing the amount of liquid to compensate for the added liquid from molasses, you may also want to consider reducing the amount of sweetener in the rest of the recipe, since molasses is high in sugar. Reduce the other liquids and sugar in your recipe to compensate. Cream of Tartar Also known as potassium hydrogen tartrate, cream of tartar is an acidic white powder formed as a by-product of winemaking. It is most commonly used to stabilize egg whites and creams as well as to prevent the formation of sugar crystals. It is also an easy and convenient substitute for baking powder and can be found in the spice aisle at most grocery stores. Stick to a 2: Sour Milk Milk that has gone sour can be used to replace baking powder. This is because sour milk has undergone a process known as acidification, which causes a decrease in pH levels. The acidity of sour milk reacts with baking soda to produce the same leavening effect as baking powder. Remember to reduce the amount of liquid in your recipe by the same amount added to account for the extra liquid from the sour milk. Decrease the other liquid in the recipe to maintain consistency and texture. Vinegar is produced through fermentation, during which alcohol is converted by bacteria to acetic acid 6. Despite its strong and distinctive flavor, vinegar is a common ingredient in many baked goods. In fact, the acidic pH of vinegar is perfect for use as a substitute for baking powder. Vinegar has a leavening effect when paired with baking soda in cakes and cookies. Lemon Juice Lemon juice contains a high amount of citric acid and is very acidic 7. For this reason, it can help provide the acid needed to trigger an acid-base reaction when paired with baking soda in baked goods. This way you can avoid altering

the taste of the final product. Lemon juice is best used in small amounts due to its strong flavor. Club Soda Club soda is a carbonated beverage that contains sodium bicarbonate, or baking soda. For this reason, club soda is often used in recipes to act as a leavening agent that can provide volume to baked goods without the use of baking powder or baking soda. Club soda is commonly used to create fluffy and moist pancakes, for example. For best results, use club soda to replace any liquid in your recipe. This works especially well when replacing milk or water, and can add extra lightness and volume. Club soda can be used to replace milk or water in recipes to add extra volume. Self-rising flour is made from a combination of all-purpose flour, baking powder and salt , so it contains everything you need to help baked goods rise. For this reason, it is a common ingredient in packaged cake mixes, biscuits and quick breads. Simply replace the regular flour in your recipe with self-rising flour and follow the rest of the recipe as directed, omitting the baking powder and baking soda. Self-rising flour contains baking powder and can replace all-purpose flour in a recipe to help baked goods rise. Whipped Egg Whites Many baked goods owe their light and airy texture to whipped egg whites rather than baking powder. This is because the process of whipping egg whites creates tiny air bubbles that increase volume and lightness. The amount you should use varies by recipe. Angel food cake, for example, may require up to 12 egg whites, while a batch of pancakes may only need two or three. Gently fold your remaining ingredients into the whipped egg whites. Whipped egg whites can be used to add volume to many baked goods. The amount required varies based on the type of recipe. Vinegar, for example, may add a sharp, sour taste and is probably best suited as a replacement for baking powder in recipes that require minimal amounts. Molasses, on the other hand, has a very sugary flavor and would make a better addition to sweet desserts rather than savory breads. Additionally, you may need to adjust the other ingredients in your recipe based on what you decide to use as a substitute. This will help you maintain the appropriate texture and consistency. If you select a substitute with a strong flavor, you may want to adjust the amounts of other ingredients in your recipe to achieve your desired flavor. Some types of baking powder substitutes are better suited for certain types of recipes. You may need to adjust the other ingredients in your recipe based on which substitute you select. The Bottom Line Baking powder is an important ingredient that helps leaven and add volume to many recipes. However, there are many other substitutes you can use instead. These act in the same way as leavening agents to improve the texture of baked goods. To use them, all you need to do is make a few slight modifications to your recipe.

**Chapter 7 : Global Healthcare Management market - Size, Outlook, Trends and Forecasts ( 2019-2025 )**

*10 Handy Substitutes for Baking Powder Written by Rachael Link, MS, RD on June 9, Baking powder is a common ingredient used to add volume and lighten the texture of baked goods.*

