

Nokia cell phones and mobiles



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1. Executive Summary

The assignment is about the proposal for the company to fabricate new merchandises and remain in the competitory market. The proposal is for the company Nokia and the proposal is to get down fabrication of media player/iPods as they are merely fabricating nomadic phones. So the chief intent of the assignment is to give proposal to Nokia to get down fabricating its ain media participant. Nokia is one of the taking Mobile fabrication companies in the universe. A batch of trade names are selling and fabricating cell phones and Mobiles in the market but Nokia cell phones are the leaders in the race. With over a twelve assortments and theoretical accounts run alonging up every twenty-four hours the client is left in confusion as to what they should purchase. With the market pitching up with new companies Nokia industries have accepted the challenge.

From the research done on the media participant concern it shows that 80 % of the market is cover by Apple iPod in media participant industry and other 20 % is shared by the other companies like Sony, Creative, Microsoft and Samsung. The net income of Apple iPod is around the gross of \$ 10. 17 billion and record cyberspace quarterly net income of \$ 1. 61 billion, or \$ 1. 78 per diluted portion and the net income are increasing continuously. The combined Portable Media Player (PMP) and MP3 participant market represent one of the fastest-growing sections of the consumer electronics industry today, harmonizing to market research iSuppli, whose informations estimates that unit cargos will more than double between 2005 and 2011.

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So from all this research done on media player/iPod industry, it shows that the industry is turning twenty-four hours by twenty-four hours and the concern is one of the profitable concerns in the universe. So for Nokia it would be a good chance to come in the media participant industry and to vie with the other companies in the universe. So the proposal is good for the company and they can put in this concern as it is one of the turning concern.

2. Introduction

The proposal of the merchandise is carried out for the company Nokia. The proposal is to fabricate media participant or MP3 participant for the company. As Apple is the taking company in fabrication of iPods and as it covers the 80 % of the market portion so the footing of the proposal is to come in in this flourishing market and Nokia should come in this flourishing market and compete with the market leaders.

2.1 Company profile

Nokia is one of the taking Mobile fabrication companies in the universe. A batch of trade names are selling and fabricating cell phones and Mobiles in the market but Nokia cell phones are the leaders in the race. With over a twelve assortments and theoretical accounts run alonging up every twenty-four hours the client is left in confusion as to what they should purchase. With the market pitching up with new companies Nokia industries have accepted the challenge. They are coming up with latest engineerings being put to prove. The company believes in client satisfaction and that is the success of their being the leaders in cell phones. Nokia was founded by Fredrik Idestam in Tampere, Finland which is in Europe in the twelvemonth 1865 and incorporated into Nokia in 1871 (Nokia, 2010)

The caput quarters of Nokia are in Espoo, Finland. Jorma Ollila is the Chairman and Olli-pekka kallasvuo is the president and CEO and Timo ihamuotilais the Chief Financial Officer of the company. They have industries like Telecommunications, Internet, and Software Solutions. Their merchandises are Mobile phones, Smart phones, Mobile computing machine, and webs. Gross generated by the company in the twelvemonth 2009 is EURO 4. 99 billion. Their operating income is EURO 1. 197 billion, and net income is EURO 891 million. Entire assets of the company are EURO 35. 74 billion. No of employees working in the company is 123, 171. Their Subordinates are Nokia Siemens webs, navteq, symbian, virtu, and qt development models.

3. Merchandise Proposal

The proposal which is referred to the company is for the fabrication of iPods or media participant. As the company is merely fabricating Mobile phones and non any other merchandises, so the suggestion for the company is to get down fabricating their ain media participant and by making this they can better a batch on their grosss. As media participants are really celebrated in the universe and every coevals wants to hold a media participant with them there is great opportunity to acquire success in this market. So the intent of this proposal is to pull attending of the company in another merchandise like media participant as it has one of the dining markets in the universe.

3. 1 Media player/iPods

It a minor device used to play music files. It is a trade name of portable media participant designed and marketed by Apple and launched in October 2001. Initially the iPod played merely tight sound files (known as MP3 ' s) ,

but has rapidly evolved to play picture and entree the cyberspace (wireless local area network is merely available with certain theoretical account iPods) . All current Apple mp3 participants come with a show which allows them to duplicate as a portable digital text readers. With their vast and of all time increasing storage capacities, and click wheel pilotage, one could hive away more text based information on a individual device so a individual could of all time read in their life clip (Wisegeek, 2010) .

The original iPod came with a organic structure of white Lucite and chromium-plate. Two old ages subsequently Apple released the iPod Mini, about one-third the size of the original iPod and encased in a assortment of glistening metallic colourss. The smallest member of the iPod household, the Shuffle, reduced the size down to that of a bundle of stick gum and looked really much like the original. All iPods came with typical white earphones.

