

# Daimler marketing strategy smart car usa marketing essay



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As for the promotional method, Daimler had used both above-the-line and below-the-line promotion. The appearance of Smart car in the “ Pink Panther” films in the year 2006 has given the car a long term image of urban style. Apart from that, some of the parking facilities operators across New York City have been charging half price for its parking tickets because of Smart’s small size[12]. If this is applied to all cities throughout the U. S. this can possibly increase the sales of Smart cars in this country. This is because, indirectly, customers will be influenced to buy Smart in order to avoid parking problem and even traffic congestion. In the contrary, not all cities in the U. S. suffer traffic congestion and parking problem.

Even though it only has a limited cargo space, the urban style and its small size has make up Smart car’s distinctive identity. Despite of its after sales service, Daimler has also given the opportunity for the customers to design their own Smart car through Smart Expression Program[13]. This profitable program will not only attract customers to buy it, but it can also satisfy the customer’s wants. This can surely provide Smart its competitive advantage and customers loyalty if it is a success. However, the Smart Expression Program will increase the car price and not every customers is willing to pay for it.

Furthermore, Daimler has also planned a few more extension strategies to boost the sales of Smart car. One of them is to develop new Smart car models. A strategic alliance has been formed between Daimler and Renault-Nissan last April where both sides had agreed to manufacture the next generation of Smart and Twingo[14]which includes the manufacture of the electric version. The

Moreover, its engine also uses low consumption of fuel and release low emission of carbon dioxide coherent with the green life program. In addition to that, Daimler has also produced a new electric Smart model. This shows that Daimler plays its corporate social responsibility towards the environment. This good reputation of Smart cars may attract customers who support the campaign.

In conclusion, the intense competition in the market as well as the decline in sales revenue has really put Daimler's Smart car in jeopardy. Without the right marketing strategies, Smart car which is the Problem Children might have the tendency to become Dog and later enter its decline in its Product Life Cycle. Since Daimler is now facing a financial problem, it is best if the cost is kept to minimum. The action of forming a strategic alliance with Renault-Nissan is a good step taken by Daimler to spread its cost and risks.

The extension strategies plan by Daimler has a big potential to succeed. After the marketing mix is assessed, there are still space for Daimler to improve its Smart car