The threat of a substitute is the level of risk that a company faces from replacement by its substitutes. For more generic, undifferentiated products the threat is always higher than for more unique products. A company that has several possible substitutes that can easily be switched to has little control over the prices it sets or how it chooses to sell the product. It is an important factor because it affects company and industry profitability. A low threat from substitutes means that there will be less competition among the existing firms and there will be more potential to earn higher profits. In this article, we will look at an 1 introduction to the threat of substitutes, 2 conditions that increase the risk of substitutes, 3 analyzing the threat of substitutes, 4 mitigating threat of substitution, 5 capitalizing on the availability of substitutes, as well as 6 example from the soft drink and 7 example from airline industries. In more generic products, there are often more than one ways to address a particular need. An example of this is the option to choose different modes of transportation when going from destination A to destination B. If an airline operates on that route, it must compete with all other airlines on that route as well as any possible ground routes such as car rentals, buses and trains. Analyzing the threat of substitutes can be tricky because any items being compared are not exactly alike but vary either slightly or greatly in what they offer. A customer will often base their analysis on the value offered by an item and its price. Some of these conditions are: If there are little or no switching costs for a consumer, then there is more of a chance that they may explore and move over to a more attractive substitute. In the absence of other factors such as brand loyalty or differentiation, the choice to move will not be a difficult one. For example, if a consumer wants to replace cable subscriptions with online streaming site subscription, they may be able to do so easily unless there is some cost associated with discontinuing the cable service. If substitutes are priced more reasonably, then there may be more risk of consumers switching products. In addition, this can act as a barrier to how much a company can raise the prices for its own product. Any move to price higher than substitutes may lead to consumer migration and loss profits. If the quality of substitute products is higher than that of any product, then it is more likely that consumers will want to make use of this difference and switch over. If a substitute products functions at the same level or at a better level than a product then there is a chance that consumers will want to switch over. All of the above factors can only come into play if there are actually substitutes available in the market. To identify potential threats, the company needs to be creative in its thought process and look beyond traditional competitors. This is why there needs to be special attention paid towards identifying the threat of substitutes and developing strategies to counter it in the long term. There is always the danger that a company may be too focused on handling its direct competitors and may miss the imminent threat of a substitute. This can even happen at an industry scale, where in the effort to compete with companies within the industry can overshadow threats from the outside. A company can keep a check on possible substitutes by doing the following: Identify Problems Identify the problems that can be solved by your product or service? These should be listed down in detail and creative thought through in order to generate as close to an exhaustive list as possible. Identify other Solutions Now identify what other means exist to solve the same problem. What can be reasonable alternates that a consumer may consider? Identify Substitute Appeal At this point, try to understand why an alternate solution may be appealing to a consumer. Some questions to ask here may be: What are the price points and how do they differ? Can prices change suddenly? Are there any weak points in the substitute item? Are there any limitations to its use? Are there any barriers that may stop a customer from switching? Are there any trends that define the substitute products industry? What aspects are responsible for value to the customer? Create Counter Measures and Strategies With understanding of substitutes, how they work and the basis of their possible appeal to consumers, the company can now create strategies to handle these alternates. There can be two sets of strategies. One to prevent customers from leaving for a substitute and the other to entice people over from a substitute. If any one of more of these applies then the product may be under threat from substitute products. Are consumer

switching costs low? Are substitute products cheaper than yours or other competing products within the industry? Are substitute products similar in quality or better than yours or other competing products within the industry? Are substitute products performing better than your product or other competing products within the industry? Are there one or more substitutes available in the market? Through creating a unique product offering, customers will be able to satisfy a need through only a specific product and will not be easily swayed by substitute products. There could be additional features or benefits that may not be available in a substitute product. Customers often look for the product that provides the best value for money. This means that maximum benefits are being gained by spending the least amount of money. If this value is created for a customer than they may not need to look at other products

**Brand Loyalty:** Most companies strive to create and maintain a strong brand loyalty among their customers. This helps prevent easy switchovers to other brands or substitute products.

**Identify Consumers With the Potential To Switch Over** The first thing a company can do is to identify those members of the potential audience that are most likely to move to a substitute. This group may collectively have an unmet need or a weak spot. An example could be unhappiness with the business practices of a company or an industry.

**Communicate and Build a Relationship with Them** Once the target audience has been identified, a company may want to find ways to interact with these people and create a relationship with them. This could be through special information sessions, point of sale interaction or specialized mail or advertising.

**Offer Special Packages or Trial Purchases** In order to encourage these consumers to take the first step towards change, it is a good idea to offer them special discounts, package deals or trial purchases.

**Reassure Constantly** In order to solidify the new relationship, consumers may need to be reassured that their needs are met and possibly in better ways than before. The established line of communication needs to be strengthened and after sales service and communication needs to continue.

**Work Towards Building Customer Loyalty** Through sustained good relationships, good service and continued value for money, customer loyalty can be created and built up over time.

**Work Towards Maintaining Customer Loyalty** Sustained customer loyalty is the way to ensure that customers will not switch back to their old product. Discounts and offers will only go so far. For long term relationships, it is vital to try to ensure that the product remains good value for money, it remains functioning at an optimal level of quality and it continues to fulfill an unmet need for the consumer.

