Perceptual maps in marketing

Business, Marketing



Perceptual maps in marketing – Paper Example

The motorcycle industry is growing annually and sales on CruiseThorr at Thorr Motorcycles are decreasing. This is largely due to its target customers, 35 to 50 yrs old, growing older and no longer being interested in the lifestyle that CruiserThorr symbolizes. Other factors include younger customers, in the age group of 21 to 35 yrs old, preferring low-cost motorcycles as they do not have large disposable incomes. Younger customers do not identify with CruiserThorr's lifestyle image and competitors are eating into CruiserThorr's market share. In order to reduce this trend, the following marketing plan is recommended. Lifestyle Image

Using a perceptual map to define which attributes are important for consumers, lifestyle image shows to play an important role at Thorr Motorcycle. Lifestyle images is the most powerful attribute as it influences consumers to buy into the image rather than the functional attributes of the motorcycle (Armstrong, G., Kotler, P., 2009) . It gives Thorr Motorcycle's a national identity and allows a subculture to be created. Lifestyle image helps evoke emotional connections between customers and their desires for the specified market. Quality Engineering

A motorcycle can not maintain a high image without quality engineering as it covers almost every aspect of the product. Quality engineering ranks high among Thorr customers. CruiserThorr's positioning is when you buy a Thorr motorcycle you are receiving an elite brand that will last decades. Maintaining Thorr's product differentiation is easily done by providing a product with quality engineering. Services

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Services are simple, but time-tested ways of ensuring customerloyaltyand keeping dealers and distributors happy (Armstrong, G., Kotler, P., 2009). If the dealers are happy, they are willing to push your product. Dealers are also the person customers see and deal with so ensuring that they receive the knowledge and training is essential in providing excellent service to consumers. Price

Ultimately for many consumers, price drives the purchase decision (Armstrong, G., Kotler, P., 2009). The higher the price the higher the image in many customer minds. Designer name brands come with a price and consumers are well aware of that. With quality engineering, additional services, and a nationally known brand image, Thorr's prices can remain on the higher end of the scale then competitors. However, to keep the younger customers intrigued with Thorr's products, launching a new motorcycle priced for this younger market is recommended. Scenario 2

Perceptual maps reveal CruiserThorr's position in the market has not been helping sales. Changing the current marketing position completely and introducing a new motorcycle geared to a younger market will help revive Thorr's sales. Deciding on its features and price can be evaluated by using additional perceptual maps and customer surveys on Thorr's target market. Price

Introducing a motorcycle called RRoth at an affordable price will entice younger crowds. Keeping the price around \$13, 000 - \$15, 000 has shown to be what the younger crowd can afford since they do not have disposable incomes. RRoth's positioning is to be known as the cool, young man's motorcycle that has the same quality engineering as the Daddy bike, CruiserThorr. RRoth can differentiate themselves from competitors by having the best fuel efficient motorcycle on the market. Promotion

Providing giveaway merchandise and sponsoring events like Daytona will help attract the younger crowd in noticing the new RRoth. Promoting this new motorcycle at events that younger crowds attend is essential in getting the news available to the new target market. Offering insurance and protection plans may also help as often times younger markets overlook this important aspect of motorcycle riding.

Place Dealers, Distributors, and the Internet are great ways of offering this new motorcycle for sale. The Internet has the ability to reach and attract the younger crowd as it has been a recent development over the last 20 years. Many purchases are being handled online and with busy lifestyles, the Internet makes it quick and easy without the hassle. Services

Training dealers, customization options, financial services, and services to owner groups are all important. Younger customers have shown a preference for financial services according to surveys conducted. Customization is important to those consumers that want to spend more time andmoneyacquiring a unique high end product. Training the dealers pays off with excellent customer service experiences which will help retain customers. Scenario 3

After a year of of implementing a new motorcycle, it is time to review the data to see if CruiserThorr has increased sales and regained the younger

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market crowd as anticipated. Customers were surveyed that own CruiserThorr's and RRoth's in order to determine where the Thorr brand currently is within the motorcycle market. Using perceptual maps helped develop new opportunities and reconstruct a marketing strategy to regain sales and new customers. Results

Data shows that CruiserThorr is a status symbol and by increasing services it helped increase the consumers love for their cruisers. Keeping services rated at a 9 or higher on the perceptual map was a good move. Quality engineering should be at an 8 or higher on the perceptual map as customers indicate that the CruiserThorr's engine is the best of the best. Increasing the financial services for consumers helped ensure they would be able to afford the CruiserThorr. Assiging a middle value of 4 or 5 to price was intentional as consumers know that CruiserThorr's are priced high.

According to the RRoth data, lifestyle image, cool, price, and quality engineering were at the top of importance to the younger target market. The RRoth was also a status symbol among the younger target market and was assigned a 7 on the perceptual map. Introducing the new RRoth helped lower the usage cost of owning a motocycle and was seen positively by consumers giving the price data a number of 8 on the map. Maintaining a coolness to the bike was important enough to score an 8 on the perceptual map as younger customers found this to be important to them. Quality of engineering was assigned an 7 as introducing a fuel efficient model was exactly what the younger crowd was looking for. In addition, it would have been beneficial to include advertising with Hollywood action films. The target market not only watches these movies, but wants to replicate the actors and actresses in these movies. It would help secure the idea of the Thorr brand being of quality and for the elite as well as show off some of the customization possibilites they offer.

The repositioning of this product was as expected for the most part. Different bikes will attract different target markets and by expanding Thorr's products to include a wider market, it helps increase sales. The way Thorr differantiates and positions themselves within their market also plays a part in their continued growth. Thorr understands the importance of setting themselves apart from the competition by offering a suprior product with quality engineering, reasonable price, and customization options. Thorr also understands by differiantiating themselves this way, it helps their positioning of building a well-known household product name.

Differiantiate and positioning go hand in hand. Positioning gets the customer to remember ones particular name brand over another by differianting ones product. Without one, you can't have the other. You can't differiantiate your product if it doesn't have a position in the customers head and it won't ever have a position in the customers head unless it is differiantiated.

While the CruiserThorr was in the maturity to decline stage of the product life cycle, they had a few hard choices to make in order to stay in business and maintain their image. Thorr decided on introducing a new product to revive their image and increase their market. Product life cycle is important to know and understand as it effects a ones product, price, place, and promotion. Defining the stage ones product is in can help make decisions that will affect the marketing strategy.