

Plan and strategy for product re launch



**ASSIGN
BUSTER**

This marketing plan and strategy is for the Re-lunching one of the product V-M Infinity limited known as V- 081 infinity compact steam cleaner. The marketing plan cover a whole lot of analysis ranging from company and customer analysis giving incite to us who are customer and competitors are in the market, it also involve the use of PESTASL and SWOT analysis to help us analyse our strength and weakness , as well as our competitive advantage in the market, while maintain a focus market strategy and having a marketing Mix to back our objectives and lastly having a stable implementing major and control of our product, market and business.

V-M Infinity limited is a public limited company operating in the UK and Europe. The company produces variety of electrical and electronic appliances, of which V-081 infinity compact steam cleaner is one of the product.

V-081 compact steam cleaner goes as the name imply, it is a small portable cleaning machine that is suitable for domestic use. V-081 steam cleaner machine uses steam to rapidly dry clean, and disinfect lifeless surfaces. The steam is produced in a cylindrical boiler that heats water to high temperatures say about 235-310F /110-155C to produce low-pressure, low moisture of about 2 to 8% of water vapour or steam. The cleaning ability of the steam depends on its heat, also the steam is applied to cleanable surfaces via a different kind of insulated tools and fittings, thereby safely providing the vitality needed to break soil bonds and release waste product into water hold-up, after which they can be removed by cleaning or vacuuming.

Current situation

In order for us to re-launch V-081 infinity compact cleaner one of the products of V-M infinity limited, we must first analyse some key factors such as PERFORMANCE, ADVANTAGE, OUR CUSTOMERS, OUR MARKET/COMPETITORS of our product V-081 infinity compact cleaner.

Company Analysis

Factors such as the present performance and advantage of V-081 infinity compact cleaner, need to be analysed before re-launching the new V-081 infinity compact cleaner. In analysing the performance we have to note the present sales and cost of the product, the current market share and ROI of the product.

Product: – V-081 infinity compact cleaner. Price: – £80

Table 1 Present sales

YEAR

SALES

QUANTITY SOLD

2008

£12,000,000

150,000

2009

£8, 400, 000

75, 000

2010

£3, 600, 000

35, 000

Table 2 Market share and Return on investment (ROI)

Year

Market share

Return on investment (ROI)

2008

50. 05%

25%

2009

35. 02%

15%

2010

15. 01%

8%

Growth-slump-maturity pattern

Figure 1 Growth -slump- maturity pattern.

From the above analysis of the performance of V-081 infinity compact cleaner, it shows that sales move through different stages over the period of three years and in this period there are different challenges, as well as opportunity and problem to the seller. It also shows rise in profit as well as fall in profit in the different stage of the V-081 infinity compact cleaner. Analysis from the above presume table shows the Growth, Stable and decaying phase in the maturity stage of the V-081 infinity compact steam cleaner. Base on this analysis a Re-lunch of the steam cleaner will be made to further restore profit.

The advantage of V-081 infinity compact steam cleaner

Some question need to be answer in other to re-lunch the product. Such questions are WHY DO WE CUSTOMER BUY THE PRODUCT? IS THERE ANY DISTINCTIVE COMPITATIVE ADVANTAGE? Well lets here what customers have to say.

I too bought one of these steam cleaners. I have to admit to have been rather sceptical after reading a few different reviews by people, some people said it was absolute rubbish, whilst, as Navster stated in his review, steam is pretty much steam whatever cleaner you choose.

Anyhow the reason I bought one was because I just moved into a house and there were some nasty stains on the carpets. Rather than opt for a car

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

shampooer I figured this would be a good buy due to its versatility. I have to say I am well impressed with it. It took the stains out of my carpet with very minimal effort, it's small and lightweight, very powerful, and comes with a whole host of fitments for various jobs. Reviewer: Brutalbill (2010)

From the customers view they both the product because it takes minimal effort to remove stains, very powerful, small and light weighted. Also from the customer's point of view its major distinctive advantage is that it comes with a whole host of fitments for various jobs.

Customer analysis

The success of every product or services is to be customer focus, in essence understanding who our customer are and meeting their need or demand while making profit. To understand this we shall demonstrate a question and answer in form of table from customer perspective.

Table 3 Customer analysis

QUESTION

ANSWER

Who is our existing customers

Large and small family house hold, car wash companies, domestic users etc

Are the loyal and happy

They are happy but medium loyal

Product classification

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

None durable, Reliable, none reparability, good performance and variety features.

What is their value time

Very short

How do they see us

Profit focus not customer focus

From the customer analysis we can understand the demand state of the product which shows that at the initial stage full demand of the product needed, and it went further to the latent demand state where the users of the V-081 infinity compact steam cleaner begin to show strong need that cannot be satisfied by the product, there by leading to the declining demand state.