When it was invented in the 19th century, the product was intended to be used as a medicine. The company operates through bottlers worldwide. Concentrate, made with a secret formula is sold to these bottlers who complete the product and sell it in its various forms in their designated markets. Apart from bottlers, concentrate is also sold to restaurants and fast food chains to be used in soda fountains. As of , Coke and related products were available in more than countries all over the world. Coca Cola remains the most valuable brand in the world according to a study conducted in

**Competitors and Substitutes** The soft drink industry faces intense competition from within its industry as well as from substitutes. The most major of its competitors is Pepsi Cola which competes in all the same markets and even outsells it in some of them. Other direct competition comes from local cola drinks, as well as other soft drinks. Close competition comes from items like fruit juices and other similar beverages. Alternates or substitutes can include water or even coffee or tea as sources of caffeine.

**The Threat of Substitutes** There is medium to high pressure from substitutes in the beverage industry. As a product, most people cannot differentiate the taste from other similar cola products. So for many, it is an interchangeable product. In addition, the rising awareness of cola products and their negative repercussions on health have led to other beverages such as water and juices becoming more sought after. There is an ever increasing variety of sports and health based drinks in the market. In addition, chain stores such as Starbucks now offer a large variety of products that cater to different tastes. These also affect cola sales. For those looking for a caffeinated drink, there is always coffee and tea, both of which are now available in a myriad of flavors and tastes. There are low switching costs associated with a move from the product to another. While Coca Cola does enjoy some brand loyalty, this usually extends to refusal to drink another cola but not a refusal to consume another beverage altogether. The quality of the products, both competing soft drinks and substitutes are similar enough for the quality factor to not be an anchor for existing consumers. It remains in the interest of the cola industry to attempt to keep consumers within the industry. This means that collectively, any positive advertisements from one company

can lead to a resultant increase in the sale of all colas or soft drinks. While any negative public relations related to the industry will drive all consumers away from the product regardless of their brand choices and preferences. For this reason, soft drink companies have huge marketing and advertising budgets and a lot of effort goes into creating and maintaining brand visibility and loyalty. There are hundreds of airlines all trying to get a bigger piece of the pie. Global recessions have also meant cost cutting exercises for most airlines in the industry and often less travel in the part of consumers. There is also the trend to move from government owned carriers to more privately owned enterprises. This means that there can be no subsidies during times of crisis and no bailouts. Other issues faced include airport capacity, the structure of routes, costs to buy, lease or maintain aircraft, adopting new technology, weather fluctuations, increased security requirements and checks, fuel and labor costs, as well as issues. There are four types of airlines divided by the types of services they provide.

**Chapter 8 : Optoelectronics Market | Growth, Trends and Forecast ( - )**

*Knowing the threat of substitutes. 2m 47s. Building a go-to-market strategy. 2m 28s. 3. Defining Your Product 3. Defining Your Product. Articulating your value proposition. 2m 54s.*

