

Business proposal assignment



There are 75 million Boomers in the U. S, about 29% of the population with the first of this generation turning 64 this year (Baby Boomer Headquarters, 2011). The purpose of this business proposal is to outline a way to profit from this market. Interesting idea. What is your publicly traded company? Personal computers are an elastic product and are in the free competition market structure. Personal computers also display inelastic properties because of the large number in use and the role they play in so many lives. In 2010, there were 950 PC's in use for every 1, 000 people in the U.

S. (Computer Industry Almanac). This count does not include individual who own multiple personal computers or usages by businesses. The potential sales and profit is significant in this market because four million boomers turn 64 every year for the next 18 years (Baby Boomer Headquarters, 2011).

Product Differentiation A design that is designed to target the customer is the key to success in this proposal. This is unclear This product differentiation will be straightforward, and the development will take applying and marketing new ways of existing technologies.

Products that not only support a senior's lifestyle, but also are easy to use are in demand by seniors. The senior user-friendly computers are differentiated by the following features: * 25-inch high definition touch screen contained unit designed with handles for easy carrying. * Voice interaction system to allow other tasks to be accomplished by speaking into the computer speaker. Access to the keyboard may be accomplished through the voice interaction system if desired. * Advanced detailed scheduling and alert features to help the consumer keep track of medications, appointments, and other important tasks. 24-hour technical

support with direct connection between the technician and the computer. Five year warranty This product is also differentiated by reliability, service, and warranty. Through providing excellent service and a dependable product, the company can gain the loyalty and trust of its customers. In the senior community and in every segment of the market there is a demand for a worry-free purchase. The risks to this strategy are Generation X and Y loyalists may be alienated if they perceive the company as being “for old people. K but how does this fit into the assignment requirements of market structure, elasticity and revenue increase? You need to stick to the acquirement and include supporting research and data. Profit-maximizing Quantity and Revenues The senior user-friendly computers are built to order. However, the company will reduce cost by pre-assembling quantities at levels that will lower the total cost of production. Using the plant resources and existing parts will permit the availability of the reliable average total cost data. The goal for start-up production is to manufacture cheaply and avoid surplus.

At this time the production quantity is not known. However, when it is determined it will be the initial working number to begin reduction, and to estimate labor, and variable costs. The company can increase revenue by cross-selling to other personal computer manufacturers and by offering its customers purchasing and financial options. This strategy will allow the company to outpace its competitors through the development of business opportunities, growth in sales, increased revenue, diversity from other computer manufacturers, and by providing a financial service to its customers.

Increased revenue can be accomplished through: * Resource savings from decreased production costs * Tax benefits from new leasing option Income gained from loan interest rates You missed the point here – you need to make sure to follow the assignment requirements of MAC and MR. and how to determine the profit maximizing quantity. Optimum price/quantity combination After the first month of production the company will develop reliable marginal cost and marginal revenue charts. After this the company will be able to make the decision if it should adjust quantities to achieve maximum profit at $MR = MAC$.

In the short-run productions of the computers may be adjusted. However, the company strives to ship the computers the same day in which they are ordered. There are no options with this computer and no delays for customization. Low production cost will limit total cost. The production strategy is to create an efficient system using proven but lower cost components. In this segment expensive, ultra-modern technology is not needed to meet the demands of customers and smaller and less expensive software packages will be used.

The product will be a multi-function senior friendly computer that provides excellent performance. The computer will have some limited capabilities with academic applications and in some businesses. During the design take some assumptions, such as seniors would not have the use for the use of Powering, Excel, or the many fonts for word processing could help save in the cost of production by eliminating the programs and can help increase reliability and speed of the computer.

Although the purpose of establishing this brand of computer is geared toward seniors, the company will not take a loss for that purpose. After the first year of production the success of the marketing approach will be evident. In the long run if the development of the computer is successful the company can adjust production. The company can expect consistent sales if a demand for the product is shown and Headquarters, 2011), it is likely there will be demands for the product. Through government grant the company has the power to offset some of the cost for development.

The use of this product will help seniors live a more independent lifestyle and could aid individuals with mental or physical limitations. An individual who lives alone can find a sense of security with the voice interactive features. Computers developed with the grants must be delivered to the government, but the technology gained through grant research can be applied to commercial production. You need to focus on the application of the economic theory to the company and how to achieve $MAC = MR$. and what to do in case of not having this information by using ETC and TRY.

Barriers to Entry The manufacturing industry of computer hardware is a crowded industry. There are more than 100 computer manufacturers employing 1.2 million people (Bureau of Labor Statistics, 2009). To protect the company's intellectual property the company will submit patents, copyrights, and trademarks. However, the company realizes that it will be difficult to stop copyright infringements, especially from producers of other countries. To establish brand name recognition and a consumer base it is important to market a reliable highly functional product as quickly as possible.

The company must take advantage of senior citizens' tendency to display strong brand loyalty and less price consciousness than the average consumer (Bradawl, 2010). Interesting information. Pricing and Non-pricing Strategy The TACT analysis will determine the setting of the price and quantity of initial production. A monthly improvement of the reliability of cost data will allow the company to the equilibrium price with the available accurate figures for long-run and worth-run costs. Focused advertising toward the targeted consumer group will be the non-pricing strategy.

The company will work with the Alliance for Retired Americans Association and the ARP to offer group discount rates and to increase awareness of the product. By focusing on organizations that support senior citizens and the retiree market advertising cost will be reduced. This product is geared toward a specific group so mass advertising is not required. The amount needed for advertising will be determined by the production quantities.

Could use more on actual pricing and non- rising strategies. Conclusion Senior citizens make up 29% of the population and are in need of a product which is tailored to them.

There is an untapped market for computer products comprised solely for senior citizens. Senior user-friendly computers are an excellent product to produce to help seniors to enjoy a different lifestyle complete with modern technology. This proposal provides a strategy for entering into a new market. By advertising to a specific market and holding down cost risk is reduced. There is a need for this product and a high potential for continuous growth with this product. Minimum risk is involved and it is advised that the company approve of this proposal.