

What is the decision
facing electrolux?
essay sample



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Vacuums produced by Electrolux are relatively expensive as compared to the other brands in the market. So, the company is facing a situation where the consumers perceive their products are very high priced. It is like that because the vacuums of Electrolux cost 700\$ which is very costly for the customers and they do not want to pay that much amount. Moreover, another company is dominating the market and producing high-quality products. Therefore, the firm is required to make a decision regarding a change in customers' behavior.

The firm has to devise a way through which they can satisfy their customers make them understand that Electrolux's UltraCaptic vacuum is worth its price. What factors are important in understanding this decision situation?

The factors that must be kept in mind while understanding this decision situation may vary. First of all, the firm must keep in mind that the consumers preference of the competitor's products and the reason behind it so they have to take effective measure in this area.

The second important thing is that the firm has to make an effective strategy regarding the organization's resources and competence. Electrolux has to keep their target market in mind and should create an effective marketing strategy. Plus they also have to pay special attention to the effects of any decision on the organization and its activities. Moreover, the firm has to analyze the current market situation while making a decision. What are the alternatives?

The first thing that the firm can do is to offer a short-term promotion that includes giving a limited time discount to the consumers to make the

consumers buy their product. Another alternative could be to bring down the cost of their vacuum to level their competitor's product and highlight the fact that they are providing more features for the same price. It would definitely make the customers buy Electrolux product. The most effective alternative would be to rename the product and should be sold under the manufacturer's name.

This would immensely help to attract the loyal customers of the brand and would increase the sales. What decisions do you recommend? I would recommend that the firm must initiate a promotional campaign in which they must pair another product with the vacuum and provide it to the customers. Since the firm wants to make purchasers understand that their product is a top-notch item, so they must devise creative and effective marketing messages to promote their product.

They must highlight the benefits and the best features of the product in their advertisements. For instance, how could the vacuum be an effective product for the households? The firm must provide demonstrations and the testimonies of its customers so as to attract more buyers. What are some ways to implement your recommendation? The firm, Electrolux, can provide on the spot demonstrations to the customers. In those demonstrations, the firm can highlight the significant features of their vacuum.

For instance, the demonstrations could show the potential clients how solid the energy of the vacuum is and also how calm it is. It would make the buyers understand the clients that a vacuum does not need to be boisterous to perform well. Moreover, the firm can also highlight that their vacuum is

less demanding on the customers' well-being since when you dump out the vacuum cleaner there will be no noticeable dust or germs, on the grounds that it consolidates itself down into pellets. The firm can run advertisements including the testimonies of its customers.