

Marketing case study of infiniti flashcard



**ASSIGN
BUSTER**

Motor Company, produces luxury performance cars, coupes, crossovers and sport utility vehicles (SUVs). Its brand promise is 'Inspired Performance'. A brand promise represents the benefits and experiences that a consumer can expect from a particular brand. For Infiniti, the ethos of 'modern Japanese luxury' is at the heart of everything it does. The luxury car market is highly competitive. As Infiniti is a relatively new entrant into this market it required an innovative and creative marketing strategy to create global awareness of the brand and its brand promise.

International marketing is the process of identifying and anticipating customer wants and needs across different national markets and then demonstrating how these requirements are being met. For Infiniti, Formula One is a key element of this creative strategy to build global brand awareness. To achieve its global growth plans, Infiniti required a high visibility platform to showcase the brand to its new markets. A marketing platform is a mass communication tool that allows a business to increase brand awareness and thereby lead consumers to purchase its product.

Partnering with Red Bull Racing and Sebastian Vettel provided Infiniti with the brand exposure it required on a global scale. Formula 1 racing has a global audience and is the perfect showcase for high performance cars and technology. The fact that Sebastian Vettel, arguably the best driver in the world, wanted to help design a new luxury Infiniti model demonstrated the strength of the brand and its cars. This case study illustrates how Infiniti formed its partnership with the Red Bull Racing F1 team to increase its global brand awareness, enter new markets and increase its market share in the luxury car market.

MARKETING STRATEGY A strategy is a plan that enables an organization to achieve its aims and objectives. For Infinite, the key objectives of its marketing strategy are to improve brand awareness and increase share in new and existing markets. In terms of market expansion, Infinities growth strategy focuses on countries where demand for luxury vehicles is high. For example China, Infinities fastest growing market, has a new dealership opening every week. Infinite models are now available in 47 countries through 450 Infinite Centers (dealerships).

Key markets include North America, China, Russia and more recently Europe and Australia. Infinities growth strategy will grow its product range from seven products to at least ten products in more than 70 markets. By 2016, Infinite aims to have more than 800 Centers. The long-term aim is for growth that results in Infinite achieving a 10% share of the relevant luxury vehicle market. To achieve its objectives Infinite needed to engage with a range of target groups. These included media, prospective dealers and of course, customers. A major part of its marketing strategy is formed around the exciting world of Formula One.

In March 2011 Infinite became the key partner to the Red Bull Racing team and, in November 2012, announced that it would become the title sponsor and exclusive technical partner to what is now known as Infinite Red Bull Racing. Infinities products and technology will support the F1 team from 2013. Like Infinite, Red Bull Racing is a relatively new organization but has made rapid progress in Formula One. There is a clear link between what Red Bull Racing and Infinite are each trying to achieve as both have a shared ambition for incomparable performance. This is known as brand synergy.

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Synergy is where the combination of two brands leads to results that are tenderheartedly than the brands would achieve individually. Infinities customers stand out from the crowd. They are passionate about design and technology and they want the best possible performance from their cars – ‘Inspired Performance’. These qualities fit perfectly with Red Bull Racing core values of being creative, innovative and doing things differently. The ‘strategic fit’ is excellent. This is where each organization’s plans, target markets and other aspects of the external environment in which the organizations are operating closely relate to each other.

For example, FI already hosts a Grand PRI in many of the markets that Infinite wants to target, including Australia, China and countries across Europe. **MARKETING MIX** The marketing mix, often referred to as the four AS’, is a means for organizations to combine the four key elements of product, price, place and promotion to achieve its business objectives. Every business is different. Each must decide on its own marketing mix that balances the four As to suit its products. The mix will depend on factors such as: ; competition ; the type of product ; the market it is selling to ; findings from market research.

Infinities marketing mix considers: ; Products – luxury cars with Japanese cutting edge design as a key differentiator. ; Price – a premium price in line with the premium quality of the product. ; Place – vehicles sold through state-of-the-art Infinite Centers which are expanding globally. ; Promotion – with a focus on sports marketing using the Infinite Red Bull Racing FI team and World Champion Sebastian Vettel. The elements of the marketing mix

should be integrated. For example, Infinities luxury cars are sold in state-of-the-art Infinite Centers that complement the premium quality of the vehicles.

Having the right marketing mix enables an organization to achieve its business objectives. Infinities business objectives include increasing brand awareness, international growth and meeting its brand promise. Marketers differentiate products into core, actual and augmented products. A core product describes the main benefits that customers receive when consuming a product. Put another way, it is the essentials a customer is looking for when considering making a purchase. Infinities core product is its design, advanced technology and driving satisfaction, referred to as 'Inspired Performance' by its marketing team.

