

Marketing individual assignment

[Business](#), [Marketing](#)



The team followed a fairly sensible process in terms of analyzing the core chunks of the assignment in order to build a roadmap with key milestones, corresponding roles and responsibilities as well as timeliness leading up to the key delivery date. This process being led by a Marketing expert in the group, we found ourselves in a position of privilege in terms of being exposed to an experiential marketing journey drawing from industry practice and his experience.

We started the process with a core group brainstorm session on defining key issues at Nixon from a global perspective, analyzed their position in the market to understand what their ranked positioning was in terms of market share and brand equity, identified their key competitors and ranked them in order of significance and looked at what the market trends have been in terms of camera users.

Lastly, we analyzed Onion's strategy in terms of key brand initiatives currently running to understand what their strategic focus was but also to be able to sensibly make a commercially viable proposition that could support the company's growth imperatives. We learnt in class that "Marketers should be the 'eyes and ears' or the 'radar' for their organizations, identifying threats and opportunities, devising smart target market strategies, understanding competitors' moves, while satisfying ever-changing customer buying behavior with value-enhancing propositions. (Linden, 2014). With this knowledge, following this level of analysis we were able to discover that Nixon along with their competitors were targeting a younger consumer demographic due to the shift in consumer behavior with the emergence of social media seeing a boom in consumers media, with

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reportedly 350 million pictures being shared on Facebook per day. This mechanization of technology had led companies like Nikon to rethink their commercial position in order to be able to remain competitive as there are nearly 6 billion active smartened users.

Once we understood the market traits, Nikon's global strategy to target a younger segment, we then proceeded to expand our horizons of better understanding who their consumers are. In order to do this we undertook a separate workshop aimed at using our collective experiences with cameras to define the various segments. This workshop resulted in us identifying 8 segments that we then agreed to conduct Global research. Understanding the primary function of Global Marketing as it speaks to making and selling what international buyers want, (Eking, 2014).

We decided to further explore their tastes and preferences when it comes to a camera, whether they even own one and what type of camera they would buy. We aimed to use this research to define a value proposition that would suit the market. In the absence of a vast consumer database, we undertook exploratory global research, survey based targeting university of Reading students because of the international representation of the University and also deployed social media in reaching a broader, less geographically biased audience.

Once this analysis was concluded, the importance of a sound marketing strategy became clear to us. Dibs et al (2012) talk about marketing strategy involving planning and decision making with the aim of identifying appropriate target markets and establishing a competitive advantage.

Furthermore, they speak of the importance of an awareness of the external trading environment and market trends, understanding the organization's capabilities and resource base, along with understanding changing consumer behaviors and expectations and most importantly a knowledge of competitor intentions and propositions.

As the team we brainstormed the internal, external factors using PESTLE and SOOT identifying key issues and potential opportunities for growth in introducing a new value proposition that could compete with the smartened, in a global arena. In coming up with a proposition we considered the trends in the market with smartened usage curtailing cameras, Onion's strategy to reinvent their brand by appealing to these smartened users, survey results and the key segments identified.

This along with the challenges of the technology switch, substitute competition cannibalizing camera usage through the marathoner takeover, new consumer behaviors and the new definition of the photography market. As well the fundamental understanding of the Nixon product range and competitor analysis. We subsequently came up with the recommendation to capture smartened photo enthusiasts by offering a similar proposition that could compete in the " Smartened" market.

The proposition was a smartened with a waterproof detachable case, slim fit and compact enough to create a similar experience to the smartened, while providing the enhanced feature of interchangeable lenses and a Nixon camera app allowing the user a better social outworking experience with links to Faceable, Instating and the likes. Strengths and Weaknesses

Strengths The strength of the team's proposal is that it seeks to address the issue of shifts in emergence of social media and the various photo enhancements that smartness now offer end users.

The survey research conducted revealed that there was a market base of 28% respondents who declared their intentions of purchasing a camera in the next year, while another 70% of users reported to share pictures online at least daily. This information confirmed the opportunity to offer this proposition, hereby leveraging the younger up and coming picture enthusiast who might become a loyal Nixon consumer as they migrate to other offerings. We saw this as an opportunity to serve this market through being flexible in designing a solution that seemed to fit their preference.

