

Sony vaio marketing plan

Business



Executive summary: With the increase in the growth of youth population, the demand for the use of portable devices has increased resulting in the evolution of laptops, playstations, mp3 players and other devices.

We people from Sony would like to introduce a new product into the market which would be an integration of playstation and a normal laptop, the first of its kind in the world. The way we introduce the product in the market, our positioning and the marketing techniques would be discussed further. . 0

Introduction: Nowadays, no teenager can be found without the influence of technology. In such a market, when the products are from a top brand like SONY, then people tend to prefer its products.

VAIO, is a sub-brand of Sony's products, computers. The VAIO brand was established round the world in the year 1996 with a series of desktops. Now, there is a wide range of laptops under the brand. The play station is a 32 bit fifth generation video gaming console released by SONY in December 1994. This was the first series of the play station series released in Japan. Later it had upgrades like play station 2, etc.

, and play station portable. We would be proposing the integration of play station and laptop which will be a big hit in the world market especially Singapore, India, US and the UK. This integration of play station inside the laptop will reduce the need to buy two different items for playing high definition 3D games. 3. 0 Situation analysis: Currently, we have the option of connecting the play station to the laptop in order to experience enlightened gaming experience. But, this won't be able to fulfil the needs to the fullest as

the performance would depend on the compatibility of the laptop and the play station.

On providing such a product to the users, the product will be a huge innovation in the consumer market since a lot of people have the requirement for this two in one mechanism. The figure below depicts the increase in the laptop sales compared to the PC sales over the years. This provides evidence for the customer base available for the product. Figure 1: PC vs. laptop sales (Source: IDC tracker)The macro-environmental and the micro-environmental factors which may influence the existence of the firm would be discussed.

4. 0 Macro-Environmental (PEST) Analysis: The external Macro-Environmental factors that may affect the firm are * Political * Economic * Social *

Technological 4. 1 Political: Political factors include both government regulations and legal issues. Some of the key factors in this head could be Tax policy - Whenever the government plans to increase or decrease tax on the products, then there might be an impact on the total sales of the product. Trade restrictions and tariff - When there are trade restrictions levied then there would be problems in bringing the product to the customers. Environmental regulations - The product that we manufacture would abide by all the environmental regulations.

4. 2 Economic: The economic factors affect the purchasing power of the buyers and the cost of capital of the firm. The main factors that would indulge in the economic macro - environmental issues are Economic Growth - When there is economic growth prevailing, then the purchasing power of

the people tends to increase and there would be increase in the number of units sold. Interest rates & Inflation - When the interest rates of the bank tend to decrease, then the number of people availing loans would increase resulting in Inflation. Increase in cash in hand would increase the purchasing power of the people in turn increasing the number of units sold. 4.

3 Social Factors: Social factors include the demographic and the cultural aspects of the macro environment. The size of the consumer market and the consumer needs are the major factors involved. Population growth rate and career attitudes - With the increase in the population and the change in the attitude of people would improve the sales of the new product. Age Distribution - The increase in the number of Generation Y users who are more into electronic gadgets and having hi-fi technology with them are an added advantage for our business. 4. 4 Technological factors: The increase in the advancement in technology has led to improvement in design and in the betterment of the production of gadgets.

R&D activity - All the companies including Sony have a large base in Research and development, this increases the competition and paves way for better products. Automation & rate of technology change - The automation changes and the rate of change in technology are one of the main reasons behind the invention of such a product. 5. 0 SWOT Analysis: The analysis for the internal and the external factors are very important for any firm for involving in the strategic learning process. The environmental factors that are internal to the organization can be classified as Strengths and weaknesses. The factors that are external can be classified as Opportunities and Threats.

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This would help the firm in matching the firm's resources and capabilities. 5.

1 Strengths: The strengths are its resources and capabilities with which the firm has its advantage over its competitors. Some of SONY's advantages are Strong Brand Name - Sony is one of the leading brands in the world, particularly in the electronics field. The VAIO laptops which are a big hit among the pc users is an evidence for the brand influence that Sony has on people.

Good reputation and Distribution networks - Sony as a company has a very good reputation among the customers and they would have no problems in obtaining products from a company like Sony. With its well established network round the world, it would be icing on the cake to introduce a new product into the market. Manufacturing capacity - Sony has a large production capacity with its factories present almost round the world. This is an added advantage for a large brand like SONY. 5. 2 Weaknesses: The absence of certain key areas can be treated as weaknesses.

