

Gopro marketing plan essay sample

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For the first time since the beginning of GoPro we project that we will not increase our sales for 2014 the sales will remain at about 1.0 billion dollars. However we have to cut the cost of revenue to be more profitable. We plan to have a lot of operating expenses particularly on research and development, and on promotion for the launches of our new product the GoPro hero 4. We have to improve the quality and the versatility of our product with the new GoPro hero 4 out in October. This GoPro will remain an action camera with approximately the same size as the GoPro hero 3. However you will have accessories that you can have to the GoPro design to make the camera more like a camcorder.

This camera will be more polyvalent and will allow us to extend our market by targeting more segments in the everyday camera. But in the meantime keeping the same market share in the action camera segment (80%) We have to improve the testing process in Hong Kong. We have to be absolutely sure that the GoPro hero 4 will work perfectly. The problem on the hero 3 already affects our reputation and brand image if such a problem happens again it would be a disaster for our company. The lack of increase in sales revenue will be balanced with the money made by the capitalization. Almost \$500 million are expected for the end of 2014. We want our capitalization to be successful. To do so, we hired on January a new CFO Mr. Lazar who gets a lot of experience for the IPO and will help us for the success of this capitalization.

Objectives for the end of 2015

2015 will be a very exciting year for us. We plan to open 50 GoPro official stores distributed in every main city in the world (Tokyo, Hong Kong, New

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Work, Los Angeles, Paris, London, Shanghai, Sidney...) this will extend our channel of distribution and our sales profit by selling our product directly to the customers. For the end of 2015 the GoPro manufacture in Shenzhen will start to operate. As you know the manufacture that we use now are not belonging to GoPro Company. We subcontract all the manufacture part to another company. To have our own production will help us to be independent from external factor and give us a better control on the product quality.

The GoPro hero four come out at the end of 2014. We believe than this product will have a large success and expect for the end of 2015 to have sale revenue over \$1. 5 billion. Investing on research and development for the go pro hero 5 is also a big objective for 2015. The GoPro hero 5 will come out on January 2016. We will have to have a big budget for 2015 on research and promotion for this new GoPro. The camera market evolves in the same time as the technology we have to always improve our product to stay competitive in the market. We have to keep working on our brand image to be at the end of 2015 perceived by the entire customer as the best in the segment of the everyday camera, and the action camera.

Objectives for 2016

On June 2016 we will launched the GoPro hero 5 with a better video quality and more feature adapted to the everyday camera. Our company will create a large promotion campaign for the Olympic game 2016 in Brazil, in order to target new vertical market and being development country. We will have to develop our distribution channel for the being development country in south

America and Asia. In 2016 the Chinese market will become our first market. The distribution on those countries will become a big issue. We also will start to set negotiation and promotion to sell the GoPro hero5 to the US government. Objectives for 2017

In 2017 we expect to sign a big contract to sell 2 million cameras to The US government. The military, police, fireman will all be equipped with GoPro. It will help them for the training of new recruits but also to have a recorded report of all their action. The GoPro will also be used on drone for the street view. And police intervention. The professional segment will become a big component of or revenue target we expect for the end of 2017 that this segment bring us \$700 Million revenue. The sales revenue from the action camera and everyday camera segment are expected at about \$2 billion (1 billion of this revenue coming from china). We will start a large promotion, targeting other government like (France, Germany, United Kingdom...) and private company. B) Issues

One of our big issues is that users take risks with GoPro's cameras attached to them; we could run the chance of being held liable. Legislators may pass laws that limit the use of such cameras if injuries become problematic. Investigators are looking into what role a built-in helmet camera may have played in the ski crash of Formula One driver Michael Schumacher. We have to keep investing money on the communication and promotion mostly in public relation but also in advertising to maintain a strong brand image. We also have to keep investing money on the research and development. To be competitive GoPro need to stay at the top of the new

technology. It's cost a lot of money and force GoPro to buy brand new electronic component. So we have to keep good relation with our supplier in order to have the best product for the best price.

We have to implement better control of the production process. To make sure than the product we deliver get no technological issue when we start to sell it. This could bring our company down. Our customers trust us to be the best quality action camera in the market. An issue with the product can break this trust and tarnish the brand image. The environmental and ethical practices have to be respected in order to keep the relation than we get with our customers. The competitors on the targeted market segment " the everyday camera" are very powerful and get a lot of resources. Example Sony, Samsung ... moreover the competitor multiplies in the segment of action camera and the battle to keep or market share will be complicate. Finally By targeting another segment we can confuse the customers from the first segment " extreme sport" and loss their loyalty. Instead of selling to those 2 segments we could loss the customers from the first segment and not have access to the second segment (everyday camera).