Another added benefit of this offering that majority of smartness are currently developing is the "waterproof feature" we felt even though the smartened market is fairly competitively aggressive with most companies targeting this segment, this feature would differentiate our proposition thereby affording it a chance at success. Lastly, we had hoped to leverage the lower cost base of this offering in being able to compete with dominant smartened brands such as Apple which sold 150 million phones in 2013 while Samsung sold 300 million.

We believed that their success and growth in the market while they maintained a fairly high price point was an indication of the likely success a similar proposition priced a bit lower could have. We aimed to drive growth for Nixon through capturing new markets, customers while reinstating the

brand's perception as innovator keeping with the times. Another strength of our proposition was the fact that

Samsung had introduced a similar proposition in the market, while they experienced some difficulties with the size of the smartened being reportedly too chunky to carry around due to the lens and further complaints about the low battery life, we sought to address these in the way our proposition would be designed thereby potentially averting these issues (see appendix 1).

Lastly, this proposition would offer Nixon an entry into the younger segment and emerging consumers that with time and increased spending power could develop to loyal Nixon consumer and remain within the brand. Weaknesses

The product proposition was developed following the survey conducted from 115 responses ranging from 15 years and older, with 15-20 and 31- 40 representing 27. 83% and 32. 17% respectively. In terms of geographic split, 56% were European with smaller proportions split amongst other geographies. The weakness in this is the obvious fact that sampling size was too small to be reflective of a representative sample to extrapolate globally. The survey results revealed that 50% of younger generation (15-20 years) didn't own a dedicated camera and also had no intentions of purchasing one within 1-2 years.

Only 9% of the (15-20 years) wanted to buy a compact camera, which is in fact a shrinking fairly small market. Based on these results, designing a proposition to serve this small, shrinking demographic seems limited in foresight. This coupled with the fact that our survey results showed that 86. 86% of the respondents reported not to use any accessories is another fact

against the design of a smartened with a detachable case. We also learnt through the survey that 68% of the respondents use their smartness to take pictures per week and not cameras and these users were quite happy with the quality of the strictures they took.

This further reveals the less likelihood of shifting the preference no matter how small and slim it may be. The point is the responded data in our case does not support the proposition we developed. In hindsight, it's a classic case of marketers conducting research already with a preconceived view of the proposition and finding that the results doesn't marry with the plan and subsequently discarding the research. It reminded me of the case we saw in class of the Apprentice group that went about randomized research at the train station asking people whether they loud buy car seats, wrong demographic, wrong research question.

Although in our case we had already developed our thoughts on the proposal and were merely looking for a fit with the research for validation. Another weakness of our proposition is the obvious fact that it's not an original idea as Samsung did the same. It was more of an enhancement of the Samsung K zoom. An argument had been made for the fact that our proposition is different to the Samsung K zoom because of the enhanced software features that would give it better picture taking quality instead of he lens zoom feature that Samsung had, however this is was actually not supported by the final product.

The product itself does in fact use the same “ lens detachable” format as the Samsung, see appendix 1 . This then begs the question, “ what will make our

proposition viable and competitive if it can't be differentiated so much from the current Samsung offering", bearing in mind that even the Samsung K zoom is not performing very well purely because of the smartened takeover amongst other factors.

Another obvious issue with the proposition is the fact that many other imitators will revert to the same plan as is already the case with Samsung. Therefore adapting the camera/phone with a cover is a questionable strategy in terms of its ability to truly differentiate Nixon and create a competitive advantage that can lead to further growth. The chances of this not succeeding to the degree envisaged are exacerbated by this and the level of aggression that competitors are already targeting this saturated market.

We could have put more emphasis on understanding the positioning of Nixon in the market to be able to see the likely impact this proposition could have from a competitor standpoint. According to Vermouth (2015), positioning maps for brand can help companies' spot gaps in the marketplace, see if they are launching into a crowded marketplace, understand who their closest competitors are and lastly have a better appreciation of the most important criteria customers' use when 'positioning' different brands in their minds.

