

Marketing mix analysis of canon digital slr marketing essay



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Developing a marketing mix is very important to the companies which want to achieve success. By critically analyzing the market of a single product in four dimensions of research, a balanced formula can be designed to create the absolute value from this marketing mix. These four dimensions are the product, its price, places which the company can provide it, and the promotions that the company can provide for it.

Canon is one of the most successful companies. In its industrial path (Camera-Making), it is considered the best in the world. Since its inception, Canon has proved its quality and persistence in producing cameras.

Regarding its massive success which it has achieved in producing SLR camera, it continued marching in the path of success in producing its digital version. Canon's bright brand image has reflected on its DSLR line (EOS) cameras' value to customers. In addition to that, EOS line was produced after a critical analysis based on the marketing four Ps. The values delivered to the customers from each element are:

½ A wide range of high quality, easy to hold cameras.

½ A convenient price for the specification any customer wants.

½ Abundant places to buy and review the products.

½ Clever promotions made to brighten the product image in the customers' minds.

Canon never stopped developing this product. It has updated it to the latest technology available in order to stay on top of other competitors.

This report will discuss the four 4s analysis in details, providing a brief introduction about the marketing in general, Canon the company, Marketing mix of the DSLR line, assessment for values delivered, and conclusion.

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1- Introduction

1-1- Marketing

Through the years Marketing was developing as the world was changing rewards international business. The first official definition of marketing was adopted in 1935 by the National Association of Marketing Teachers. As they have said: $\frac{1}{2}$ Marketing is the performance of business activities that direct the flow of goods and services from producers to consumers $\frac{1}{2}$. Fifty years later, a new definition was also released by the National Association of Marketing Teachers. The new version read that $\frac{1}{2}$ Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives $\frac{1}{2}$. They now have a new definition for marketing suiting this era of international business effects as the market has become global. The new definition, as released by the American Marketing Association in 2004, is: $\frac{1}{2}$ Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders $\frac{1}{2}$.

1-2- Customer Value

Customer value is a customer's perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer's goals and purposes in use situations. (Robert B. Woodruff, 1997)

The first step in value creation is to find the direction of where exactly should we move towards. This could be done by surveying the market to determine precisely what do the customers need and what do they want. This survey allows us to design the marketing strategy and the marketing mix to deliver the value to the customers, by making them feel delight with the product or service that the company provides. These steps must be repeated in order to meet the customer needs and wants always, to win his loyalty by making him feel more delight as the marketplace is also changed with time.

1-3- Marketing Mix

According to Booms and Bitner (1981) The marketing mix is not a theory of management that has been derived from scientific analysis, but a conceptual framework which highlights the principal decisions that marketing managers make in configuring their offerings to suit customers' needs. It is a set of controllable, tactical marketing tools." (Philip Kotler and Gary Armstrong, 2007)

These tools are:

Product: The wants and needs of the customers.

Promotion: Different types of marketing communication.

Price: The value of the product/service to the customers.

Place: The places in which customers look for such a product.

The Marketing Mix

2- Canon Inc.

2-1- History

Canon Inc. is a Japanese multinational corporation which manufactures imaging and optical products. It was founded in 1937. In the beginning it was called Seikik? gaku kenky? sho, but later in 1947 the company name was changed to Canon. Its headquarters are located in Tokyo, Japan.

Canon Marketing (M) Sdn Bhd started operating in 1987. It supplies a mixture of digital and SLR cameras, digital camcorders, plain paper faxes, scanners, printers, projectors and calculators. Growing from strength to strength since its inception, Canon Malaysia celebrates its 25th anniversary in 2012. In the past 25 years it stamped its name with many market firsts:

½ The 1st ever plain paper fax and color copier in Malaysia

½ The highly popular Bubble Jet printer

½ The 1st ever color fax machines in Malaysia

½ The world's smallest and slimmest DVD Camcorder in 2006

As they say in their website, Canon's main objective is to provide excellent products and support to Malaysian users. Today, it has become a major corporate player in Malaysia.

2-2- EOS Cameras

March 1987 marked the birth of the EOS model. In only 2 months, Canon EOS 650 commanded the top market share in Asia and Europe. It earned lots of prizes and became the No. 1 camera in the world.

EOS 650. The first EOS ever

Later in 1993, Canon produced the EOS Kiss a much lighter and easier camera in order to magnetize more and new type of customers to the SLR type. They succeeded to make their EOS model as the most favorable camera for women. In November 1994, Canon introduced its new flagship-model EOS-1N. Based on feedback from EOS-1 users, the camera garnered high acclaim as a professional-use model fully deserving of the ' 1' designation included in its name.

The digital era started in 2001 with masterpiece EOS-1 D, the first digital camera introduced by Canon. It wasn't the first ever, but it was the most advanced camera at the time. This was the turning point for Canon to top up all other competitors in the market. Since then, the innovations have never stopped.