Rivalry In the traditional economic model, competition among rival firms drives profits to zero. But competition is not perfect and firms are not unsophisticated passive price takers. Rather, firms strive for a competitive advantage over their rivals. The intensity of rivalry among firms varies across industries, and strategic analysts are interested in these differences. The Concentration Ratio CR is one such measure. A high concentration ratio indicates that a high concentration of market share is held by the largest firms - the industry is concentrated. With only a few firms holding a large market share, the competitive landscape is less competitive closer to a monopoly. A low concentration ratio indicates that the industry is characterized by many rivals, none of which has a significant market share. These fragmented markets are said to be competitive. The concentration ratio is not the only available measure; the trend is to define industries in terms that convey more information than distribution of market share. If rivalry among firms in an industry is low, the industry is considered to be disciplined. Explicit collusion generally is illegal and not an option; in low-rivalry industries competitive moves must be constrained informally. However, a maverick firm seeking a competitive advantage can displace the otherwise disciplined market. When a rival acts in a way that elicits a counter-response by other firms, rivalry intensifies. In pursuing an advantage over its rivals, a firm can choose from several competitive moves: Changing prices - raising or lowering prices to gain a temporary advantage. Improving product differentiation - improving features, implementing innovations in the manufacturing process and in the product itself. Creatively using channels of distribution - using vertical integration or using a distribution channel that is novel to the industry. For example, with high-end jewelry stores reluctant to carry its watches, Timex moved into drugstores and other non-traditional outlets and cornered the low to mid-price watch market. Sears set high quality standards and required suppliers to meet its demands for product specifications and price. The intensity of rivalry is influenced by the following industry characteristics: A larger number of firms increases rivalry because more firms must compete for the same customers and resources. The rivalry intensifies if the firms have similar market share, leading to a struggle for market leadership. Slow market growth causes firms to fight for market share. In a growing market, firms are able to improve revenues simply because of the expanding market. High fixed costs result in an economy of scale effect that increases rivalry. When total costs are mostly fixed costs, the firm must produce near capacity to attain the lowest unit costs. Since the firm must sell this large quantity of product, high levels of production lead to a fight for market share and results in increased rivalry. High storage costs or highly perishable products cause a producer to sell goods as soon as possible. If other producers are attempting to unload at the same time, competition for customers intensifies. Low switching costs increases rivalry. When a customer can freely switch from one product to another there is a greater struggle to capture customers. Low levels of product differentiation is associated with higher levels of rivalry. Brand identification, on the other hand, tends to constrain rivalry. Strategic stakes are high when a firm is losing market position or has potential for great gains. High exit barriers place a high cost on abandoning the product. The firm must compete. High exit barriers cause a firm to remain in an industry, even when the venture is not profitable. A common exit barrier is asset specificity. When the plant and equipment required for manufacturing a product is highly specialized, these assets cannot easily be sold to other buyers in another industry. But when the Vietnam war ended, defense spending declined and Litton saw a sudden decline in its earnings. As the firm restructured, divesting from the shipbuilding plant was not feasible since such a large and highly specialized investment could not be sold easily, and Litton was forced to stay in a declining shipbuilding market. A diversity of rivals with different cultures, histories, and philosophies make an industry unstable. Rivalry is volatile and can be intense. The hospital industry, for example, is populated by hospitals that historically are community or charitable institutions, by hospitals that are associated with religious organizations or universities, and by hospitals that are for-profit enterprises. This mix of philosophies about mission has lead occasionally to fierce local

struggles by hospitals over who will get expensive diagnostic and therapeutic services. At other times, local hospitals are highly cooperative with one another on issues such as community disaster planning. A growing market and the potential for high profits induces new firms to enter a market and incumbent firms to increase production. A point is reached where the industry becomes crowded with competitors, and demand cannot support the new entrants and the resulting increased supply. The industry may become crowded if its growth rate slows and the market becomes saturated, creating a situation of excess capacity with too many goods chasing too few buyers. A shakeout ensues, with intense competition, price wars, and company failures. If this rule is true, it implies that: If there is a larger number of competitors, a shakeout is inevitable. Surviving rivals will have to grow faster than the market. Eventual losers will have a negative cash flow if they attempt to grow. All except the two largest rivals will be losers. The definition of what constitutes the "market" is strategically important. Whatever the merits of this rule for stable markets, it is clear that market stability and changes in supply and demand affect rivalry. Cyclical demand tends to create cutthroat competition. This is true in the disposable diaper industry in which demand fluctuates with birth rates, and in the greeting card industry in which there are more predictable business cycles. A close substitute product constrains the ability of firms in an industry to raise prices. The competition engendered by a Threat of Substitute comes from products outside the industry. The price of aluminum beverage cans is constrained by the price of glass bottles, steel cans, and plastic containers. These containers are substitutes, yet they are not rivals in the aluminum can industry. To the manufacturer of automobile tires, tire retreads are a substitute. Today, new tires are not so expensive that car owners give much consideration to retreading old tires. But in the trucking industry new tires are expensive and tires must be replaced often. In the truck tire market, retreading remains a viable substitute industry. In the disposable diaper industry, cloth diapers are a substitute and their prices constrain the price of disposables. While the threat of substitutes typically impacts an industry through price competition, there can be other concerns in assessing the threat of substitutes. Consider the substitutability of different types of TV transmission: The new technologies available and the changing structure of the entertainment media are contributing to competition among these substitute means of connecting the home to entertainment. Except in remote areas it is unlikely that cable TV could compete with free TV from an aerial without the greater diversity of entertainment that it affords the customer. Buyer Power The power of buyers is the impact that customers have on a producing industry. In general, when buyer power is strong, the relationship to the producing industry is near to what an economist terms a monopsony - a market in which there are many suppliers and one buyer. Under such market conditions, the buyer sets the price. In reality few pure monopsonies exist, but frequently there is some asymmetry between a producing industry and buyers. The following tables outline some factors that determine buyer power. Buyers are Powerful if:

## Chapter 9 : Common Ingredient Substitutions (Infographic) | Allrecipes

4) *Capital requirements are low* Porter's five forces: Threat of substitutes this is the idea that products or services from outside the given industry will come close to meeting the needs of current customers.