

# Product selection for marketing research analysis

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



This is for the expansion of customer base and for the growth of a new segment in HAVE. This new segment is sure to grow significantly once plan is set into motion. For more than 30 years, Mediumistic Electric Cooling & Heating has enhanced people's lives by improving comfort, conserving energy, and promoting environmental around the world and in many industries. They are best known for their quality and guarantee of all products they manufacture and sell. The ductless mint-split system was developed to eliminate the extra materials and time required for installation and replacement of residential and small commercial arced air HAVE systems.

The company will focused on the residential homeowner who owns a house that is 15 years and older. The reason for picking this market is because majority of these homes will be in need of system replacement. The ductless mint-split system is approximately 30% less to purchase and have installed compared to the traditional forced air ducted system. The efficiencies of a standard forced air ducted heating and cooling system has a 13 SEER energy rating, which is much lower than the ductless mint-split system which is rated at 25 SEER energy rating.

The higher SEER rating of the ductless mint-split system qualifies for up to \$300 in Federal tax credits. The system will be promoted through current customer contractor base with the opportunity of offering in-house training and demonstration of working showroom display. Cold calling new potential contractors to introduce the mint-ductless system will be done with current sales force. The usage of the internet for new product offerings and sales

promotions will be done through current website; Mediumistic Electrics find a dealer website, Backbone and Linked websites.

As explained in the following market analysis Mediumistic Electric ductless mini-split system will be an excellent fit to the company's product line offering. The system will grow the company into a larger area of the HVAC market and retain industry leadership in innovations. 2. Marketing Mix Product: Product Line - Mediumistic Electric offers a wide variety of heating and cooling mini split-ductless systems that meet many applications. The systems are capable of heating a single room in a home to multiple offices in a large commercial building delivered by a split-zoning ductless system.

This type of product is sought after by the consumers because " they save energy, eliminate the potential for in-duct mold growth, eliminate the space consumed for duct runs, and are easy to install in retrofits, as they do not need ducts (Roth, Shall & Akers, 2013, page 1x). " Quality - All Mediumistic systems meet or exceed industry-standard requirement of 13 SEER for efficiency. Mediumistic has systems that deliver up to 26 SEER, qualifying the system for up to \$300 in Federal tax credits for energy-efficient home improvements to consumers (Mediumistic Rebate, 2013). Also all Mediumistic systems are covered by a

Limited Warranty, which includes a five-year warranty on parts and a seven-year warranty on the compressor. Benefit - Mediumistic's multi-head split systems are designed to heat and cool individual rooms. The benefit is that it gives consumers the ability of only heating and cooling rooms frequently used, saving them on energy costs. A central heating and cooling system heats or

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cools all rooms including those that are not frequently used often resulting in energy waste and higher utility bills. Price: The Installation costs for split systems are lower than that of a central air duct system.

There is less material needed which means less time spent on installation, and lengths of small-diameter refrigerant piping are easier to install than lengths of ductwork. The cost of the system and installation is a less costly option (by approximately 30%) than installing a condensing air conditioner (CA) and condensing furnace in a very low-energy home (Roth, Shall & Akers, 2013, p. 13). The \$3,000 installation savings along with up to a \$300 Federal tax credit and overall annual energy saving increases the price savings for the consumer. Promotion:

Information on Mediumistic ductless system can be distributed to consumers through brochures supplied by Mediumistic. An in-store working display can be setup for consumers to see, feel, and operate before purchasing. HVAC contractors will be the first group to target when promoting the product since a licensed contractor is needed for installation. Demonstrations of product can be done at home improvement stores and local home improvement shows where the public can be aware of this system. Place:

The Mediumistic ductless system can be found through wholesale distributors and where the systems can be ordered and where to pick them up.

. Environmental Scan Social: The target market will be homes that need HVAC replacement systems. This market has more than 20 million homes in the United States with electric resistance heating and cooling that should or will need replacing (Pratt, 2012, p. 20). Although this is a big market the

ability to install a ductless system may not be in the best interest of the homeowner because of location and ample electric utilities available to run system. Economic: Number of units sold annually will be based on the strength of the economy and incomes of homeowners.

