

Yamaha music company analysis



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Yamaha Music is a Multi-National Corporation (MNC) that is very well known for their musical instruments and music school. Yamaha being a diverse business also do businesses that are related to audio products, music software, and motorcycles. Yamaha is known globally and has outlets in more than 40 countries, stretching across 6 continents.

It is sure that a MNC like Yamaha music does not prosper and be so well known overnight. A company like that must have taken many years to build up their reputation, and expand across the globe to become know by many. Therefore, it really amazes me and I am curious to find out how they became so renowned by the world, specifically in Singapore.

Hence, in this Professional Profiling report, I will be looking into how Yamaha grow and become a MNC, particularly in Singapore.

About Yamaha

[1. 1] Yamaha (Global)

Yamaha Corporation is a company whose primary business is to manufacture and sell musical instruments such as guitars, pianos, percussion instruments and more. Apart from musical instruments, Yamaha have expanded their business into manufacturing and selling other music-related products such as audio software and products, and IT equipments. Moreover, Yamaha also expanded their business into lifestyle-related products and the well-known Yamaha Motors. To be in such a big business helped Yamaha appeal to an extensive range of customers.

Other than selling products that Yamaha manufacture, they also opened music schools as well. Their music schools also had a good reputation

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themselves. They had more than 700, 000 students and developing in more than 40 regions and countries Yamaha has numerous classes and different classes to cater to students of different age group, interest and level of difficulty.

[1. 2] Corporate Objective of Yamaha

Yamaha's Corporate Objective is "Creating KANDO Together".

'Kando' in translation describes the sensation of strong excitement and satisfaction derived from experiencing utmost quality and performance.

Yamaha's corporate objective is to enhance both culture and technology as a whole and passion which is that of music and sound, with people all over the world.

[1. 3] Management Philosophy of Yamaha

Presented below is the 4 management philosophy of Yamaha.

Customer-Oriented and Quality-Conscious Management

Yamaha tries their best to meet the expectations and needs of the customers, Yamaha by delivering services and products of fine quality, incorporating up-to-date and conventional technologies together with polished creativity and artistry.

Transparent and Sound Management

Yamaha achieves lasting development through transparent and sound management. To have a transparent and sound management means to be

honest, clear, logical and reliable. Yamaha ensures a robust business performance so that the shareholders will be delivered proper returns.

Valuing People

Yamaha makes every effort to be an organization that respects each person's individuality and creativity. They also strive to let each person show their full potential through their work.

Harmony with Society

To be harmonious with the society, Yamaha proves that they are a good corporate citizen that adds to the development of the culture, economy and society by observing laws, demonstrate high ethical standards, and striving to protect the environment.

Background of Yamaha

[2. 1] Founder of Yamaha

Torakusu Yamaha was the Yamaha Corporation Founder & President (1887-1916). That was how Yamaha's name came about. Yamaha was raised with a very liberal education, studying engineering and astronomy. At the age of 19, Yamaha started his own watchmaking and repair company which soon failed. After which, he worked as a repairman, repairing gadgets like medical tools. There was one occasion, at a school in a town of Hamamatsu, Yamaha was approached to repair a prized organ. While repairing the organ, he learnt the interior workings of the organ.

Yamaha later created his own organ. He then brought his organ to the then Music Institute (today's Tokyo National University of Fine Arts and Music).

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However the organ was criticized terribly for its tuning. Starting from scratch and undaunted, Yamaha began studying music theory and tuning. After months of struggles, he managed to finish his organ. Stirred by the experiences he had, and the struggles of studying tuning while holding a tuning fork in his hand, you could see how Yamaha came up with the concept of the tuning fork symbol.

Yamaha made his own organs in 1887, bannered under Yamaha Fukin(Organ) Manufacturing Company. Ten years later, the business was incorporated and then re-named Nippon Gakki Co. (Japanese Musical Instrument Company). In October 1987, to mark the 100th anniversary of its founding, the company name is officially changed to ‘ Yamaha Corporation’.

[2. 2] The History of Yamaha Music

CONTINUOUS IMPROVEMENTS AND UPGRADING

MAR 1930: The world’s first research room is opened by Yamaha.

SEP 1959: Yamaha opened The Yamaha Technical Laboratories.

APR 1985: The Yamaha opens their Research and Development Studio in Japan, Tokyo.

APR 1987: The Yamaha opens their Research and Development Studio in London.

*Above text cited from [http://www. global. yamaha. com/about/corporate/history/index. html](http://www.global.yamaha.com/about/corporate/history/index.html)

The above events show us that Yamaha was continuously improving themselves by researching and developing. Yamaha also kept up with the latest technologies. That was beneficial to Yamaha as they are constantly on the move to improve their instruments.

VENTURING ABROAD

FEB 2000: Mobile Phone Melody Distribution Service begins in Taiwan and Japan by Yamaha.

