

Marketing mix for microsoft's stroxbox gaming system essay sample



**ASSIGN
BUSTER**

This part of coursework is specifically aimed at my product. I will set the products objectives and apply the marketing mix to the product.

Marketing Objectives for Stroxbox

I am going to set at least 3 marketing objectives for my product. My marketing objectives are:

- To increase business e-portfolio for this product line. Only two consoles have been released in the past 5 – 8 years. My product will be revolution in consoles, because no one has actually come up with this type of concept.
- Second objective is to make your company more appealing to different markets (age, sex, region, etc). Consoles are really aimed at young adults, but recently like Nintendo Wii which was aimed at families. My product is aimed at everyone.
- The third and final objective is to get a bigger market share for consoles itself. Currently there is only a choice of two Microsoft consoles and one of them has already died out the XBOX. XBOX 360 being the successor of the original, which has been out for 3 – 4 years and it's time for a new console. This new console will have a bigger life cycle. I can say this because the last question in the questionnaire was how people rated it and majority of people said it was excellent.

Marketing Mix

The Marketing Mix for Microsoft explores how Microsoft compares and competes with other brands, which are in competition with Microsoft with

their different departments. Microsoft is an multi-national company which is well known with strong name, and offering great products, compared with other products, prices and promotion to other businesses and competes with some of the great brands.

Microsoft's new product is going to be a home entertainment/console which will be known as " Microsoft Stroxbox". It will allow watching of T. V, listen to music, watch movies, and play proper video games like Street Fighter, Metal Gear Solid, etc. Everything will also be allowed to watched and played in High Definition mode or standard mode. This will allow customers without good internet and without HD TV's to use the console as well. It will be a rectangle box with one blue neon strip going all the way round and a blue power on button. It will be about 5KG in weight.

The main thing about this product will be that it is unique and it will revolutionize the way consoles are made and games are played. The packaging itself for the product will stand for how unique the product is. The packaging will somehow be different to traditional packaging of consoles in rectangle boxes. The packaging for this product will be a box simply shaped as the letter " S". The box will have glossy picture on one side.

The other side will have information regarding the product. The Stroxbox will be economically friendly this means that it will be a green product. It will have a low voltage usage and It will automatically shutdown if used for more than 10 hours straight and if unused for more than an 1 hour. It will also give out cool air rather than warm air therefore creating a cooler surrounding area.

The reason that this type of unique packaging was chosen was because traditional packaging would waste space and also small packaging could mean that it would not stand out to other big console packaging. I can back this up with my primary research as question one asked whether people like the traditional rectangle packaging and 45% of people said ' No' and another reason for choosing the S for packaging is that, question 8 showed that more than 30% of the people who bought products they never heard of was simply due to the fact that they liked the packaging and attracted them to buy it.

Microsoft advertises a lot of their products through a lot of different mediums whether it be internet or letters through the post, this could be one of the ways to gain market share for their product as well as attract new competition for their product. Two different prices will need to be decided because there is pricing for the actual console and the monthly cost. After analyzing the questionnaire results the two pricing strategy that should really be taken into account for the pricing of the console would be premium pricing and price skimming.

Premium pricing needs to be taken into account because the proposed product is unique and will definitely start a new market and gain market competition due to this the pricing will need to be changed and price skimming will come into play. Reasonable price for premium pricing strategy would be up to $\text{€}400$ because customer out the batch of 30 people interviewed there were some willing to pay it and then when price skimming comes into play prices will be dropped down to $\text{€}250$ and then if there is any need to drop prices even more than we can actually afford to because we have had high priced sales at the product launch.

<https://assignbuster.com/marketing-mix-for-microsofts-stroxbox-gaming-system-essay-sample/>

This would allow competition with other companies in the market. When this pricing strategy is used we will try and keep our prices slightly lower than competitors. The product will be sold to video game shops like GAME, GameStation, etc. They will distribute the product nationwide. We will also provide the product directly from our different regional websites. High prices at product launch will definitely work because, as said before it is a unique product. The use of two pricing methods can be backed up because my secondary source 3 says that as previously Microsoft sold the Xbox 360 at around \$300 which was dropped or cut by a \$100 and this is something that can be even further backed up as source 5 shows that the Xbox 360 even though it was late, but still managed to capture potential market share and has stayed the second most selling consoles for over 1 and a half years.

Microsoft is a international business which is well known and staff force of more than 100, 000 and Microsoft's will deeply look at offering big promotions simply because we can afford it. Microsoft can offer ' Special Offers' to their usual customers by giving them some sort of a voucher that gives them ' 10% off next purchase' but this would clearly depend on how much they are interested and how much do they usually buy because Microsoft cannot offer too much discount as they will lose out on potential revenue

As Microsoft has a massive software base and huge amount of advertising on the internet, bill posters, magazines, T. V. etc... I would come to think leaflets; poster and so on will not create a lot of customers so it will really be pointless to use these types of promotions. Not a lot will actually need to put in to promote Microsoft as a brand because it is very well known amongst <https://assignbuster.com/marketing-mix-for-microsofts-stroxbox-gaming-system-essay-sample/>

people, due to this the new proposed product will not need that much concentration on promotion. This is simply due to strong brand name. We will also use web-based advertising because we have used it before for promoting our products.

This is because a research by Nielsen has shown that over 845 million people have shopped during 2008. I can backup my reasons for promoting at the selected places from my research. The primary research questionnaire shows this. Firstly, question five asked people where would they expect the console to be advertised. Where would they expect the console to be advertised, the choice were: in shops, T. V. commercials, radio commercials, online, papers, specialist magazines, and general magazines. E everyone replied “ all of the above.”

This goes to show that advertisements can be placed anywhere as people expect them everywhere. It's in Microsoft's nature to advertise on T. V. but majority of advertisements on the internet. Also I asked another question. The fourth question that was asked is where would they see the product, this means that where could they possibly view the product on demo or test it out, they were really only given two choices either in shop windows, on demo inside the shops or both. Again with this question everyone I asked ticked “ both places mentioned above”. This again shows that the product could be promoted anywhere really.

As mentioned before Microsoft is a well known company and they are an international company which provides other stores with the products at a price which the stores than distribute. This is a very good thing because

customers can get Microsoft products very easily. Microsoft product can usually be found in stores like PCWorld, Argos, etc. Our products are not only found in stores but actually online as well. In effect Microsoft products made a strong name for the company when it first started and it kept going on with better products being released and initially getting a big market share and expanding business outside of Mexico, outside of the continent and going worldwide.

The console will be placed in shop windows and on top of shelves. The products will also be sold online such as the Microsoft Shop, Amazon, etc. The membership will can be bought online as well as retailers such as HMV, GameStation, Game, etc. question 3, which asked where they would expect the consoles to be sold. The choices were online, in retailer shops, in video game shops, at supermarkets or all the places mentioned. Everyone ticked all of the place mentioned, this goes to show that it is possible to sell the console everywhere, because this is what people expected.