

# Intel

Business, Marketing



Situational Analysis Intel is one of the worlds largest and highest valued semiconductor chip makers, based on revenue. Intel designs and manufactures advanced integrated digital technology platforms. The company manufactures motherboard chipsets, network interface controllers, integrated circuits, flash memory, graphic chips, embedded processors and other devices related to communications and computing. Intel entered 2014 with leadership positions in important business segments, including client computing, the data center, software, embedded systems, and NAND flash memory.

Intel's corporate strategy is to be the preeminent computing solutions company that powers the worldwide digital economy. To succeed in this changing computing environment, Intel needs to focus on the following key objectives:

- Strive to ensure that Intel technology is the best choice for any computing device, including PCs, data centers, cloud computing, ultra-mobile devices, and wearables
- Be the platform of choice for any operating system
- Maximize and extend their manufacturing technology leadership
- Expand platforms into adjacent market segments such as the mobile market.

Intel faces significant competition in the development and market acceptance of technologies and products in this environment. They are a leading provider in the PC and server segments, where they face existing and emerging competition. In the PC segment, smaller mobile devices, such as tablets and smartphones, offered by numerous vendors have become

significant competitors to PCs for many usages. They are a relatively new entrant to the segments for tablets, smartphones and similar mobile devices which we believe they should focus on.

### SWOT Analysis

#### Strengths

- Commitment to Research and Development (R&D)
- In-house manufacturing capability
- Large and loyal customer base
- Innovation
- Market Leadership

#### Weaknesses

- Downside trends of PC Sales
- Underutilized capacity
- Few products

#### Opportunities

- Develop new products to utilize capacity
- Target mobile market
- Growing markets

#### Threats

- Rise in competition
- Very Dynamic industry
- Customer preferences/changes in demand

#### Opportunities

After identifying the key objectives and analysing the SWOT Analysis, Intel has a distinct opportunity at this time to enter into the mobile market. By

entering in the mobile market, Intel can take advantage of an ever increasing demand for the newest and latest smartphones. This growing market of technology has been dominated in recent years by Apple and Samsung.

In a recent article, the top selling smartphones worldwide mostly consisted of Samsung and Apple products. Although Apple has the highest selling product in the iPhone 5s, Samsung has the number two, three, four, eight, and ten highest selling smartphones. The Samsung Galaxy S5 is their best at the second spot. In the United States alone, iPhones are still the best seller followed by Samsung. The Android is still the best platform followed by the iOS. As far as OEM's are concerned, Apple and Samsung are the two big players here in the United States. Intel is the leading semiconductor for many of the components that go into the different operating systems that are found in many of the smartphones today. This is why Intel has the opportunity to step into a market that has been controlled by two companies in recent years. Intel can manufacture many of the components themselves and offer customers the most powerful and cutting edge technology for smartphones in their own private label. Intel could put the newest motherboard chipsets, network interface controllers, integrated circuits, flash memory, graphic chips, and embedded processors in their own phones ahead of the competition. This would give Intel the competitive advantage.

#### Market Strategy

Intel has to invest continuously in research and design to be better and survive the competition. For a successful run in the market amid stiff competition, Intel will come up with a superior of marketing policy.

Fierce competitions from the competitors such as Samsung and Apple have forced Intel to employ competitive strategies to weather the competition and remain competitive. Price reduction is not a prioritized policy for accompany with a strong brand such as Intel as it negatively affects its brand. The best policy Intel can adopt is to modify, diversify or introduce new brands in the markets to add to the list of the product portfolio.

Samsung and Apple have been able to weather competition owing to the strength of the markets reinforced by the introduction o the smartphones under the brand name. It is with this similar move that Intel can use this strategy by integrating powerful motherboard and the hands on experience in running the integrated circuit to produce one of the world best smartphones.

The move is supported by this basic premise. Introducing a new product is a risky business due to costs involved in terms of advertising and acquiring of capital and human resources. Besides, many new businesses have high chances of failure as competing with well-established businesses is hard. In this regard, the best marketing strategy Intel can adopt is adopting a brand extension. As the brand is the image of the company, and customers have already identified Intel with the products, a new product can be introduced having the same brand name. This would reduce the costs associated with an introduction of a new product in the market and in the end improve Intel performance in the market.

#### Works Cited

Intel. " Intels Emerging Market Strategy: Sustainable Computing for Developing Countries." Emerging Markets platforms Groups (2013): 2-28.