In our case, the main weakness would be the investment that is required in the production of Playtops. Otherwise, there are no big weaknesses prevailing. 5. 3 Opportunities: There are people who are interested in having a gadget which would be the combination of both a laptop and play station. They are our target market and this serves our purpose of having to build a Playtop, a combination of playstation and a laptop. With the evolving market of Nano-technology, the product that we are hoping to design would be of an average thickness making sure the product is not too bulky to carry.

. 4 Threats: Our threats would mainly be the improvements in the competitor product XBOX. With more and more improvements in the XBOX, if people start migrating towards purchasing the other product, then it would be a huge loss for our company. The SWOT matrix would provide a bird's eye view of the situation. SWOT Matrix| Strengths| Weaknesses| Opportunities| Already established brand and people needing product that is different and are variants. | With the other products under the brand are moving well, the investment into producing new Playtops won't be hindered.

Threats| Our competitor's positives are explored and we are upgrading our product. | The worst case would be the XBOX people introducing a similar product as ours, and even worse when it's better. | 6. 0 Marketing Strategy
6. 1 Mission: Mission Statements and Vision Statements are created to clearly convey the direction of the company.

Sony has been successful in this outcome with their vision and mission statements being one of the important things in branding their product. Sony' mission statement is " To experience the joy of advancing and applying technology for the benefit of the public". This mission has helped Sony in achieving their objectives and has made them successful in bringing new technology to the people. 6. 2 Marketing Objectives The major objective of Sony Corporation is to bring new quality technologies, brand it and market it in the right ways to conquer the market.

Once the product is successful they will be the market driver and bring new advanced versions of the same product. Playtop is a new feather to the cap of Sony Corporation and they have an excellent marketing strategy to

market it well. 6. 3 The First year Objectives: Sony corporation has planned to market this product in the Asian Subcontinent especially countries like India, Singapore, Malaysia and China * The objective is to extensively cover these areas and then to expand the product globally based on the responses

- * To set up many Playtop manufacturing factories in India, Singapore, Malaysia and China.
- * To put stalls at various malls, Cineplex's, gaming stations and Trade fairs to effectively market the product.
- * To advertise extensively in TV, Newspapers and internet to improve the sales.

- * To make Playtop a core branded product of Sony To cross 500, 000 pieces of Playtops in sales for the first year

6. 4 Target Market - Asian Market: With world's most populous countries like India and China along with the Singapore and Malaysia, the Asian market is the most strategic as well as the best markets in the world to start with. First of all these are countries where the gaming stuffs is more prevalent. People in the age group of 14-25 are locked into the gaming zones mostly. So these are the places where people like new technologies which are more comfortable for them to use.

Our product Playtop exactly does that. It serves as a Laptop and gaming Xbox to serve the needs of people looking for both. So people will no more find the requirement to carry both the things on the run since both these things are come under a single roof. Especially in Singapore, people are addicted to these games that they are into it most of the times. So people who are working or studying need not worry about carrying two separate things here afterwards since they can use Playtops and carry it anywhere. With more than 3 billion population combining India, China and Singapore using the gaming stuffs on a daily basis.

The Asian Market is a potential market for marketing our Playtop. Within the next one year India, China, Japan, Singapore and Malaysia are the potential markets to be covered extensively by Sony. We are planning to sell 500000 Playtops in the first year. 6. 5 Positioning: This Playtop is the first of its kind in the world.

It is targeted at middle and higher income groups who are working and at the same time need some scope for relaxation. The Playtop is mainly beneficial for the middle income groups since they cannot afford this at a rate lower than getting a Laptop and Xbox. We have decided to keep the price around 2000SGD. The price range will be between 1500SGD and 2000SGD. 7. 0 Marketing Mix: The marketing mix of our product can be explained with the help of 4 P's.

7. 1 Product: Our company Sony Corporation always makes a product which is more interactive and entertaining to the people. The product of Sony is dearer to people more for its Brand name. Moreover with this Laptop and gaming functionality in one, our product is really harder to resist. Sony is mainly famous for stylish products.

We have given more important to the looks as well. Gaming systems are more prone to heat. This product is safer to use since we have used inbuilt fans within the Playtop to reduce the heat generating from it. It is carefully packaged in an attractive Playtop case which looks really good and stylish to carry on with the Sony Logo embossed on it. Further Sony provides free servicing for any repairs or inbuilt disintegration of the chipsets within 12 months from the date of purchase.

As Sony is a brand name of almost every household, we have service centres' anywhere in the world. The final stage is the post-purchase evaluation of the decision. It is common for customers to experience concerns after making a purchase decision. This arises from a concept that is known as "Cognitive Dissonance". The customer, having bought a product, may feel that an alternative would have been preferable. In these circumstances that customer will not repurchase immediately, but is likely to switch brands next time.