VI) Action Programs

Thursday June 26th 2014: our company went public. We will sell 17. 8 million shares opening at \$24 for a total value of \$491 million. That would give us a valuation of about \$3 billion. On the first day we sold 30% of the action. They started at \$24 and end up at \$31. 34 at close, the next day the action end up a \$35. 6 at close (+14. 1%). The GoPro market capitalization is now at more than \$4billion. It's seems that the investor bet big on our company. The

launching of GoPro in the public market has been a big success.

August 2014: developing GoPro studio 2 a powerful video editing tools that allows our customers to create professional quality videos from their GoPro content. And give them the ability to export video for convenient web sharing on the social media. The software will be more complete than the first one with more editing tools. Our GoPro studio 2 will be included in the package with the GoPro hero 4.

September 2014: set a large marketing program to promote the new GoPro hero 4. We will use public relation on social medial. And sponsors world wild extreme sport event " like for example a base jumping in Wall Street" they will support this promotion with advertising mostly on TV to access new customers. The advertising on TV will be about the benefits of GoPro in everyday life. " Wedding, proposing, kids, families, dog videos" the budget for promotion in September will be about \$20 million, \$40 million for august, September, and October.

October 2014: Our new product the GoPro hero 4 will be out on October 2014 this camera will be able to film with a better resolution, the 4k 30fps. with better performance in the dark, image stabilization. What we recommend is to add a function to switch from a wide angle lenses (170°) to a standard lenses (60°) and to add a zoom adaptable for the GoPro as accessories at \$75. Those two features would help the product to become more polyvalent and target the market of the everyday camera; the price for this new GoPro as to be the same as the GoPro hero 3+: White \$199, Silver \$299, Black \$399.

November 2014: our company became public one week's ago. We will now have enough cash to develop our own manufacture in Shenzhen. That will allow us to reduce the cost on the long run and to have a full control of the quality of our product. We will not be dependent of another company for the manufacturing. It will reduce the risk of being forsaken by the manufacturing company and not be able to produce our product or to have a large increase on the manufacturing price. If we have our own manufacture we could perfect our test processes and firmware. January 2015: we will develop a network of official " GoPro stores" in order to extend the brand reputation and to improve the customer experience, Not only those store can help us to promote the product and provide to our guest information about the product, but it will also extend our horizontal line. To buy directly from us customer will have the choice to use in additionn to our website, the GoPro stores. Those stores will also help us to provide to our customer a better customer service.

VIII) Control

We will continue to build a strong relation through the social media to be immediately aware of the customer feedback and reaction about our new product. This will allow us to react very quickly in correcting any problem that may occur. We will also pay very close attention to our financial report and ratio to make sure that our company keep a high growing rate and make sure than the cost of revenue is keeping down. Or operating expenses are very high in promotion and research and development. However it's necessary in order of being ready for the output of the GoPro hero 4 in October 2014. Our customer service has been highly criticized in 2013 when

the problem with the GoPro hero3 happened. The customer service was hard to reach, the employees were rude, and customer couldn't return their defectives GoPro. The CEO Mr. Woodman apologized to all our customers and promises that the customer service will be improved. However in 2014 guest continue to complain about our customer support. We have to make it more convenient for our guest. We believe that is very important to have a good customer service for the future of our company. If the customer don't trust our customer service that mean they don't trust our brand and it give very bad image of GoPro.

I think than we should make things easier for or customer. Bring back the defectives product without asking too many question, hire and train or employee to be more effective and polite with our guest, and make the process to send back the product easier. Furthermore the centers to send back the GoPro are just in the US, in Netherland, and In Singapore. That mean for example than people in Chile have to send back their product in the US. As I said earlier if we develop GoPro shop in mains cities people would be able to send back their product to those center and it would be more convenient for them. GoPro is now a worldwide brand, we sell our product in more than 100 countries and we became a public company. It's just unbelievable that we don't get a better customer support. That will be one of the biggest issues for us for the next few years. However we made few improvements. People who buy a GoPro in the official store online can now send back the GoPro in the first 30 days after they received the product. No question will be asking and we will return the money back to our

customer as soon as we receive the GoPro. We will continue to improve it in a way to have better relation with our guest.