

Zen motor company case study

Business



Through various methods of marketing and being successful showcasing the ZEN vehicles, Feel Good Cars became ZEN Motor Company (CM). This achievement is merely the beginning for ZEN, from thereon the company success is noted with influential customers and Nell played out strategy with different partners. This report is used to determine and analyze the practice of applying marketing principles of CM in creating customer 'alee as in its initial success.

Information introduced below is based on gathering Zinc's information in the book Principle of Marketing of Kettle, Armstrong, Cunningham, and Drifts (2011, p.

AY-AY) together with the lectures and knowledge of chapter 1-4 and 18 of the same book. The analyzing is divided into five parts, inconsequently to the order of five chapter contents which are Zinc's definition about marketing, Strategy in building Customer relationships, marketing environment, sustainable marketing, and competitive advantage. Chapter 1 : Definition Marketing, Marketing Strategies, and Crucial Relationships rhea text book mentioned that CM made it definition and it involve into two stages. rhea " first stage was to build awareness of product among consumers and retailers. He second stage was to build the corporate brand, get the company's name out into the marketplace, and establish the company's credibility as a firm that really understands sustainable transportation"(p.

AY). ZEN has made its first appearance at the Canadian International Auto show in February 2001 at a time where yearlong smog and rising gas prices were of concern. With the growing demand of additional Information, request

for test drive cars, and demand for these vehicles, it was clear that ZEN on its way to success.

CM has targeted gated – communities that are indeed populated by wealthy people. The chosen target market is an ideal target since people seemed interested in acquiring multiple vehicles for leisure purposes, social prominence, and to support the environment. The retail network is critical must since it assists ZEN with getting their name out there and both are intricacies.

This kind of relationship includes two groups: Automotive dealers through the National Automobile Dealers Association's Las Vegas trades.

Environmental entrepreneur retailers by cooperating with second group, CM took several steps to build relationship as following: Build win-win relationship with these specialty retailers Not with them as strategic partner, don't call them "dealers" The Value of this relationship: Provide the true retail experience that customer are looking for by the help of these tillers Share costs together in Advertising, 50-50 while control message, format, design, layout of CM Increase the demonstration on potential customers for CM and retailers.

Chapter 2: The Mission and Marketing Concepts Ken's mission is the "100% electric ZEN represents everything good about personal transportation. While it runs on electricity, the ZEN is fueled by optimism. It's stylish, comfortable, fun and socially responsible", acts as an invisible hand. This mission is important for capturing consumer's interests that acts to promote self-interest.

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Zinc's business units are described as a Star according to the BCC growth-hare matrix. With factors such as increased pollutions, increased gas prices and the media coverage concern consumers as an alternative mode of transportation.

This has increased the demand for Ken's electric cars. Moreover, if CM make a development in the engineering necessary for safe and efficient electric car in mass amounts, the company grow to be profitable and have high market growth. As with any strategic business unit (SW), a star will eventually slow down their growth and become cash cow. Cash cows generally have high market shares in turn low market growth.

From this transition, CM had to diverse itself by acquiring businesses outside the company's current market.

CM was approached by a company called Store in 2002, a Texas based firm that was on track to develop an electrical energy storage unit (SEES). It was not until 2004 that CM had partnered up with Store. Ninth the development of the SEES, CM saw the potential that Store had to offer. Zinc's products in the current market would improve vastly by outlasting any vehicle t is installed it, be quick to recharge, and increase the travel distance.

Chapter 3: Macro environmental Forces Affecting CM Technology: Different from other types of cars, ZEN cars work on the operation of electricity instead of gas.

At the present time, CM cooperates with Store to produce and develop the battery so that it can last longer and be stronger. However, technology is '

ere quick to change. Comparing CM with original equipment manufacturers (MM, Rota, Ford, Honda, etc.), CM has a small source of finance and investment verses these giant companies.

While the idea of electric cars seem raw to these giant companies, they will see the advantage of these emission free vehicles. In acting out, CM will we placed in an environment with more pressures and increased competition.

Consequently, CM has to keep to par by constantly developing and improving its technologies. Economy: In recent years, gas prices are going up and the economy is in a period of recession. So, by offering an electric vehicle, it will be an economic advantage to the consumer and to the environment. Natural Forces: rhea Earth is always changes, and one of those changes is impacting the Earth negatively by the impacts of global warming from CO emissions.

Catching this trend, CM offers electric cars which proactively respond to the change in nature.