To manage the post-purchase stage, the Sony's marketing team will persuade the potential customer that the product will satisfy his or her needs. Then after having made a purchase, the customer will be encouraged that he or she has made the right decision. 7. 2 Price: Sony Corporation is the market leader in Electronic items. Pricing of items are relative to its competitors. This Playtop is the first of its kind in the market, an innovation by Sony's Research ; Development team.

In general, buying a Sony laptop and a Sony play-station separately will be more than 3500 SGD. So the pricing is fixed in such a way that it is affordable by the middle income group. Our product pricing will range from 1500 SGD to 2000 SGD. Since this is a new product, we will give the attractive case absolutely free for the first month of its sales. One can pay the cash in 2 instalments if bought within the first one month of its release in the market.

Our market price is definitely affordable and reasonable considering the brand of Sony. In general the prices will fluctuate within the Asian nations

since the buying power depends on the income of the people in the country.

Figure 2: Marketing Mix (Courtesy: NetMBA. com) 7. Place: Sony Corporation is widely established in almost all the countries of the world. It has a service centre in most of the cities across Asia.

It can use the raw materials from existing plants set up across the cities in various countries. Also, the place of manufacture is quite closer to the cities preferably in the outskirts of the city. The distribution centres of Sony are at many places in the Asian countries. This makes it easier to distribute and deliver the goods. This helps Sony to deliver its goods fast with less or nil damages.

Moreover Sony employs and trains local people. Employment of locals helps Sony in better communication with its customers. 7. 4 Promotion: Promotion represents the various aspects of marketing communication, like the communication of information about the product with the goal of generating a positive customer response. It involves marketing information about a product, product line, brand, or company.

It is one of the four key aspects of the marketing mix. (The other three elements are product marketing, pricing, and distribution. Promotion is generally sub-divided into two parts 1) Promotion with mass media (e. g. TV, radio, newspapers, electronic magazines Internet and Mobile Phones) in which the advertiser pays an advertising agency to place the advertisement.

2) Other promotion: All other promotion. Much of this is intended to be subtle enough that the consumer is unaware that promotion is taking place. E. g. sponsorship, product placement, endorsements, sales promotion,

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merchandising, direct mail, personal selling, public relations, trade shows
Sony has been successful in establishing its product and brand. They have established their brand in almost all the countries.

Sometimes Sony uses events like Miss India 2008 to markets its brand and products. Sony's corporation Playtop is the first of its kind product in the world and advertisements in the mass media has already been done giving the produce the necessary curiosity and anxiety among the customers. It's been marketed so well that online bloggers, discussion forums are discussing and eagerly awaiting the arrival of this product. They have also given sales promotions for the first one month of its release. Sony uses the concept of Direct -response advertising which helps the customer to give feedback on the products or even book the product through mail or telephone.

Every year Sony allocates lots of monetary funds for its promotion of new products and maintenance of brand name in the minds of customers. Playtop is no exception to this since Sony has invested huge amounts in this project.

7. 5 Current Trend: The current marketing mix of Sony has been quite satisfactory to its customers. Sony's products are of a brand value and customers have high regard for this brand. They provide a wide range of products from electronic devices to television broadcasting and even movie productions.

The quality of Sony has been improving every year with the expectations from customers increasing. The prices imposed by Sony are reasonable considering the brand value. But the higher class of people has been the main buyers of this brand since the middle income groups have found its

products to be a bit on the higher end. With this Playtop being sold at a reasonable price, the middle income will also join the bandwagon in buying Sony's products. 8. Financial Analysis: Sony being the world leader in electronic goods has enough and more resources for producing the Playtops.

It might use the funds from the sale of other products as an investment for the Playtops in the initial years till it becomes a hit. It already has the factories and the supporting equipment for the manufacturing process which would bring down the production cost. Since the Playtops are aimed at the middle and the upper class of the society, the sales of the product itself would fund the production after a considerable time period. 9. 0 Conclusion: Conspicuous consumption followed by our target customers in Gen Y wants things to be small and handy with millions of features hidden in it. Also getting a separate play station and laptop will add to the burden of having two different gadgets.

We reduce the complication of having two different systems, making it more portable for people to use it even while in travel. We at Sony being the world leader in electronics with the best quality products and services take the extra innovative step in providing the unique 2 in 1 mechanism thereby increasing our chances of hitting the consumer market with a bang. 10. 0 References: Charles W. L. Hill, 2008, " Global Business Today", Page 495.

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