

Neopets customers

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



NeoPets, Inc. was established in 1999 and is a free virtual online world which targets the youth. It creates an interactive world for its users where they own virtual pets, play games, trade imaginary items, interact with other NeoPets customers (Schnuer, 2005, p. 1). The customer base is about 178 million who own virtual pets and play online games through the site. The page is available in 11 languages with close to 867-plus billion page views. The primary revenue is derived from the advertisers and through the merchandise sales (those inspired by the characters on the website).

Immerse advertising is applied, where the message is communicated through the games and activities online. QUESTIONS 1. The past has witnessed many successful children's products like Ninja turtles or Hula Hoops lose popularity and turn into a fad. However, NeoPets can prevent the same by maintaining its strategic marketing course of action. The marketing orientation should be focused on the target market and product diversification. Since the primary target audience is the youth, NeoPets should keep adopting innovative methods and adding creative contents.

The website should add further puzzles or games to engage the attention of the users. The characters seen on the site can be introduced as toys or be a part of a movie/video game in the future, to increase their popularity among its users (Wingfield, 2005). Neopets, Inc. is already making initiatives on these lines and is in talks to develop video and cell phone games (p. 1). The company should also try and customize its products according to customer needs. Adding benefits and features according to customer suggestions and requirements would help them maintain a customer oriented image.

The website should also maintain the technical stability and ensure that any problem is fixed immediately. The company should also abide by its socialresponsibility, meet regulatory requirements and serve the society. 2. The success achieved by NeoPets can be accredited greatly to the word of mouth advertising (Schnuer, 2005). Word of mouth has helped the website gain many new users to join and be a part of their online activities and communities. However, it is noticed that popularity for children products go through cycles of a sudden rise and a unexpected decline.

So assuming that the word of mouth technique would hold the same results in the future would not be justified, especially with tough competitors like Disney's Club Penguin entering the market. A report by Fletcher (2008) states over 30 virtual sites are targeting the tweener (8-13 years) segment; so it is increasingly important to have better structured promotional activities. The strategic marketing strategy which combines the sales, customer and production marketing orientation should be adopted. Continuous product improvement should be insisted upon.

Viral marketing (where the existent customers are provided with additional benefits so that they facilitate and persuade new customers to join the website) should be adopted. This would help create a buzz about the website sustaining its online users and creating new customer base. NeoPets should also work on factors which have helped it become successful in the past. A report by Daniel (2007) states how the company established its base first in the English market before diverging into the 11 other language markets. Likewise the company is setting base in the youth before targeting the older age group segment.

However it is essential to retain the present customer base to become successful in the long run. 3. The acceptability for NeoPets would definitely differ from one country to the other. However, if the technology on offer is good then the cultural and linguistic differences would be nominal issues to deal with. The company is already available to close to 89.9 percent of internet users across 11 other language countries and is further continuing its expansion. Also the feeling towards online games and pet ownership is universal.

Thereby the children across countries would be receptive to the website provided they get good service and understand the language the instructions are communicated in. NeoPets can try and customize its products according to the preference of the target market and try and filter any advertisement or message which may be considered offensive in a particular culture. For example if a pet or an item or food is considered religiously offensive in a particular country then NeoPets can filter that item and substitute it with an inoffensive one.

The limitation of the reach would perhaps be the internet accessibility among children in different countries. The company can perhaps take initiatives to contribute to the growth of bringing technology and internet accessibility to less developed countries. The diversification into video games and movies would also create a greater visibility to attract new customer base in different countries. 4. A report by Daniels et al. (2007) states that close to 79% of NeoPets users are aged 17 or less, and there has been serious criticism drawn for advertisements which are targeting the children.

The site should filter the offensive advertising and keep local sensitivity in mind. People also believe that the advertising lacks transparency. The company can make the advertising simple and straight forward by mentioning product sponsors in the beginning of a game or when a person logs on. The website also allegedly promotes gambling and consumption of junk food. Criticism has also been drawn cause of exclusion of religious substance. It was also found that hackers were able to access the website and entice a 12 year old girl to have sex (Daniels et al. 2007). Such occurrence can jeopardize the future of the company.

This may lead to serious legal and regulatory issues. And since the youth is every countries future, every parent would expect their children to keep away from any such negative influence. It is thereby important that each problem is dealt with and social responsibilities should be fulfilled to attain sustainable advantage and growth. NeoPets should also take the initiative to protect all its customers' details and information, and comply with all data privacy requirements of all countries. Parents also believe that the website involves the kids in the games and ownership, which hampers their education.

To counter this criticism a parental control element could be added to the site; so that the parents can monitor the time each kid invests on the website. Various educational programs can also be introduced with lead characters teaching simple lesson between programs. Any religious or concern raised by a particular country should be addressed. With diversification activities on part of the company, there are various rules and

regulations to be followed in different countries, all regulatory and legal issues should be addressed by NeoPets to avoid any problems in the future.

The company should fulfill its social corporate responsibilities to help abate any criticism. The criticism should also be taken in a positive manner and a quick response would help NeoPets create a positive image. 5. NeoPets has been in the youth market for a long time now and has made its grounds. There are many users who might have stepped into their adulthood while being a user of this website. NeoPets can now try and target the older age group. It may first target the older teens and those just stepping out of their teens as they are still transcending out of their teenage.

A related website can be started or a special segment can be introduced in the present one. The games can be of higher complexity or based on more sophisticated concepts and ideas. If the kids find the new platform an easy way to interact with people their age group who share their interests, they would be attracted towards joining. The company can also get newer advertisers in this manner, and cater various products which can be used by adults. The company should however ensure that it retains its young audience, for sustainable growth.

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