Cultural Forces: Customers pay attention to the environmentally friendly side which CM ventures to accommodate their need. CM raises the awareness of the green environment onto the customers through brochures, ambassadors program and the product itself. Other consumers sense of these vehicles as accommodation, toys in their disposal for show. Social Environment: rhea first adopters of ZEN are evangelists because these customers are stopped and asked for the car information by other people. To respond to this, CM created the Ambassador Program to train and market materials about ZEN Car to the customer.

These activities create the value for customer themselves and build a positive image for CM. Demographic Environment ZEN car are accepted widely by customers who “ have been urban commuters and commercial fleets. Therefore, CM was forced by the shift of geographic population. Or have a better life, also better Job or income, big cities attract more people, and people move from rural to urban area to live and work. As a result, CM offered ZEN car for their convenience based on the needs on transportation increasing.

Chapter 4: Socially Responsible Marketing Marketing principles are defined as “ the best long-run performance of the marketing system”.

The initial success of CM found on practicing and applying these reminisces to create higher value to their customers. The 5 major principles that enlightened companies as well as CM are as follows. Consumer-orientated Marketing: CM thought, marketed, and produced the car in the eyes of the customer. The idea of ZEN car was created to benefit the consumer in ways to keep the environment clean and saving wealth in the long run.

In addition, CM implemented research to collect data from customers.

These data types vary from their consumption choices, type of car, speed, adaptability in climate changes, design in order to determine the ideal target market. Customer-Value Marketing: CM create its products with high quality and convenience. In fact, customers were pleased with ZEN. Customers can drive the vehicle for 50 – 80 km with one charge of the battery. Thus, CM had planned to develop and produce a higher speed decide with longer distance driving with also a shorter charging time.

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Innovative An important step to provide the innovative marketing to CM is the partnership with Store.

They worked together to introduce a revolutionize product called the SEES. This new technology would help increase the outlasting time of the vehicle, enhance power levels, and quickly charge. This would not only benefit CM and Store, but also benefits the consumers and the electrical industry.

Sense-of-Mission As mentioned in ZEN mission statement, CM focused on “electric car, good for personal transportation..

. It’s stylish, comfortable, fun, and social responsible”.

The sense-of-mission marketing principle was not applied Generally, Z MS denuded its product and its usage instead of concentrating to the board social term of CM in the market. Societal Marketing: Decisions of the company rely on consumer’s wants, company’s requirements, and the long-run interest of both. It is possible to conclude that CM did well.

CM educated customers and its partners about the benefit of emerging technology, in the way of protecting the environment for younger generations, saving energy, and being a smarter consumer.

Therefore, when CM made environmentally friendly products, electric cars, it created a desirable product which brought the satisfaction for current customers and in the long run. Chapter 18: Zinc’s Competitive Advantage CM had a competitive advantage over other automotive manufacturers in ways that other manufacturers could not offer. Zero Emission No Noise, the ZEN car is the product as well the name is what it offers. The early adopters of

ZEN car had come the preachers of the product. When someone is driving a ZEN, they are constantly stopped and asked questions.

CM responded to this by creating the ambassador program which enables the buyers of ZEN cars to provide information and knowledge to other potential buyers. CM has evolved in such ways that it has created a name for itself that attracted potential suppliers and began receiving proposals to the company. One such opportunity came along by the company called Store which is a Texas-based firm that was on track to developing an Electrical Energy Storage Unit (SEES). This product has the capability of reducing charge the time, increase distance traveled, and outlast any other vehicle on the market.

Ian Nas quick to catch sight of the opportunity and entered into a partnership with Store in 2004. This partnership has resulted in a big shift for CM, rather than competing with Original Equipment Manufacturers (OEMs), CM realized they are better off to be a major supplier to them.

Conclusion Like any successful company, Zenes success came from perseverance, through their customers, suppliers and partners. Perhaps why CM was chosen for this case study is because this has company striver for and constantly adjusts itself to the changing environment and its OEM competitors.

Throughout the company's existence, it has made deliberating changes that positioned the company from becoming a leading electric car manufacturer to being one of the major suppliers to the large automotive firms. From this, SMS credibility soared through the automotive industry amounting to their <https://assignbuster.com/zen-motor-company-case-study/>

own success. Although CM success has flourished, the company must progress rapidly to the changing environment and demands in sustaining the continuation of its company Norms Cited Kettle, Armstrong, Cunningham, Drifts. (2010).

Principles of Marketing. Ontario: Pearson Canada.