EOS-1 D. The first DSLR for Canon

2-3- Market Segmentation

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½Market segmentation is the division of a market into different groups of customers with distinctly similar needs and product/service requirements. Or to put it another way, market segmentation is the division of a mass market into identifiable and distinct groups or segments, each of which have common characteristics and needs and display similar responses to marketing actions.½ (Paul Baines, Chris Fill and Kelly, 2011, P 217)

The table below, shows the market segmentation of Canon DSLR cameras

SEGMENTATION BASE SELECTED SEGMENTATION VARIABLES

Geographic Segmentation

Region West Malaysia, East Malaysia

City size Major metropolitan areas, Big cities

Density of area Urban

Climate Hot, Humid, Rainy, Temperate

Demographic Segmentation

Age 18-25, 26-45, 46-70

Sex Male, Female, Other

Marital Status Single, Married, Divorced, Widowed

Income RM 100, 000 and over

Education Graduate, Postgraduate

Occupation Professional, White-collar

Psychological Segmentation

Needs-Motivation Artistic taste, Sense of self-worth

Personality Extroverts, novelty-seeker

Perception Low risk

Learning-involvement High-involvement

Attitude Positive attitude

Psychographic Segmentation

Lifestyle Couch-potatoes, outdoor enthusiasts, status-seekers

Sociocultural Segmentation

Cultures Malay, Chinese, Indian, Others

Religion Muslim, Buddhism, Christian, Atheist, Other

Social class Middle, Upper

Family life style Bachelors, Young married, Full nesters, Empty nesters

Use-Rated Segmentation

Usage rate Medium user, Heavy user

Awareness status Interested, Enthusiastic, Aware

Brand loyalty Some, Strong

Use-Situation Segmentation

Time Leisure, Work, Day, Night

Objective Personal, Gift, Fun, Achievement

Location Home, Work, Outdoors, Indoors

Person Self, Family member, Friend

Benefit Segmentation Convenience, Value-for-the-money, Service, Personal Memorize.

Market Segmentation Analysis

This analysis shows that most of the Canon EOS users should be civilized, well educated, have a positive attitude and a strong purchasing power.

2-4- Competitors

Canon has many competitors, some of them are really strong, but the others have middle brand strength. Nikon and Sony are considered very strong competitors to Canon as they provide high quality products with a great reputation. Samsung is also jumping by offering its smart cameras with android operation system. Lumix, Fuji Film, Pentax, Ricoh, Casio and Olympus are also competing in the same market, but with a small share, so, they are not considered as major competitors.

Kodak was competing in the past 2 decades, but it faced some fatal troubles led the company to go bankrupt. Smart phones are not considered a strong competitor for Canon EOS, as the quality of the picture and the optical zoom options are major reasons of why customers buy DSLR cameras.

3- Marketing Mix Analysis of EOS

3-1- Product

Product is $\frac{1}{2}$ anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. $\frac{1}{2}$ (Kotler & Armstrong, 2006)

Canon DSLR cameras provide the quality, the durability, the style and the easiness of taking and exporting photos. This made canon to be at the top of all camera makers.

Value delivered to customers

Variety

Canon DSLR cameras are designed for almost all kinds of photographers from the beginners and amateurs up to the experts and professionals. From 12. 2 megapixel APS-C size CMOS sensor, ISO 100-3200 - expandable to 6400, 9-point cross-type AF system in the least DSLR model, up to 22. 3 megapixel Full-frame CMOS sensor, ISO 100-25600 - expandable to 102400, 61-point High-Density Reticular AF in the most advanced one. Whether you are an amateur, a semi-professional or a professional photographer, Canon

provides a long line of production with variety allowing the customer to choose the camera which suites his needs.

Canon's product variety

Quality

With its EF lens, CMOS sensors and DIGIC Image Processor, Canon provides the ultimate quality which any customer needs to snap a high quality photos.

Interior contents for Digital SLR

Canon's CMOS Sensor captures images with exceptional clarity and tonal range and offers the most pixels in its class. Canon's DIGIC Image Processor dramatically enhances image quality and speeds up all camera operations for intuitive operation. The sensor and processor work in concert with Canon's superlative EF lenses, forming the ultimate Digital Trinity. (Canon official website)

Easiness of use and hold

Canon provide light weight cameras (810 g for the heaviest one), but with a strong body allows the photographer to snap his photos under difficult circumstances.

The convenient accessories

Canon provides lots of accessories to its EOS cameras to make it even more productive. It offers battery grips, battery packs, Remote controls, Speedlites

and wireless file transmitter. It also provides more options for lenses and tripods allowing the customer to get what he needs.

