

Consumer marketing and branding strategies assignment

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Consumer Marketing and Branding Strategies University of Phoenix

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Strategies Overview The consumer electronics industry has undergone a major entertainment shift with the advent of the 3 dimension high definition television (3D HDTV). The technology has advanced to the point in which consumer demand for 3D television has become profitable from a global marketing view. The Chinese economy appears poised to take advantage of the latest developments in the consumer electronics industry.

The United States is a market in which the demand for the latest consumer electronic trends is quite strong. How China markets and brands its version of the 3D HDTV will determine if it will become a viable contender in the industry. Identification of Selected Domestic and Foreign Countries Prior to creating an effective marketing strategy, researching current market trends for the domestic country, China, and the foreign country, the United States, is necessary.

Through researching and studying the consumer's behavior, the company will be able to create an effective marketing plan to reach the desired results. Reviewing the domestic market and the factors that affect consumer preferences, the similarities and differences will allow the company to determine the effective types of marketing strategies and make adjustments to accommodate the foreign market. A thorough consumer analysis of the dominant religion, education, political, and economic stability of both countries will set the foundation for the marketing strategy.

As the highest populated country in the world with over 1.3 billion people, China's real gross domestic product (GDP) per capita is estimated at \$5,383 that some argue is because of the population level that offsets the rich economy (CultureGrams, 2010). The communist state is the fastest growing economy and has become "one of the world's largest trading countries as well as a global economic force" (CountryWatch, 2010, para. 1).

The political environment has received international attention over the years but the government has made enormous strides to improve the quality of life for many of its citizens as the private sector increasingly grows to contribute more to the economy. According to CountryWatch (2010), on a scale of zero to 10, zero meaning the highest political risk, China scored an 8.5. This score represents better governance in comparison to many countries, although in the recent years with the strike of the global recession, the political stability, and governance have decreased (CultureGrams, 2010).

Although China does not have an official religion, it is listed that 92% of the population is Atheist and unofficially the general population consider themselves as either Christian or Buddhist/Taoist. Another vital factor in consumer market research is the average level of education of the population. China's government budgets 13% of its spending directly to education and seeks to provide elementary education to every citizen (UNESCO, 2010). Nearly all school age children enrolled in school by first grade do finish, but less than 10% attend college because of high costs.

To increase literacy rates, local universities offer instruction over the radio and television leaving the country with an average adult literacy rate of 93.

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5% (97% male; 90% female). Culturally, the United States appears to be a world away from China's people and population. The Constitution-based Federal Republic remains the world's most powerful country and its economy is the "largest and most technologically advanced" (CountryWatch, 2010, para. 1). The United States alone has a GDP that accounts for almost a quarter of the world's total (CountryWatch, 2010).

The Real GDP per capita is exponentially higher than that of China at \$45,592 as the population, even though the third highest in the world, is just a fraction of China's with an estimate of 3.2 million. The United States is among a very few countries that have one of the most stable political governments ranking at a risk of nine out of 10 on the scale. The majority religion in the country is Christian although, when reviewed there are a multitude of religions practiced because of the entire population's cultural diversity.

Nearly the entire population is literate and educated with a 99% literacy rate. Identification of Selected Product or Service Trailers or advertisements for movies in 3D are shown increasingly at movie theaters. No longer are surround sound and high definition sufficient for sophisticated viewers. With the advent of new technology and new ways to film shows and movies, television makers are looking at ways to improve the viewing experience. Enter the 3D HDTV set, which retails anywhere from \$1,500 to \$8,000 with battery-operated 3D glasses that cost around \$200.

Such an investment in technology is not for the faint of heart, manufacturers are banking on real television and movie enthusiasts. International research

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firm, Parks Associates, believes that by 2014, 80% of the TVs sold in the United States will be 3D ready. At the moment content seems to be the biggest issue for HD retailers. Not enough content is available to viewers, but Parks Associates claim that 48% of households are willing to pay for the content, provided that they have access to the right types of content, including movies and TV shows (InterestAlert, 2008).

ESPN 3D broadcast of the 2010 World Cup brought a tremendous awareness of the technology and the products. Movie companies like Sony and Universal will begin releasing their movies (like Avatar and Cloudy with a Chance of Meatballs) in 3D DVDs and Blu-rays. The Consumer Electronics show in Las Vegas and technology buffs believe that the next wave of technology will be the 3D HDTV, making the HDTV as obsolete as the Betamax (Grant, 2010). High definition 3D television sets are not for everyone, the target market being fairly specific.

Early adopter refers to persons who embrace new technology, and usually they are willing to try out new products, programs, or services before most others. Early adopters are a small percentage of the population, but they generally have high disposable income available to make big ticket purchases when new technology comes out. Marketing and Branding Strategies When considering local marketing strategies in China, consideration for the product pricing, product placement, and product positioning is very important.

China has an aging population and people are living longer; the older generations are likely to be the decision makers for 3D HDTV, therefore,

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consumers will shop more on durability, affordability, extra benefits or features. This generation will not spend their money frivolously they must first accept the “ new age” technology, and the price must justify the benefits that come from owning a 3D HDTV. It must have high brand quality since, “ Marketers build brand equity by creating the right brand knowledge structures with the right customers” (Kotler & Keller, 2007, p. 138).

By using brand extension, which is using an established brand to launch a new product, the company will be saving marketing expenses by trying to introduce a brand into the market, but tag a new product to an existing brand already established in the market that has positive reviews and ranks high in consumer choices. Cultural Influences That May Affect Purchasing Decisions Cultural influences in China focus on loyal citizenry and they are transmitters of past cultural heritage. The older generations therefore play a leading role in passing down culture to the younger ones and are pivotal in most decision making.

However, modernization in China has seen the younger generations taking on more decision-making roles and making a difference in how purchases are made. The foreign market, USA, cultural influences are more individually centered, and purchase decisions are based on individual needs and taste. However, when making high value purchase items like a 3D HDTV, it is usually a joint decision if there is a married couple, and if they have children, they also play a role by contributing information on what is the current trend and the extra features they desire.

Conclusion Although significant competition exists in the introduction of 3D HDTV television to the American market; China appears poised to become a dominant player in the consumer electronics global market. Cultural, social, and personal factors, consumer analysis of religion, education, and economic standing of each market, the 3D HDTV television's trends, market segments, and local marketing and branding strategies will influence the direction that the 3D television technology will take in the identified domestic and foreign countries.

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