3. 2 How it works

An iPod or MP3 participant comes with the unheard-of storage capacity of 5 Gs. Six iPod coevalss released subsequently which can play vocals, films, games and exposure slideshows, and you can hive away up to 160 GB of any type of file you want. The development has been a lesson in consumer electronics selling and development. Millions of people are so aquiline on the iPod, they continue to purchase it. In 2007 iPod release, the sixth-generation iPod classic is a digital sound participant, picture participant, exposure spectator and portable difficult thrust, doing it a fully fledged portable media centre. It ' s available in 80-GB and 160-GB capacities and has a colour LCD screen. In add-on to the iPod authoritative, there are several other devices in the current coevals of iPod participants (Howstuffworks, 2010) .

3.3 Benefits

One of the benefits of holding an Apple iPod is the most obvious and that is you are transporting a portable music participant outside. However, today, an Apple iPod is more than that, it has now become a multimedia participant that can non merely play music, picture and podcasts but do slideshows of exposure every bit good. It is a great signifier of amusement for the user whether they are on the move or in the house – in fact, it is suited for merely about anyplace (Iollo, 2010) .

Certain Apple iPods can dwell of games to maintain their user busy, podcasts to acquire the latest intelligence onto the channel you have subscribed to and audio books to listen to music while on the train header to work, catching up on your favourite novels. The Apple iPods are really light, little and compact and this is why they are known as portable media participants. All of the newer Apple iPods are smaller than bulky Cadmium participants and this is why it is a favoured option. Some of the designs are such types that they can suit anyplace and everyplace whether in your pocket, on your belt or even on your arm.

4. Market

Apple ' s iPod was launched in 2001 and in that clip Apple has sold more than 180 million units. Quarterly gross revenues worldwide continue to poke at between 9 and 10 million. Despite the entry of Microsoft ' s Zune digital media participant (launched in 2006, manufactured by Japan ' s Toshiba and pictured below) and bing participants produced by the likes of Sony, Creative and Samsung, the Apple iPod continues to bask a market shareof more than 80 per centum. In this sense, the iPod can be said to hold a

monopoly position in the market and good established market laterality (Tutor2u, 2010) .

One of the of import point is that the early coevals of the iPod mostly created a new market instead than displacing an bing one. And Apple ' s scheme since so has been excessively introducing and they continue to present new merchandises to the market that appeal to a new group of consumers.

4. 1 Market Leader

iPod is presently in the growing phase, where more and more people are cognizant and buying the merchandise and therefore increasing merchandise demand. Gross saless are turning quickly and net incomes are lifting rapidly, nevertheless competition is increasing as rivals are more cognizant of the tactics of Apple iPod i. e. utilizing new characteristics to market their merchandise. During this phase there are besides chances for wider distribution which will ensue in higher gross revenues of the company so it is the profitable merchandise for the company. Ipods are the popular music participant in the universe with over 100 million sold since launch. That accounts for about half of all the 220 million iPods sold worldwide and this has boosted Apple ' s portion of the market to about 75 per cent. So Apple is the Market leader in the Media Player market.

4. 2 Gross

The Company posted record gross of \$ 10. 17 billion and record cyberspace quarterly net income of \$ 1. 61 billion, or \$ 1. 78 per diluted portion. These consequences compare to gross of \$ 9. 6 billion and net quarterly net income of \$ 1. 58 billion, or \$ 1. 76 per diluted portion, in the year-ago one-fourth.

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Gross border was 34.7 per centum, equal to the year-ago one-fourth.

International gross revenues accounted for 46 per centum of the one-fourth 's gross (MarketWatch, 2010).

The consequences beat the estimations of analysts surveyed by Thomson First Call, who expected Apple to gain 78 cents a portion on gross of \$ 6.42 billion.

Leading the charge for Apple was its line of iPods, with the company transporting 21 million of the market-leading devices during the one-fourth, a 50 % leap from a twelvemonth ago. Gross saless of the device accounted for \$ 3.43 billion of the company 's gross, or about half the sum.

4.3 Growth

The combined Portable Media Player (PMP) and MP3 participant market represent one of the fastest-growing sections of the consumer electronics industry today, harmonizing to market research iSuppli, whose informations estimates that unit cargos will more than double between 2005 and 2011.

The house sees world-wide units mounting to 268.6 million in 2011, spread outing at a Compound Annual Growth Rate of 13 per centum from 128.7 million units in 2005. In entire, participant cargos for the current calendar twelvemonth are expected to lift to 216.9 million units, up 21.8 per centum from 178.1 million in 2006.

For its portion, Apple in 2006 sold over 46.4 million iPods, which would give it an approximative 26 per centum planetary portion of the planetary digital media participant market based on iSuppli 's unit cargo sums. That's the same portion reported for the Cupertino-based company back in 2005 by

another market research house, IDC. Should Apple keep its portion traveling forward, it would stand to sell more than 56 million participants in 2007 and about 70 million in 2011 (Appleinsider, 2010) .