Canon EOS accessories

3-2- Price

Price is how much a customer pays for the product. The selected price, if too high—or even too low—will affect how well the product sells.

2009 Learning Seed

Canon DSLR camera price starts with RM 1, 899 with its EOS 1100D for beginners, and going up to RM 21, 128 for its EOS-1D X for professional users.

Delivered values to customers:

Pay for your needs

Canon provides 27 different cameras with different divided into 3 groups, according to the needs and the professionalism of the customer of DSLR cameras.

Low price

Canon has made a difficult equation by providing a high quality product with a cheap price comparing with its major competitors Nikon and Sony.

With RM 2499 for Sony Digital SLT and RM 2498 for Nikon D3200, Canon EOS 1100D remains the cheapest among them all.

Environmental Management System

Canon is an environmentally conscious company. It has undertaken several initiatives to reduce the environmental impact of their products.

Canon protects environment

Canon works in voluntary partnership with the EPA to design products that meet the high standards of its Energy Star program. Canon also works with EPA's WasteWise and SmartWay Transportation Partnerships to reduce the impact of our municipal solid waste and transportation activities. So, for the customers it is not just about leisure and photography, it is about saving environment as well.

3-3- Place

The third "P" of the marketing mix is place, which refers to how a product gets to the people who will buy it. It's often called the distribution strategy. 2009 Learning Seed

Canon offers lots of place from where the customers can get new products or spare parts.

Value delivered to customers:

Informative website

Canon provides a well-designed website, filled with details, specifications, pictures and prices of the products, and updated with the hottest deals and

products. That makes it easier for the customers to decide which camera exactly he wants and at what price.

Snapshot from Canon's website

Abundant retail stores

Canon provides more than 500 official dealers to sell genuine products and spare parts all over Malaysia. In all the shopping centers and the digital malls you can find an official dealer for Canon.

Canon store at Sunway Pyramid Mall

Canon on the go

For iOS and Android users the majority of Canon products seekers, Canon provides an official application to preview and review its products. It makes it easier for those who are not in a situation allow them to use a PC or to go to a retail store. Canon seeks the comfort of its customers to maintain its position as the world's DSLR leader.

Screenshot for Canon's smartphone application

3-4- Promotion

Promotion is the marketing strategy that includes advertising, selling, public relations, trade shows, direct mail, and other communication techniques—even the messages on packaging. Successful promotions are intended to change beliefs or increase awareness, knowledge, and purchase

intent among potential buyers. Promotion is often the most obvious element of the marketing mix. 2009 Learning Seed

Via its website, Mobile applications, YouTube channel and Facebook page, Canon promotes its DSLR cameras.

Values delivered to customers:

Helping to understand the concept of photography

Canon EOS Academy is a photography workshop designed to teach and coach participants the basic theory of digital photography, as well as various techniques to create great looking images using their EOS digital SLR cameras. Can on website

For amateurs who don't have enough knowledge and experience in photography, Canon opens the chance for them to become professionals.

EOS Academy promotion

Free gifts for registration

When you buy a Canon product and register it online, you'll receive a free gift from Canon. Canon ePromo Programme will automatically be applied to those customers who successfully complete this step. In their website and Facebook page, everything is there with details.

Canon ePromo Programme

Prizes for users

Canon opens the chance for its clients to win prizes in many occasions during the year. An annual contest is undertaken by canon for photographers to compete among each other and win prizes. Also in the Christmas time Canon also opens lots of contests via its Facebook page.

Canon Christmas Photo Contest

4- Assessment of Overall Value Delivered

Canon has well delivered the value of its Digital SLR cameras to the customers. With its quality, variety, and easiness of use and hold, Canon has provided a great product. Canon has also provided a cheap product with a good space of pricing between the individual offered Digital SLRs, besides that, it has also provided a $\frac{1}{2}$ green $\frac{1}{2}$ product that helps the customers to protect the environment of the planet.

Canon has also shown the customers how it much seeks their comfort, by providing an informative website, abundant retail stores and a smart phone application, that allows the customers to get any information they want at any time and everywhere. Also it encourages them to develop their passion of photography into professionalism by offering their EOS academy. The photography contests also give the customers more motivation to show their talent with the judgment of professional photographers. From all the above, it is clear that Canon has squeezed the 4Ps to its last limits.

5- Conclusion

Canon always shows its products $\frac{1}{2}$ capabilities in the right way. It uses all the available methods to deliver its values to the customers. Canon uses its <https://assignbuster.com/marketing-mix-analysis-of-canon-digital-slr-marketing-essay/>

official website and other social networks to promote for its Digital SLR models. You can find canon logo everywhere, in the signs on the streets, Television, newspapers and also in magazines. Canon is now considered the leader of the camera makers, with regards of the competition with Sony and Nikon, Canon can maintain its position for years and years.

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