JAN 2001: Audio and Video Products Sales Subsidiary was set up in China, Shanghai

AUG 2001: Musical Instrument Sales Subsidiary was set up in South Korea.

OCT 2002: Holding Company was set up in Europe

JAN 2005: Yamaha Corporation acquires Steinberg Media Technologies GmbH, Germany.

OCT 2005: China Yamaha Music School launch.

*Above text cited from <http://www.global.yamaha.com/about/corporate/history/index.html>

From the above timeline, we can see that Yamaha had ventured and developed overseas. It was a risky thing to do at that time and not many companies had done so at that point of time. It was an unsure market. However, they decided to bring Yamaha overseas. From just Japan, Yamaha had expanded to over 40 countries and regions.

AWARDS

APR 1904: Honorary Grand Prize was awarded to Yamaha at the St. Louis World's Fair.

NOV 1969: The First World Popular Song Festival was staged by Yamaha in Japan, Tokyo.

APR 1981: JOC is held in the United Nations General Assembly Hall

NOV 1987: The First Band Explosion World Final was staged by Yamaha in Japan, Tokyo.

FEB 2007: Technical GRAMMY® Award was awarded to Yamaha Corporation.

*Above text cited from [http://www. global. yamaha. com/about/corporate/history/index. html](http://www.global.yamaha.com/about/corporate/history/index.html)

The above events show us the awards that Yamaha had received and the concerts that he headed and sponsored had made him better known throughout the world. Through the heading and sponsoring the concerts, Yamaha was introduced to more people. That was good as Yamaha gets publicized. Also, with the awards that Yamaha won, it had shown that they are a truly a music corporation that manufactures good instruments.

Yamaha Music (Asia) Singapore

[3. 1]Yamaha Music (Asia) Singapore

In 1966, local investors and Nippon Gakki Co. Ltd incorporated as a joint-venture company between each other.

In 2002, Yamaha Music (Asia) Pte Ltd became 100%-owned subsidiary of Yamaha Corporation.

Yamaha Music (Asia) Pte Ltd (YMAAsia), unlike Yamaha Corporation, has 2 core businesses. One of which was the operation of music schools and the other is in the retail and wholesale of musical instruments.

To date, Yamaha has not only opened piano classes, but also other music classes like guitar classes and electone classes.

YMAAsia has 6 retail stores, all with a Yamaha Music School within their premises. The company also has a vast network of dealers around Singapore.

[3. 2] Core Values of Yamaha Music (Asia) Singapore

Yamaha strongly believes that by maintaining these core values, they can distinguish the character of their company. Below are the five core values that will guide us on how they make decisions, think, and behave.

CUSTOMER FOCUS

Yamaha strives to go the extra mile to delight their customers, turning them into their advocates in the process. Yamaha wish to create long term relationships with their customers by establishing loyalty, trust and confidence.

INTEGRITY & RESPECT

Yamaha strives to behave morally and ethically. They wish to earn the respect and respect of their customers and people that they work with, by being open, honourable and honest in their actions.

TEAMWORK

Yamaha “ Work Together as One Team, As One Yamaha”. They make effort to create harmony and strike a chord with the people that they work with.

RESOURCEFULNESS

Yamaha strives to stretch their capacity and achieve more, enhancing to work with what they have. They wish to be a people who steps up to what people might consider “ hard to achieve”.

INNOVATION

Yamaha strives to be a people who embrace a new mindset, always driven to make old things work better. They wish to be proactive in initiation change and improvement.

Survey on Yamaha Music (Asia) Singapore

I have conducted a survey with 34 surveyors on Professional Profiling: A Survey about Yamaha Music (Asia) Singapore.

[4. 1] Analysis of Survey

In Annex A Fig. 1 and Fig. 2, based on the question’s results, 94. 1% and 82. 4% respectively, of the surveyors have heard of Yamaha music. In fact it is he music school that was came across the most. This shows that majority of the people that have done my survey, had came across Yamaha in one way

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or another, be it on TV advertisements or passing by the store or even patronize it.

In Annex A Fig. 3, based on the question's results, 90.9% of the surveyors would recommend Yamaha Music. This shows that Yamaha is a credible company which people will patronize again and again and also recommend it to other people. There are also 9.1% of the surveyors who did not recommend Yamaha and I have asked if they would recommend other brands or stores, they would suggest brand like Gibson. This is because Gibson is specialized in a certain instrument and Yamaha is not. Hence the quality of Gibson's instruments is definitely better than Yamaha's instruments.

In Annex A Fig 4, based in the question's results, 69.7% of the surveyors thinks that the instruments are sold at a reasonable price. Hence this shows that majority of the surveyors think that the instruments at Yamaha are affordable.

In Annex A Fig. 5, based in the question's results 82.4%, which is the majority, would chose to learn an instrument at Yamaha. This shows that Yamaha does provide quality music lessons to people who are interested.