Market/ competitor analysis

Our Market

With the positive rating of V-081 infinity compact steam cleaner by consumer or user of the product, our market stand a great chance of expanding more into the Scandinavians countries in Europe which has one of the most cold weather. Our research shows a great opportunity of sales in that region as approximately 90% of homes is rug due to the cold nature of weather. But not until the threats are dealt with it will be difficult. Our research shows that the Scandinavians has the list purchasing power in Europe, also the to the climate change in United kingdom most homes are

going for wooden tiles, rather than rug or carpet that require more cleaning with steam cleaner. Well this will be further expatiated with SWOT test.

Competitors

In other to analyse our competitors in the market we have to ask our self some question. To demonstrate this, the table below will help us understand it.

List of main competitors company and product

How do they compete with us in the market.

Reimers Electra Steam Inc. Karcher DE 4002 240v Steam Cleaner

Almost same technology with low price

Karcher Steam Cleaners. MA 100 dry cleaner

Durability

EDGE Cleaning Equipment. ED 209 VG cleaner

Repairable

Hydro Tek Systems Inc. MEC 2012 Tek cleaner

Low price

Table 4 Competitors

Our competitive edge over our competitors

Multiple compartments for different cleaning purpose

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

Low power consumption of our V-081 infinity compact steam cleaner

Effective delivering system

Portability and light weighted of our V-081 infinity compact steam cleaner

Ease usability

Table 5 our distinctive advantages over competitors

With the above analysis in the table our product V-081 infinity compact steam cleaner can defend against any competitors by analysing our competitors advantage over our product, and re designing our new product that will be re- lunch in Jun 2012 to fit or compass over competitors advantages. We also aim to build a long lasting customer focus product, so as to have a long lasting customer relationship over our competitors.

Situation Analysis from the company internal and external point of view using PEST and SWOT will give an overall view of the market growth and the future of the company product.

PESTAL Analysis

PESTAL analysis is a valuable tool for appreciating market growth or decline, there by understanding the position, possibilities and way for a business.

PESTAL is an abbreviation for Political, Economic, Social, Technological factors, Environmental Environment and Legal Environment which are used to evaluate the market of a company business unit.

Political Environment

Criteria examples

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

Ecological/environmental: – Not posing a threat to the product .

Current legislation: – with the current legislation of the UK and European Union the market stand a very good position, but if care is not taken bad legislation may reduce the purchasing power of consumers

Future legislation: – uncertain, but believe stability is the key factors in develop economy

Regulatory bodies and processes: – Not posing a threat to our product

Government policies , term and change: – Stand a very big challenges to customer or users of the V-081 infinity compact steam cleaner, as the present purchasing power of UK customer has reduced drastically due to the various cuts in pay.

Economic Environment

Criteria examples

Home and Overseas economies: – The UK economy shows a kind of stability to make sale of our product, but some of the European states like Portugal, Spain, Greece shows an unstable state of economy, so this pose a very big threat to the purchasing power of customer to our product.

General and specific taxation to product/services: – The present increment of tax in UK pose a chance of product increment in the new Re-lunching of the V-081 infinity compact cleaner.

Seasonality issues :- Well not really an issue as the product has to particular season for its major sales, though research shows high rate of turn over during the winter season

Specific industry factors: – The producer of Rugs or carpet has a great importance in our product sales.

Social and Cultural Environment

Social class and culture is a great influence on consumer buying behaviour. So we have to consider the following information in details such as lifestyle trends, law changes affecting social factors, consumer attitudes and opinions, media views, company brand technology image, ethnic/religious factors, consumer buying patterns, demographics, buying access and trends, advertising and public city and lastly ethical issues because as culture grows we have to develop or re-launch the new V-081 infinity compact steam cleaner in a specialise way to meet consumer or users need. www.businessballs.com/pestanalysisfreetemplate.htm

Technological Environment

With the present pace of digitalize product in terms of cleaning, a great re design for the new re launching of the V-081 infinity compact steam cleaner need to consider this present technological age, as most competitors are taking advantage of this present environment to meet their customer demand in making cleaning less stressful or without human effort.

Environmental Environment

There seems to be to present threat in this area as our V-081 infinity compact steam cleaner is a carbon free emitter known as environmental friendly.

Legal Environment

The legal environment provides consolidation for advice in investment and prevention for any unlawful claims against our product.

SWOT Analysis

With SWOT analysis tool we can understand and make strategic decision for our company or business. SWOT is an abbreviation for Strengths, Weaknesses, Opportunities and Threats.