Nixon being a premium brand offering high quality products at a high price point, a distinguishing factor of the brand heritage, the likely impact to the prestige of the brand, potential cannibalizing with the smaller sized cameras as well as imputation with the likes of Samsung could have been addressed.

Nixon is known for its professional camera brand, the cost related to the repositioning, customer engagement plan for this brand proposition as well as the price skimming strategy as a market penetration driver, would not be justifiable for the size of the price in realizable return on investment. Another process weakness in defining this strategy was the absence of current in-depth insights about Nikon's as this could have been possible through dialogue with them to actually tease out the concept.

It is inconceivable that they would've considered this type of proposition as their competitor Samsung has. However, we are not privy to their marketing strategy therefore we are not available to us at the time and of course collective team logic. An opportunity to test the proposition in the market would have been tremendously helpful in giving us consumer feedback and insights on whether or not the proposition addresses the consumer need, is user friendly and consumer would actually buy it for the proposed price point.

Potential Risk and Difficulty in Implementation The biggest risk with this proposition is the brand cannibalizing with existing brand offerings. Looms et al (2001) in their paper researching consumer responses to line extension, define cannibalizing as a reduction in sales volume, sales revenue, or market share of one product as a result of the introduction of a new product by the same producer.

This is likely to occur with the proposed brand inclusion of the detachable case in two ways; loss of new sales for the smaller cameras and reduction on repeat sales of existing customer of the smaller camera. Our survey revealed that 68% of respondents currently own a smartphone with no camera, if this

pool were to eye towards the detachable case then Nixon could see a reduction in their small camera sales.

Furthermore, the same could apply with already existing customers choosing to not replace their small cameras with the latest models as they would have the option of just purchasing a detachable case. Looms et al (2001) expand on this by stating that companies considering new product launches/line extensions would have to understand how consumers actually respond to a new line extension, where the new line's volume come from and lastly what the impact on the parent brand will be.

They propose doing this by monitoring and analyzing the share movements of parent brand and line extension, the level of cross-purchasing between buyers of the parent and the new line before and after the launch, comparing these with total category behavior before the launch and after the launch and lastly measuring the aggregate level of cannibalizing through market share analysis.

This could also have an impact to the brand heritage for Nixon as they would effectively be competing in the lower end of the market with the likes of Samsung, who currently is not even their main competitor. Nixon faces the possibility of alienating existing customers who enjoy the distinguishing factor of the brand as the “ professional photography’ targeting techno savvy customers. They could destabilize this brand image by targeting the lower end of the market.

In addition, Samsung has deployed the same strategy in the introduction of the K zoom and have met with some challenges relating to the quality of the battery life of the product, the size of the product and this proposition has not been as successful as they had envisaged in the market. Nevertheless, it is reported by the BBC (2013) that Samsung were able to leverage their position as the leading smartened brand with 95% market share in cushioning the sub-par performance.

This limits the size of the market available for Nikon to tap into and also highlights the challenge of many other competitors targeting this already saturated market. Lastly, there is also a major cost consideration of the financial impact of this proposition in terms of consumer engagement, promotional activity for the launch period as well as availability and cost of the required raw materials and the extent to which there could be economies of scale with similar offerings to lower the production costs. Arguments have been made in favor of streamlining propositions as a means to maintain costs, this is a potential returns.

At the end of the day, management would have to weigh potential benefit for potential revenue through the addition of this proposition against the likely cannibalizing, related costs and brand heritage. Requirement to Succeed
Nikon already have a successful brand “ quality brand you can trust” that is loved and revered amongst the professional photography market, that in a difficult economy ND market for cameras still managed to double its market share. Realigning into telescopes, medical and imagining has given them a

competitive edge and allowed for sustained competitiveness in these various arenas.

