

Microsoft marketing plan

[Business](#), [Company](#)



Microsoft Corporation

1. 1 Executive Summary

The purpose of this article is to highlight the current marketing strategies of Microsoft Corporation and also to identify the lacking areas where Microsoft should develop new strategies to with stand with the throat cutting market challenges.

1. 2 Mission Statement

Empower people through great software anytime, anyplace, and on any device.

1. 3 Our Values

As a company, and as individuals, we value integrity, honesty, openness, personal excellence, constructive self-criticism, continual self-improvement, and mutual respect.

We are committed to our customers and partners and have a passion for technology. We take on big challenges, and pride ourselves on seeing them through. We hold ourselves accountable to our customers, shareholders, partners, and employees by honoring our commitments, providing results, and striving for the highest quality. (Microsoft Corporation, 2010)

1. 4 Company Profile

At Microsoft, everyone one is motivated and inspired every day, by how their customers use their software to find creative, solutions to business problems, develop breakthrough ideas, and stay connected to what's most important to them.

Microsoft run business, in much the same way, and believe in their five different business divisions, which offers the greatest potential to serve customers. They are:

- Windows ; Windows Live Division: Includes the Windows productfamily, and is responsible for our relationships with personal computer manufacturers, as well as online software and services through Windows Live.
- Server and Tools:

Software server products, services and solutions, include: Windows Server operating system, Microsoft SQL Server, Visual Studio, Silverlight, System

Centre products, Forefront security products, Biz Talk Server, and Microsoft Consulting Services. c. Online Services Division: Consists of an online advertising platform with offerings for publishers and advertisers, and online information; offerings such as Bing and the MSN portals and channels. d. Microsoft Business Division: Includes the Microsoft Office suites, desktop programs, servers, and services and solutions; Microsoft Dynamics; and Unified Communications business solutions. . Entertainment and Devices Division: Consists of the Xbox video game system, including consoles and accessories, Xbox Live operations, Zune digitalmusicand entertainment device; Mediaroom, mobile and embedded device platforms, Surface computing platform, and Windows Automotive. We are committed long term to the mission of helping our customers realize their full potential. Just as we constantly update and improve our products, we want to continually evolve our company to be in the best position to accelerate new technologies as they emerge and to better serve our customers. (Microsoft Corporation, 2009) 1. 5 SWOT Analysis . 5. 1 STRENGTHS: i. Microsoft is one of the huge reputable global brands currently in the market. It is recognizable for couple of reasons, it was known to be one of the largest software developers and it's developed a customer base of near about thirty million people all around the world. ii. It has built its brand image on the successful development of its computer software namely the Windows series of products. iii. Brand is everything, Microsoft is one of the best established, highly visible and healthy IT brands in the World, and holds a very loyal set of passionate customers that advocates and uses the brand.

By loyal customers, it means that Microsoft retains old customers as well as recruits new ones too. iv. The corporation is alienated in several central offices inside the United States and all around the globe making the distribution channel and development of its products easily approachable to every consumer. It helps the company to launch new products and services across the globe at the same time. 1. 5. 2 WEAKNESSES: i. Microsoft lacks a solid client age and service support centre on the internet.

This issue has to be rectified in order to overcome since problems and bugs with regards to their products must be fixed rapidly to attain efficiency. The lack of a customer service centre would erode the integrity and quality perceived by costumers on Microsoft products. ii. Generally Microsoft products have compatibility issues with different hardwares and softwares platforms manufactured by other companies, hence this sort of compatibility issue would then limit the ability of the customer to buy all products made by Microsoft since it would affect the stability and performance of a computer. ii. Microsoft does not share the programming codes of its softwares making modification difficult if bugs and other malfunctions are detected by programmers not affiliated to the company. 1. 5. 3 OPPORTUNITIES: i. Microsoft has expanded its market share by entering into the Chinese market by producing computer programs based on the Chinese language and giving discretionary authority to the Chinese government to censure and to eaves drop on emails, documents and webpage. ii. Microsoft has also diversified its products.

During the past years the company has ventured into fields such as game design, game developing and publishing and the production of game

consoles such as the Xbox. iii. The company has also branched out to provide free email and news services to its customers. It has also developed softwares and computer programs that are vital in organizing business spreadsheets and data. 1. 5. 4 THREATS: i. Microsoft has created a set of example for all existing and forthcoming software developing houses to follow the same footsteps for such a drastic success. ii.

Early competitor of Microsoft in the operating systems industry is the Linux program which was developed by independent programmers. this program gave very tough time to Microsoft due to of its user friendly and can be obtain free of charge. iii. Because the company is diversifying in various fields it started to compete with the products being produced by such companies who have been experts in their parent industry. The company might eventually lost its battles in making its products competitive when put side by side with products made by corporations which has established heir name and reputation to the customers. iv. Microsoft is losing its market share steadily, due to increase in competition and diversified products offered by their competitors. A recent publication (Thinking Made Easy: SWOT Analysis of Microsoft) 1. 6 PESTEL ANALYSIS APESTEL analysis is a set of tools or an investigation of the important factors that are chronologically changing which influences on a business externally. PESTEL is abbreviated as Political, Economical, Social, Technological, Environmental ; Legal impacts.