To overcome this, Mediumistic offers a financing program that any distributor or HAVE contractor can offer the consumer for the success of selling more systems. An issue with this is the consumer may not qualify because of not meeting all requirements for credit and may result the consumer to used credit card or home equity loan for purchase of the system. Technological: With over 30 years Mediumistic is a step ahead of the competition when comparing ductless HAVE systems. All Mediumistic Electric Cooling & Heating products follow standards and guidelines as set forth by the ENERGY STAR, EPA, AIR, JILL, SHARE,

TTL, and ISO (Mediumistic Technology, 2013). Mediumistic Electric is continually threatened by the competition and the ability of them beating their technology. Competitive: Mediumistic is a well know name around the world and known for their high standards of quality. Like for like Mediumistic is very competitive with price amongst their competition. Compared to a standard forced air HAVE system the ductless system costs much less to purchase and install giving the consumer a higher performing system.

The income level most likely to purchase will be mid- income between the ages of 35 to 55 that live in homes that are 15 years or older. The homeowners in this category are most likely wanting to adding value to their home by means of updating. Homes that are older than 15 year have

heating and cooling systems that are inefficient and ready to be replaced because of age. Replacing the system not only adds value to the home it also saves the homeowner utility costs which is what the homeowner is also looking for. . Ethical Issues Mediumistic Electric conducts business that is in compliance with the law and industry standard rules. Mediumistic Electric has publicly published their " Mediumistic Electric Group Conduct Guidelines" that explains every part of how they will do business ethically. Mediumistic Electric states " we will conduct ourselves always in compliance with applicable laws and with a high degree of sensitivity to changes in social ethics or local practices (Mediumistic Conduct, 2010 peg. 6)".

This shows that Mediumistic Electric conducts business in the best interest of the consume and by publishing publicly their conduct guidelines they are having others hold them accountable this is something they should be commended for and used as an example of what all their competition should be required to do. . Social Responsibility Issue One of the many things that are important for a company to do is give back to the community. There are many companies that do this to show their thanks and Mediumistic Electric is one of those companies. Mediumistic Electric & Electronics USA, Inc. Pompons the Mediumistic Electric America Foundation (MIFF), which works to improve the quality of life for young people with disabilities. Mediumistic Electric Cooling & Heating supports MIFF through the Leading Others through Voluntary Efforts (L. O. V. E. ) Committee. This is Just one area that Mediumistic Electric is involved in he community and a sure plus with consumers that are aware of this. 7. Global Marketing and the Internet Building an internet presents to reach as many HAVE contractors and

homeowner as possible globally will further advance the sales of Mediumistic Electric ductless Systems.

Being found on the internet easily will speed up the number of people on certain ductless lines. An instant presents will be the use of Mediumistic Electrics web sight where consumers go to read about ductless systems. There they can find distributors and contractors under Find a Local Dealer in your area so they can intact for additional information. When they click on this search and find a local dealer they get contact information and company web sights of the dealer or contractor they can buy from. Backbone is another site for presents to be made for the Mediumistic ductless line.

There a dealer would get connected with Mediumistic Electric and be seen by millions of other affiliations. The distributing dealers Backbone page will start its circle by friend requesting current contractors and other businesses that are currently buying from them. The distributor's web sight page will have a link to their Backbone page or everyone visiting. This can also be duplicated on the web sight Linked to further build presents. Care will need to be taken when the company introduces the ductless system online.

The web sight will need to be designed to follow with in the laws and guideline for city, state, and country that it will be available in. 8.

Recommendation The Mediumistic Electric name alone is well known around the world and will need little explaining to who they are as a company. The work will be in marketing the ductless system line and this can be done by the use of brochures to current customer base. Marketing is going to be

about informing the local market and where to go to buy the system. Word of mouth will be the strongest form of marketing to build up sales.