

Porsche marketing analysis assignment

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This is why corporations are trying to understand the decision making process in order to ‘influence’ existing and potential customers more efficiently. Traditional buyer decision process consists of 5 steps: Need Recognition, Information Search, Evaluation of Alternatives, Purchase Decision and Postprocessor Behavior. Clearly the buying process starts before the actual purchase and continues afterwards. However marketers have to focus on the entire process rather than on the one aspect only. The following paper is aiming to evaluate consumer buying decision process with regards to Porsche Automobile Holding SE (shortened to Porsche).

Company Background Porsche is a former military, world known car manufacturer known for its unique design and characteristics. It has successfully identified niche market and provided with distinguished product. Porsche Corporation has created one of the strongest brand identities in the modern business world. It is known as classy, expensive, car of success. Even a person not aware of automotive sector knows the brand along with its main competitors: Ferrari, Lamborghini, Aston-Martin, Maserati, Mercedes-Benz and BMW. Porsche Corporation was founded in 1931 by Ferdinand Porsche in Germany.

Company's products even became one of the most favorite, of that time German's Chancellor Adolf Hitler. The dictator stole the original beetle prototype from the Jewish engineer – Josef Gang: ‘Within days of the meeting between Hitler and Mr. Porsche in 1935, Mr. Gang's car magazine was shut down and he was in trouble with the Gestapo’ (is said in the Daily Mail magazine). This incident has not been harmful for the company, its weakness was poor decision making. Porsche Corporation was concerned that small

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market segment chosen, which consists of wealthy people, would not be enough to support the company.

That is why, Porsche developed cheaper car – affordable for the middle class.

The original Porsche consumers believe that it weekend company's name and was a mistake. However company grew, developed and became even stronger by launching Porsche Cayenne on the unstable SUV market and Porsche Ephemera. It is important to be mentioned that the traditional Porsche 911 is back-engines which gives vehicle more 'passion' while new models are front-engines. Customer Buying Decision Process As mentioned above customer buying decision process consists of 5 parts: Need Recognition, Information Search, Evaluation of Alternatives, Purchase Decision and

Postprocessor Behavior. 1 . Need Recognition – Traditional customers of the Porsche separate themselves from the society as they consider themselves as highly successful and they often have White collar' Jobs. Almost all of the Porsche owners are financially supported buyers, who set high goals and are perceived to be entrepreneurial. This segment is attracted to exclusive products which is why traditional customers love to have Porsche in their 'lives'. In addition Porsche is considered to be a piece of clothing, the thing that owner wears and is seen in. . Information Search – In most cases the purchasers of the Porsche are not in a need f further information search. They are satisfied with provided appearance and vehicles performance, as "car speaks for itself". 3. Evaluation of Alternatives – On the automotive market there are mainly two types of customers: ones who look for 'good' affordable car and ones who take risk and try something unique. Porsche is a

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piece of uniqueness which is perceived to be more than a transportation ‘gadget’. Driving Porsche should make owner excited and important.

Which is why this company’s customer does not base decisions on how much fuel it consumes or how big it is, but the sound, horse power, handling and speed. Thus a group of customers may consider similar unique vehicle providers such as Ferrari or Bugatti. 4. Purchase Decision – After all previous steps undertaken by the true’ buyer of the vehicle the decision would be driven by the feelings not information. However there always is a possibility of interruption, for example unpredicted circumstances, such as tremendous financial loss. 5.

Post Purchase Behavior – Before buying the Porsche potential customer has a certain expectation the car and after purchase services would provide. There is a high chance that after purchasing, customer goes through cost-purchase rationalization, I. E. Buyer may have doubts concerning the purchase. In order to avoid that corporation should meet certain expectations, which furthermore may create loyalty between two parties. The traditional Porsche buyer would jump several steps in the process, obtain the car and develop a certain ‘relationship’ with it.

The process discussed above concerns traditional models of Porsche, while Cayenne and Ephemera customers’ decision process will differ. New Porsche products are bigger compared to traditional 911 model, but as luxurious as old one. Potential Porsche Cayenne or Ephemera customer would spot a necessity of bigger car, which could hold more than 2 people. Ephemera and Cayenne customers would probably seek for alternative cars since, they are

taking under consideration more needs that a vehicle should support (such as consumption of fuel or number of people hold by car).

One of the reasons for seeking alternatives could be that, perception of Porches models other than 911 is not fully recognized as ‘classy and successful’. It is also possible that buyers would be driven by a chauffeur, while being able for a quick take off. So buyer of the new Propose models (Cayenne and Ephemera) could search for specific necessities in the vehicle before purchasing it, and may take more time in decision making process, with a risk of choosing competitors product.

Brand as Seen Stephen King of WAP Groups, London gives contrast between product and brand: “A product is something that is made in a factory, a brand is something that is bought by a customer. A product can be copied by a competitor, a brand is unique. A product can be quickly outdated, a successful brand is timeless”. The brand has always been used as a mark of ‘identification’. Brands on the world market differ in the amount of power and ‘share’ they have on it. The brand is believed to be a mix of perceptions, images and expectations representing a particular company, product or service.

However it’s not about logotypes or corporate colors but about attitudes and corporate behavior. Some brands are usually unknown to the customers in the marketplace while on the other hand, some brands show very high degree of awareness. Propose is considered to be one of the strongest brands, recognized world-wide. Well known branded cars (such as Propose, BMW, Ferreira) are very famous among he people because consumers trust

the brand name, indicating that people often purchase well known brand cars since they are aware of the brand performance or they have a good past experience with the brands product.