SWOT analysis can be used for business planning, strategic planning, competitor evaluation, marketing, business and product development and research reports. <http://www.businessballs.com/swotanalysisfreetemplate.htm>

Strength and Weakness Analysis

Strength

Weakness

Marketing

Good company reputation

Customer satisfaction acceptability of product

Good product quality

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

wide Geographical coverage with its market region

Good promotion effectiveness

But not famous and known within the market

Lack of long term satisfaction for product

Not meeting most of customer desires

Only in major cities within its market region

Not covering every of its business region

Finance

Availability of capital major strength and a very high importance

Financial stability minor strength and a high importance

Minor weakness and of low importance

Financial stability minor weakness and low importance

Manufacturing

State of the Art facility great importance to determine production

Able dedicated work force

Very good ability to produce on time

Minor weakness and low important

High amount of money in keeping them

Minimal weakness and of less important

Table5. Internal attribute originating from V-M Infinity limited.

Opportunity and threat Analysis

Criteria analysis for

Opportunity

Information and research carried out on our V-081 product shows great market sales if only we can take advantage of our Competitors' vulnerabilities

Partnerships and distribution agencies with the new deal with big retail company like B&Q , IKIA, Argos and home base sales is set to increase

Criteria analysis for

Threats

Existing players in the market

Chances of idea of product being copied or in prove as competitors intention are not known

Change in consumer preferences.

Objectives

Marketing objectives

Goals

Re- launching our V-081 infinity compact steam cleaner to meet customer changing demand

Become the leading cleaning product in the market

To deliver and communicate value

Tasks

Take advantage of Competitors' vulnerabilities

Designing our product to make cleaning less stressful, long lasting, repairable and power minimization

Resources

A budget of £500, 000 for marketing and promotion for the new re-lunching

Using the media to achieve our Goal

Feedback

Financial objectives

Market research to compass customers views and product efficiency

Financial objectives

Goal

Maintain good credit standing with our creditors

Generating profit and revenue to keep the business running

Task

Securing loan from creditors for expansion and re launching of product

Marketing strategies

The success of our business is to have a strategy that is able to deliver customer value of our product. Therefore in doing this we have to set two main factors known as Target Market Segment

and Competitive Advantage as our main marketing strategy.

Target Market Segments

Our market in each region or country is cautiously segmented to show attractive target market in any of the Geographic, Demographic, Psychographic, and behavioural consumer market segment. At the present the company uses Geographic segment in marketing our V-081 product, but with the Re-lunching of the product in June 2012 we are going to inculcate Demographic segment into our market, as the most important factor is to adjust our marketing program to meet customer difference and need which the Demographical segment offer more.

Competitive Advantage

Having identify our competitors strength to our product we are to capitalise on that to Re design our V-081 infinity compact steam cleaner to compass their advantage over ours and most especially to focus more on the cleaning efficiency of our product, the low power consumption of our product and the low competitive price.

Marketing Mix

Marketing Mix

Strength

Weakness

Action Required

Product: – V-081 steam cleaner quality level, Price, packaging.

Very good

Durability and repairable

Re-design the product for long term/repairable

Price: – affordable price for target market, expensive or cheap, price/quality

Moderate

Fixed rate price of product

Set price according to Geographical location/economical standard

Promotion: -promoting level of product, Brand strength level.

low

Low budget for promotion

Increase the budget of promotion

Distribution: – constantly evaluate performance of supply link to ensure well-organized and effectiveness of the V-081 infinity compact steam cleaner

Good

Internal distribution

Need to outsource distribution

Table 7 marketing mix

[http://www. multimediamarketing. com](http://www.multimediamarketing.com)

Implementation and Control

V-M Infinity limited aim is to support and provide marketing offerings that is capable of meeting customers' needs and value making sure emphasis is focused on market research to gather information that meet customers need and keeping a close watch on our competitors development, while using the best available channel operation for our distribution and marketing communication. The research will also include our staff and stakeholders interest.

Making sure managers hit and exceed sales target and compensating for such works to encourage creativity.

Conclusion and Recommendation

In conclusion for we to Re-lunching one of our product V-081 infinity compact steam cleaner into the market by June 2012, we have to a lot of analysis such as our company and customer analysis, market/ competitors analysis bearing in mind that we have to analyse situation using PESTAL and SWOT

<https://assignbuster.com/plan-and-strategy-for-product-re-launch/>

analysis before re-lunching, also not forgetting our Objectives, our marketing strategy marketing Mix and lastly ways of implementing and controlling to achieve and maintain maximum sales in the re-lunch of our V-081 infinity compact steam cleaner.

We highly recommend that our researcher keep a close watch on our competitor, take advantage of their weakness before lunching our product and lastly design re design our V-081 infinity compact steam cleaner to meet customers demand and value before re- lunching .

Appendices