Politically influences on organisation like abrupt changes in government, inconsistency in their policies. Economic changes relate to changes in the macro economical conditions such as unstable economical conditions, rise in people standards or fluctuations in interest rates, etc. Social changes relate

to changes in society (either globally or locally) such as changes in lifestyles e. g. more women going out to work, changes in customers buying behaviours. Technological changes relate to the entrance of new high tech inventions and ideas such as the development of the robotics and internet as business tools.

Environmental changes means the impact on production oriented organisation with the environmental policies like all textile manufacturing units were transferred to Asian markets from Manchester UK due to its adverse effect on the environment. PESTEL Analysis a. Political Microsoft is highly affected by the political scenario there in USA. Microsoft is becoming one of the giant companies globally. It has created huge monopoly across the globe. US government is now trying to break up Microsoft into several different companies so that to maintain equal competition throughout the market.

One of the other reasons in splitting up Microsoft Corporation that it is becoming so much stronger that it could be a threat for even US government in near future. b. Economical Being such a versatile company and the market share they have, Microsoft plays major role in bringing up the country economies they have set-upped their businesses. According to an independent studies that the economies of the country shoots up three times when Microsoft starts businesses in that country. c. Social

Microsoft has an edge on all of its competitors that socially more people are inclined towards Pentium platforms so naturally it helped a lot to have more market share rather than others. Market segment of Pentium users is considerably very huge but it would be threat for Microsoft that they are

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losing its share with an average pace, due to their unsatisfied customers. d. Technological It was a decade earlier that Microsoft was the leader in producing high tech softwares and gadgets, but now they are getting tough competition from global phenomenon brand ' Apple'.

No doubt Microsoft adopts and market new technology as soon as it could be but still i e. Environmental Microsoft follows very strict policies to make sure that the company remains in full compliance with international environmental regulations and the specifically environmental requirements of each country/region where they are doing their business. Microsoft reduces waste disposal, where possible through source reduction and recycling at company facilities. All waste safely and responsibly handled and disposed of properly. f. Legal

Microsoft is playing vital role in legal aspect of their pirated products like Windows and other softwares. They are trying their level best to reduce the usage of their pirated softwares. They are introducing different security features which may reduce the usage of pirated products. 1. 7 Porter's Generic Strategies Michael Porter has proposed three generic strategies that provide a good starting point for strategic thinking; overall costleadership, differentiation, focus and combination of all these three strategies is known as stuck in the middle.

Microsoft is a versatile company it produces series of products and services which caters different market segments, and according to every particular segments they developed their specific strategy for different product segments. a. Overall cost leadership Microsoft's has out scoured its major

software houses towards Asian markets, that help them to develop efficient and yet low cost softwares with low overhead or manufacturing cost.

The added benefit of companies going globally is that they get access to their local market, and one of the reasons Microsoft has established software house in India is to expand their Indian market share. b. Differentiation The other strategy which Microsoft is keep following since very early stages, is of their differentiated products and softwares. With the launch of Windows the most user friendly and c. Focus Microsoft has narrow down its market segments, they identified the need of their customers and created segments within the segments.

For example at first there was only one segment of computer games lovers but now Microsoft has narrow down this segment and created a separate gaming console for gamers called Microsoft Xbox 360. 1. 8 Implementation Plans As a marketing adviser, I would redefine the marketing structure by improving their segmentation, targeting and positioning strategies. Last year Microsoft launched Xbox 360 gaming console, it was segmented for kids to teens gaming needs and it was positioned as a complete home entertainment solutions which merges video gaming, internet and DVD playback.

The Xbox 360 is the most robust and high tech gaming console in current market. Sony Playstation 2 is currently the market leader with almost more than 50% of the gaming console market share. The Xbox was launched the previous year and positioned as the complete home entertainment solution combine video gaming, the Internet and DVD playback. The Xbox is the most robust gaming console on the market, but faces stiff competition in its

product category. Microsoft is trying its level best to become the market leader in this category by dethroning Sony.

To accomplish this goal, Microsoft has to restructure its targeting strategy; specifically they should stick to a specific age group people so that they could focus their efforts on them. They should more focus on people aged between 16 to 24, due to the high tech device and this age group are very high gamers. This age group people are substantial knowledge how to use high tech equipment and themselves fascinated by the entire features Microsoft is offering. Secondly, these age group people are good source of marketers by influencing their friends and family circles by introducing them and flavouring them its joy.

Considering various opportunities and challenges ahead, Microsoft must continue to narrow down their campaign specifically on the heavy male gamers, since this demographic category are usually trendsetters in the society and they are even very early innovators too. Microsoft should work out on the differentiation strategy, in the current market scenario Microsoft is the only one who is offering online and network gaming on their gaming consoles where as Sony and Nintendo are not offering such features, so Microsoft should invest more capital for marketing in such area which make them set ahead among their competitors.

In the software development side, Microsoft is facing huge customers losses by one of its competitors namely OpenOffice, they are offering complete range of office softwares free of cost, thus giving very tough time to Microsoft Office software, in such critical situation my opinion would be going towards differentiated strategy.

Technically Microsoft should develop such uniqueness in their Office software so that customers (majority of them are students) can't think to adopt free softwares rather than paid one, customers should have high perception in their mind that paid must have great value rather than free one. This can be achieved if Microsoft creates a monopoly by creating incompatible extensions of Office which can only be viewed and edited on exclusively Microsoft Office. Bibliography Hollensen, S. (2004). Marketing Management.

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