This behavior possibly could be leading to a loyal relationship with a specific brand. The reason of brands being known and successful is because customers believe that they are offered exclusive product up to their expectation and satisfaction. In addition people tend to be more attached to a brand product, since the majority of population purchases branded product which seems to show their social status and lifestyle. Based on the examples and behaviors discussed above it is possible to assume that, brand plays ‘ big role in customers decision making process.

Depending on the importance of purchase, potential customers are more likely to buy branded product rather than cheaper ‘ unbranded’. ‘ Propose’ – Strong Brand or not? Creating a strong brand means defining a meaningful point of difference. In the previous segment it was discusses how strong brand helps in persuading and attracting more customers. To begin with for a brand to be successful it has to be outstanding and different from its competitors. The unique experience provided by the product should meet customers’ expectations, and if possible even overcome them.

The Propose Corporation has developed and established its name among the society. As mentioned it is connected to success and achievement. The design of the product provided by Propose also could be considered as a key of success. Behind of any brand name there should be a story to tell. ‘

Propose Design: The Engineers of Luxury: “ Propose Design, Porch’s luxury

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and lifestyle brand, aligns all of its activities with the sport car manufacturer's high standards for exclusive, outstanding and technically superior design". The four words "There Is No Substitute" have graced Porches adverting campaign for a years now.

The company is sure in its decision making, product and customers, for using these four specific, strong words. People have responded to this statement positively and believed that there really is no substitute for Propose. The car industry is highly competitive and corporation has been able to stay on top of it for years. Competitors are key element for Porch's strategy, they are notable to imitate unique product and experience which is why here is low risk for substitutes. In the beginning of the paper it was said that product corporation offers gives opportunity for unique experience and status which cannot be duplicated.

However it also was said that there are more manufacturers providing cars, but with different experience, which could be a threat for Propose. Its constant improvement and dedication to work has shown its result and in 2012 company was marked as 72 strongest brands in the world (by Interbrain). It is not easy to create strong brand but it is harder to maintain one. It is also important to mention that when company as established and its first product was launched society started to appreciate, respect and 'love' the company itself and its product.

Furthermore already existing customers are that satisfied that they are ready to pay premium price and purchase more cars. In order to answer the question if Propose is a strong brand or not third parties opinion would be

helpful. Courtney Carver on the www. Bimonthlies. Com says: “ At the end of the day, money is just a tool to help you create and live the type of life you want. If you know what you truly want in your life and that happens to be a Porsche, and you have created the financial means for it, then go get it”.

The main point she describes is that, if one has successfully defined its goal, wants a distinguished life from the rest society and has enough financial matters, than he/ she should get unique Porsche car with ought second thoughts. Customer Attitudes and Existing Market Since Porsche was founded it mainly targeted wealthy segment, which are ready to pay premium price in order to gain exclusive product and experience. Years ago when company tried to target also middle class society, customers did not like the hoses path and it can be considered as a mistake, from which a lesson could be learned.

Customers of the Porsche are rare as the product of the company itself; giving additional aspect of exclusivity and differentiation (from the general society). When company launched Porsche Cayenne and Porsche Ephemera, it started targeting a new market which turned out well and successful. However there also is a market which could be targeted and eventually this decision carry huge risk with itself. Nowadays company only focuses only on adults but what if it also focused on niche kid market with wealthy parents.

As an original 911 is perceived as ‘ car of success’ the kids products would carry same status. It is important to consider that these kid products should be produced at relatively low quantity to maintain exclusivity and not upset existing customers. As an example of above mentioned product could be

Propose Bicycle and Propose Electronic Small Cars. However all product should include unique service and design. Hopefully this action would not change customer perception and attitude towards the company, but if it happens for Propose there almost always is a Way back.

In action changing customer perception can be very hard to achieve. Propose Automobile Holding SE has launched a campaign aiming to change perception over company's product particularly in United States of America (USA). Campaign uses different parts of Integrated Marketing Communication to achieve its goal. David Prior – the Vice President (UP) of Propose said: “ Their perception of the car was almost that every 911 [model] was like a GET, like it was almost like a race car instead of a car that could be driven every day. We saw that as an opportunity to correct that misconception.

We're not going away from the core brand values of performance, engineering and state of the art technology, but we want to put a little bit of focus on that every day side of it”. The campaign also features mobile, online and TV elements. However all campaign elements direct consumer to a specific web-site [www. Everydayness. Com](http://www.Everydayness.Com), and customer-generated content, where users of Propose automobiles tell about their everyday use. Viewers can share the content of web site through social channels. In addition company added to the campaign short-film contest, while the winning video aired in the cinemas during commercials and movie trailers.

Direct mailing also seems to be very important in the campaign. Mails were delivered not to only Porches existing customers, but also other people in

order to better demonstrate the ‘ everyday magic’ said UP of the company. During the campaign not only information was provided to customers, but company also gathered more data about existing and potential customers. When registering name, e-mail and location was asked to submit, however it also was possible for the viewers to say more about the company and its products, they could say which their favorite car was and when they might purchase one of them.

Further actions could be undertaken for example choosing lucky people who would be provided with car for a certain period of time. These ‘ lucky people could be chosen through a competition. As the result of the campaign Propose could film their everyday car use, movements and attitudes. These videos could be shown to the rest of the world through social channels such as Youth, which possibly could generate a positive shift in their perception. It important to mention that for this to happen big amount of money would be needed and in addition the result could not be as expected and maybe even harm the company.

Thus is the campaign is planed and monitored properly the result would eventually benefit Propose. Conclusion In conclusion of the paper, Propose is one of the leading car manufacturers in the world, perceived as classy, luxurious and ‘ car of success’. Established brand is powerful and corporation tries to even make it better and more influential. Various campaigns and tools are used in order to achieve the corporate goal. Company owns limited number of products and the decision making process of Porch’s customers differ as its cars differ from each other.