SWOT Analysis

[5. 1] What is SWOT Analysis?

SWOT analysis is a strategic planning method used to evaluate a project or in a business venture. It provides information that enables companies to match resources and capabilities to the competitive environment in which

the company operates. SWOT analysis allows us to take a look at the internal and external environment that affects the company.

Strengths

Weaknesses

Opportunities

Threats

The S in SWOT stands for Strengths. The strength of the person or company shows us the attributes that contributed to the company. The company's resources and capabilities are their strength. These strengths can be used as an influence for developing a competitive advantage.

The W in SWOT stands for Weaknesses. The weakness of the person or company tells us what are the bad attributed that the company has that might be harmful to the company. Weakness can be seen as a company or person lack of certain strengths. Sometimes, weaknesses can be caused by a strength, or that a strength could also be considered a weakness.

The O in SWOT stands for Opportunities. Opportunities are the external conditions that are helpful to the company. The external environmental analysis is able to let us know what could have been the doors that were opened for the company that provided them with opportunities to grow, to develop and to prosper.

The T in SWOT stands for Threats. Treats are external conditions which could do damage to the company. Besides opportunities, external environmental

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analysis can also help us to find out what are the threats of the company as well.

[5. 2] A SWOT Analysis on Yamaha Music (Asia) Singapore

Strengths

Yamaha is one of the few music companies in Singapore that sells a huge variety of instruments. This makes it easier to find and purchase musical instruments and music related products.

Most people will recommend Yamaha (According to Annex A Fig. 3). This shows that Yamaha sells instruments of good quality. That is one of the reasons why they would recommend Yamaha to others.

Yamaha has music classes that are target to all age group.

Yamaha does have a good reputation among people. Therefore, majority of the people who have taken my survey have heard of Yamaha. Majority of the people who have taken my survey would also recommend Yamaha to others.

According to my survey results, Yamaha sells instruments at a reasonable price(Refer to Annex A Fig. 4).

Weaknesses

From my survey results, there are still some people whom would not recommend Yamaha to others as they think that Yamaha does not specialize in making a specific instrument. Some of the people that responded that they would not recommend Yamaha because they mostly recommended a certain brand that specializes in guitar making (i. e. Gibson).

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From my survey result, there are also people who think that Yamaha sells their instruments at a higher price. This might be due to their branding of instruments. Like I have mentioned, they are not specialized in a specific instrument hence some might think that it's an average instrument that are selling at a similar price as a company that produces/specializes in a certain instrument.

Yamaha is not very known for their specialization in teaching Electone.

Opportunities

From my research, Yamaha has a Research and Development team that is constantly improving and coming up with new technologies (i. e. A guitar without guitar strings. Strings were replaced with buttons). Yamaha creates improved/improvised instruments so that they are able to target a new group of people/younger patrons.

Yamaha have been advertising a lot more compared to the past. Yamaha have been putting up more television advertisements as well.

Threats

Yamaha has competition with other well known music schools (i. e. Cristofori Music School and Lee Wei Song School of Music) (Refer to Annex A Fig. 5). It shows the next two more well known music schools known by my surveyors).

Yamaha does not specialize in making a certain instruments, hence companies like Gibson or Fender gets a better chance of selling their guitars than Yamaha.

Recommendation

Looking at the SWOT analysis and survey results, I have come up with some suggestions that I feel might benefit Yamaha Music (Asia, Singapore).

From the SWOT analysis, not a lot of people know that Yamaha specializes in teaching Electone classes. Hence, I suggest that they can do more advertisements. It could be on TV or on posters or brochures. Hence people will start to take note that Yamaha offers Electone classes, which not many music schools offer. By putting up more advertisements, Yamaha will be even better known as it will at the same time be able to promote the company itself.

From the survey that I had done, there are still people who will recommend other brands of instruments instead of recommending Yamaha's instruments. Hence, I suggest that Yamaha could constantly improve with their instrument making. Hence, Yamaha's instruments will be able to be on par with other brands of instruments.

Summary

Through this report, we can see that Yamaha is a well established company. Yamaha is also a company that is very well known globally. Through this report, we also can see the various ways that Yamaha had took over the years to be at this stage of recognition and credibility. We also can see that Yamaha had the courage to take the risks to grow and travel out into the unknown, to an overseas market.

In this report, we've also managed to look at how Yamaha Music (Asia, Singapore) had their service values and how they strived to uphold it.

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Together with the survey that I had conducted and analysed, it also tells us that through the hard work that Yamaha had put in, from conducting classes to making instruments, Yamaha strives to continuously improve and upgrade. This is also one of the ways they gain their reputation.

By doing up this report for Professional Profiling, I realized that there has to be a lot of hard work, time, and courage to become successful. There should also be a vision for a company so that they are able to move towards the goal and constantly work to improve.

ANNEX A

Fig. 1

Fig. 2

Fig. 3

Fig. 4

Fig. 5