At the same clip, fabricating gross from digital media participant production will reportedly lift to \$ 21. 5 billion by 2011. Senior analyst for consumer electronic sat iSuppli Chris Crotty said that “ A major drive factor behind this growing is the fact that PMP/MP3 participants take advantage of the Internet more than other consumer electronic devices, giving users the ability to rapidly and easy sample, get and portion media, ” The graph below shows the increasing market of the media participant.

The analyst estimates that entire figure of Internet families and broadband endorsers worldwide will turn to 883 million and 507 million severally by 2011. Because of this, he expects cargos of PMPs like iPhone and picture iPods will turn faster than those of music-only MP3 participants during the approaching old ages — probably to account for more than 66 per centum of PMP/MP3 unit cargos by 2011, up from a mere 4 per centum in 2005. Crotty noted that other accelerators for market enlargement include turning catalogs of available content and constituent cost decreases that are doing the participants more low-cost for consumers. “ In analogue with the rise in PMP/MP3 cargos is the enlargement of the market for paid digital content used on these and other platforms, ” he said. “ The worldwide broadband digital paid picture market will spread out to \$ 4. 5 billion in 2010, up from a meagre \$ 300 million in 2006. ” iSuppli besides forecasts the broadband music market to turn to \$ 5 billion in gross by 2010, up from \$ 1. 6 billion in 2006.

The tabular array shows Market portions of the companies which produces media players/Mp3 participants.

This chart shows the gross revenues of the company which states that Apple has highest gross revenues in comparing to all the companies fabricating media players/IPods.

5. Research

It is a procedure of probe in which you can educate yourself and besides Hunt for the truth. It is done by utilizing Library, Materials, and Internet. In other word it besides means assemblage of information. Research is done by two methods one is Primary research and the other is Secondary research (Usg, 2010) .

5.1 Primary Research

Data collected or observed from the first manus experience is known as primary informations. Primary information is of import for all countries of research because it is wholly new information about the consequences of an experiment or observation. It is like the oculus informant testimony at a test which is used as grounds. No 1 has tarnished it or whirl it by adding their ain sentiment or prejudice so it can organize the footing of nonsubjective decisions.

It is besides known as the original informations that is gathered and evaluated. For illustration If we are making a study for any new merchandise and roll uping information from the people and by making such type study the information which is collected can be used as Primary informations (Businessdictionary, 2010) .

Primary Research is conducted by

Telephonic interviews

Mail studies

Online Questionnaire

Focus groups

Panel treatment

Observation methods

For making Primary research Questionnaire is prepared for the study. The Questionnaire is attached in appendix.

5. 2 Secondary Research

The Data which is already published or used in the past so such type of informations is known as Secondary information. Data already gathered for one usage so two is utilized for another intent is besides known as Secondary informations. For illustration, a individual researches income distribution utilizing informations collected by the Department of Commerce (Blurtit, 2010) .

Secondary informations research is the research which is based on garnering the information from the findings of other research workers. There are two beginnings of secondary research including external or internal research. The internal secondary research is conducted within the organisation while the external secondary research is obtained from the outside beginnings.

Some secondary informations research beginnings include Sales and selling studies, Accounting and fiscal records, Miscellaneous studies, Federal government and statistics bureaus etc. Therefore, unlike primary informations, the secondary informations is non taken with many attempts and it is based on the findings of others.

Secondary Research is conducted by

Internet

Books

Library

Newspapers

Magazines

Government bureaus

6. Methodology

After holding full cognition of both the methods used for research it is found out that primary research is really clip devouring procedure and it is really expensive but the research is up-to-date and is related to your research. But secondary research is more easy done so my chosen method for the research is besides Secondary research

The advantages of this method (Knowthis, 2010)

- Secondary informations is readily available at inexpensive rates and is normally rather cheap.

- Roll uping secondary informations and analyzing it saves clip and attempt.
- It is easy available and the research worker can acquire it without much battle.
- Secondary informations avoids informations aggregation jobs and it provides a footing for comparing.
- This information type may let the research worker to cover a broad geographic or temporal scope.
- Secondary informations can let for larger graduated table surveies on a little budget.
- Secondary informations provides an chance for longitudinal analysis based on the old moving ridges of study.
- Secondary informations is a good index for analysing the societal alteration overtime.
- This type of informations besides provides an chance for cross-cultural analysis with fewer bounds of clip, cost and linguistic communication.
- Roll uping secondary informations leaves more clip for doing in deepness informations analysis.

7. Decision

From all the researches and surveies done above we can reason that investment in media participant undertaking is good for Nokia, as Media participant industry has a dining market in the universe. Besides the industry is a profitable industry as there are non many rivals in the market. Numbers of people utilizing media participant is increasing twenty-four hours by twenty-four hours so the company will non hold any opportunities of failure it they invest in this undertaking. So the proposal for the company to fabricate <https://assignbuster.com/nokia-cell-phones-and-mobiles/>

Media participant is really good proposal and the company should look forward to it every bit shortly as possible.

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