

Case #24: tivo, inc: tivo vs. cable and satellite dvr

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Case #24: TiVo, Inc: TiVo vs. Cable and Satellite DVR Case #24: TiVo, Inc: TiVo vs. Cable and Satellite DVR Regarding TiVos marketing strategy: What is the main marketing strategy for TiVo? Is the strategy sufficient to bring glory or at least give profitability for TiVo? Are changes needed in order for TiVo to perform better, in terms of marketing their product?

The main marketing strategy of TiVo is to sell their units to the customers and to encourage them to subscribe to the services they offer (Drip-marketing-expert. com, 2011). It is also their strategy to create alliances among cable operators and satellite networks (Hoffman, Halim, Son, & Wong, 2013). Part of TiVo's strategy is to have service partnerships with networks such as NBC and Discovery Communications (Hoffman, Halim, Son, & Wong, 2013). These strategies are not enough to give profitability to TiVo as observed in their financial statements. Cable and satellite providers are slowly eating up TiVo's market share.

The suggested change in the marketing strategy of TiVo is to emphasize its product features and how they differ from the simple cable TV provider. Its unique selling point as compared with its competitors must be highlighted, that is, it is a combination of the " best entertainment from cable and the web together in one place" (TiVo Inc., 2013). Advertisements of TiVo should draw attention to the fact that TiVo is not an ordinary DVR. As can be seen in Exhibit 1 of the Case TiVo, Inc., they have more features than cable or satellite providers (Hoffman, Halim, Son, & Wong, 2013). However, their target market may not be aware of these advantages of TiVo. It is therefore necessary for TiVo to change their marketing strategy so that these features are communicated clearly to their market. This move will not only bring back

their former clients, it will also encourage new ones. Furthermore, TiVo should let the market know that they have partnerships with Netflix, Amazon, Hulu Plus, YouTube, Pandora and Rhapsody; thus, offering an unmatched selection of more than 100, 000 movies and shows and millions of videos and songs (TiVo Inc., 2013).

2. Regarding TiVo's future: Do you agree with the following statement? Why or why not?

" Without financial back up, it is hard to see TiVo's existence last long in such a highly competitive industry unless TiVo does something about it."

One agrees that to assure that TiVo's future will be bright, it is important that they have the necessary financial backing. Presently, TiVo has been experiencing financial woes and if this continues, TiVo might not be able to brace up for the very competitive industry where they belong. TiVo must be able to invest a lot of its resources in research and development if it wants to last in the industry. The industry where TiVo belongs is one which is fast paced. A slowdown in research may throw-off TiVo because their competitors are very aggressive and are always looking for the latest technological advancement to be able to capture the market.

References

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