

New product development persuasive essay

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Indeed, the corporate image of Microsoft is so different from Apple who is known for infinitive innovation. Microsoft cannot change customers' perception on what they recognize when they see the name of the firm. Therefore, Zune's marketing mix was of no relevance in this case and unable to combat this negative externality. Microsoft invested heavily on above-the-line promotion including TV spots, outdoor advertisements and printing materials.

Although it is suggested that new products require intensive promotions when launching, using all those methods of promotion incurs large costs. Along with the investment in New Product Development, the development and launching of Zune will be very expensive. Microsoft will either make a loss at the initial stage or let the customers bear the costs by charging high prices. This method of promotion might be irrelevant to Zune because the benefits or revenue generated by it do not outweigh the costs it creates, especially in a market led by Ipod, and this is known as marketing failure.

" Microsoft neither announced the price nor made the product available to consumers. Microsoft also declined to mention a launch date". Their promotion method was also heavily criticized as " just a waste of a press release" On the other hand, the promotion of iPod is a good example of a successful marketing. Huge publicity, advertisements with celebrities and innovative design has boosted the sales immediately from the entrance of the product on a market.

Moreover, Apple has a victorious advertising campaign comprising of magazine and television advertisements focusing on the target market -

teenagers and young adults, who are extremely susceptible to this kind of promotion tactics. Sales promotion was achieved by offers like "any iPod accessory half priced with every purchase of a new iPod". In addition, Apple used personal selling extensively, i. e. huge Apple stores with a large number of staff available for any queries, in-store cafeterias where consumers can download music on their new iPods and so on. The combination of all four promotional tools together has achieved a successful promotional mix.

Evidently the marketing mix is a highly complex web, influenced by the environments in addition to successful combination of internal elements. Naturally, Apple had several external advantages: the breaking down of barriers between countries increasing sales of iPod as customers' awareness of it rose, demographic patterns being in favour of the target market and the rise of iPod as a fashion icon. All in all, the relevance and applicability of imposing the marketing mix is only useful to a certain extent mainly due to the incomplete taxonomy of the marketing mix and its limitation in taking into account major external influences such as brand experience, fashion trends and customers' preferences.

Enhancing the Marketing Mix: A Suggestive Approach "Perhaps the most significant criticism of the 4 Ps approach is that it unconsciously emphasizes the inside-out view (looking from the company outwards), whereas the essence of marketing should be the outside-in approach". (Jossey-Bass, 1988) There is then perhaps a case for more research within the market, focusing specifically on customer preferences and needs. Ghosh (1998) introduced the idea of 'digital value': providing customers with information

and resources over and above what the product offers, in the confines of internet and customer directories.

The concept of 'prosumer' defined by the futurist Toffler (1980), envisaged a world in which the producer minded and professional elements of interconnected consumers could be used in a proactively collaborative way help to shape the product itself. In other words, in an ideal world, the producer would be the final consumer of that product and, hence, the divergence of demands and ability to satisfy would be eliminated.

A great example of this is the method used by BMW to create the Z3 and subsequent cars where users could design their own preferred features. The information collected was linked to a database of the most loyal customers and so gave a very clear indication of which features were most suitable and therefore should be put into production. Mass customization can be used for some products so that customers select the exact combination of product options, thus expanding the number of possible augmented products.

These concepts are consumer driven and orientated. They are in contrast to the original approach of the 4Ps, where the properties and characteristics of the marketing mix are not properly identified and often the sales promotion subcategory overlaps significantly with product, price and place. This could be overcome by clearly defining what each element means, however scholars have been unable to agree. (Waterschoot, Walter van: Journal of Marketing 56: 4) According to Narver and Slater the marketing mix should be used in conjunction with the market orientation perspective to be successful. The market orientation perspective combines the customer orientation,

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discussed above, with two other: competitor orientation and interfunctional coordination. (Narver, John C.: Journal of Marketing 54: 4)

The diagram above, shows how the three concepts are thought to exist within the market: the more balanced the mix is the more likely it is that the company will achieve its aim of profits. The 4Ps approach, particularly the sales promotion subcategory, has been criticized for its short term positive effects at the expense of long term positive effects. (Waterschoot, Walter van: Journal of Marketing 56: 4) With this use of the model long term advantage can be achieved. When the interdepartmental coordination is balanced and the competition's weaknesses and strengths correctly perceived, then all that is left to do is to concentrate on the loyal and informative customer, and then apply the 4Ps to the wider market.

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