In order to remain competitive in this market where the future of the photo remains elusive they would have to simplify their portfolio, leverage their best performing products and off-board the ones that don't have a sustainable future. One of the options here could be selling the imaging unit to Sony as Nixon is already procuring their lens from them. This would allow Nixon to simplify its portfolio, product mix and thereby be able to focus on their high-end customers. This could give Nixon the advantage of being able to focus on the top end of the market where they are currently dominant and leading.

In addition this alternative would allow them to better manage their overhead costs related to the imaging division's costs, focus their brand strategy on the professional segment of the market and further grow their presence in this segment. This strategic positioning would signal to the consumers that Nixon is taking its reputation brand seriously by dedicating special focus to their established customers. Brand confidence could be further enhanced within the segment of customers who enjoy the "exclusivity" of the brand.

Other alternatives could be to enhance the modular cameras (laptops / cars analogy) through offering some degree of customization based on provided options such as outfaces, faster shutter speed, memory buffer, resolution, additional connectivity features. Putting more innovation into this could allow Nixon to enhance the range and thereby gaining more competitive

advantage in the market. Furthermore, selling the imaging division would be a simplification of the current product mix by selling cheaper Colloid cameras below IEE range (57 cameras).

This would also allow Nixon to focus its strategy on the professional photography segment instead of trying to reach the bottom segments. The benefits if this would also be a reduction in costs, brand strategy focus and potential upgrade of current customers who are in this segment to the next tier of professional photography. This would also present the opportunity to further the development of the professional segment through the ability to focus sources such as R on this rather than having to share resources amongst other products.

Lastly, their marketing team and resources would be pulled into the development of this premium brand and expand marketing activities to other sponsorships and associations. More promotion and product positioning opportunities could arise through partnerships with key sports figures, sports events, journalists and professional photographers. It has become evident with the shifts in consumer patterns that the “future of the photo” is being more and more elusive and being further threatened by technological advances.

Nixon needs to remain ahead of this curve by making long-term focused brand strategies that will allow them a staying power in the market through being able to predict consumer behaviors and provision for these. This ability can be achieved through disposing of the imaging division to actually be able to focus on core brands that currently perform well in the market and

have staying power, rather than trying to fend off competitors for a shrinking market in the imaging space. Potential Ethical Issues in Implementation “ Ethical principles can be categorized into two distinct vantage points: Deontological and Utilitarian.

The deontological view of ethics has religion as its roots and favor obligations, responsibilities, and fairness over desirable consequences. The utilitarian ethical view is to look primarily at the consequences to determine if a particular situation is ethical. ” (Charles, 2003). In examining the ethical considerations for the implementation of the proposed proposition of launching a detachable case Nixon would have to consider its ethical considerations in three phases; before, during and after implementation.

Before implementation considerations would include answering questions related to how they would engage possible immeasurable high cost implementations due to uncertainties, how to ethically use superior knowledge of the subject and avoid overselling it and lastly how to manage the tensions between being innovative yet still loyal to the company. In addition issues related to post implementations phase about the likely impact the proposition would have on the business and society would also need to be addressed.

These include considering how living standards and quality of life relates to people’s desire to capture memories or precious moments with cameras/ smartness and how they can enhance this. Whether or not the new proposition has any negative effects on the business and what kind of impact it has and how this can be mitigated. A deeper understanding of how the

proposition could better or hamper with society's wellbeing would be necessary. In the case of a camera arguments could be made for the flashbulb effect on people with visual defects and how they seek to minimize this impact.

Another consideration would be the likely controversies of the camera not being used in socially acceptable or legal situations and how this can affect not only their brand image but the dignity of the individuals involved. Other factors applicable to Nixon relate to environmental considerations such as how clean energy / Greenback / activists movements and their follower preferences can impact their purchase decisions towards Nixon. How to mitigate impact of nature on actual products during design stage.

Nixon understands and aims to reduce its impact by reduction of CA emissions, waste reduction, and energy efficiency of products as part of their green strategy. Legal forces Nixon will also need to be aware of regional legal requirement on warranties, how refusal to service cheaper grey imports across regions can negativity towards Nixon. How changed regulatory requirements may affect product design and packaging. What is enforceability of patents across regions? And how can it be used to drive competitive advantage in the future vs. licensing?