The actual product refers to additional benefits that are enjoyed above the essentials. These include Infinities range of luxury cars, for example, the Infinite FAX Vetted Edition model. Finally, the augmented product consists of elements such as delivery, warranties and servicing arrangements. The augmented product helps tailor the actual product to the target market. The price of a product needs to reflect the costs associated with developing and constructing the product. At the same time the pricing strategy also needs to be in line with a product's positioning in the market.

Infinities marketing activities reflect its premium position by associating the brand with the Formula One World Champion team and driver. The 'place' refers to the Infinite Centers selling Infinite cars. These distribution outlets support the brand promise of 'Inspired Performance'. Infinite Centers are known for their striking architecture, welcoming environment, state-of-the-

art technology and high quality customer service. Promotion covers a variety of techniques used by an organization to communicate with its customers and potential customers.

A distinction is often made between above-the-line and below-the-line promotion. Above-the-line promotion is paid-for advertising using a wide variety of mass media channels. These include: ; print adverts in magazines/newspapers (trade and consumer) ; television, radio and cinema advertising ; online advertising and websites (Infinities websites are tailored for each geographic market) ; billboards by roadsides, in airports and similar high visibility areas. This form of promotion reaches a wide audience and is an effective way of creating brand awareness.

Infinite uses global TV adverts to highlight the superiority of the products. However, this form promotion is costly and it can be difficult to target the likely customers precisely as the messages are pushed to a mass audience. It is also difficult to measure results of mass media promotion since the increasing popularity of television formats such as Sky+ enables many TV viewers to fast-forward TV adverts. There are different types of advertising that organizations use. Two methods often used in TV advertising are: ; Informative advertising.

This is designed to increase awareness, for example a public health advertisement. ; Persuasive advertising. This is designed to convince nonusers to purchase a product by highlighting features that make it more desirable than others products. For example, Infinities website and TV advertising campaigns highlight the vehicles' key differentiators of design

and performance. Prior to each FI Grand PRI, Infinite ran above-the-line promotional campaigns alongside its below-the-line activity to create maximum exposure and brand recognition amongst consumers.

For example, vintage FI posters were used in a campaign to highlight the attributes of each particular race track and how relevant Infinite technologies and design would benefit the driver. Below-the-line promotion is a narrower, more targeted approach to communicating with consumers. These methods allow for more control and can be tailored to create deeper engagement with target audiences through specific initiatives. Examples of below-the-line promotion include: ; Public Relations ; Sponsorship ; Hospitality ; Merchandising ; Social Media (Facebook and Youth).

Infinite uses a range of below-the-line techniques to support its sponsorship of Red Bull Racing. This activity is underpinned by three-time FI World Champion Sebastian Vettel's work as Infiniti's brand ambassador. Sebastian Vettel goes beyond just endorsing Infinite products; he is the global ambassador for the brand. His own personal car is an Infinite FAUX. Last year he used his experience and passion for cars, working with Infinite to design the Infinite Vettel Edition which was unveiled at Frankfurt Motor Show.

Public Relations is defined as ' a strategic communication process to build mutually beneficial relationships between an organization and its public'. The other key component of this is ' media relations', which is a strategic communication process enabling a brand to earn branded editorial (non paid for) coverage by creating stories which are genuinely newsworthy. This has

been a key focus for Infinite in Formula One to date. Sebastian Vettel works closely with Infinite to support public and media relations activities coinciding with each Grand Prix.

These activities include: ; Press conferences, media events and company visits. This included a Journalist hosting programme throughout the year at Grand Prix events, and a Sebastian Vettel Media Driving Day in China. ; Competitions. Infinite ran a test-drive campaign giving consumers the chance to win a 'money-can't-buy experience' with Infinite and Red Bull Racing. It also ran incentives for salesmen and dealers to win Grand Prix tickets. ; Viral marketing. Social media has played an integral part in Infinities promotional activity.

Infinities 'Inspired Performers' video clips created a huge amount of global exposure as Sebastian Vettel and Mark Webber swap skills with other like-minded, inspired performers. These were all leaders in their respective fields, including martial arts expert Celia Jade, music star Melanie Fauna and Red Bull Air Force Manager Jon Devote. They then swapped roles so the F1 drivers could teach them performance driving skills. This video generated thousands of hits on YouTube and other online channels, plus delivered editorial media coverage on TV, in newspapers and magazines across the world.

Conclusion It is important for organizations to find the right balance for its marketing and communications mix. Integrating the elements of the mix is vitally important to ensure appropriate promotional activities are used to link the brand with target consumers' interests. For Infinite, the linkage to Red Bull Racing and brand ambassador, three times Formula One World

Champion, Sebastian Vettel fit perfectly with the company's brand promise of 'Inspired Performance'. Infinite continually improves and extends its marketing strategies through constantly evaluating its promotional activities.

Evaluation is essential to: ; assess which promotional activities are effective ; ensure the marketing mix is balanced ; establish if the marketing objectives have been achieved. For Infinite, evaluating its marketing activities takes many forms. Printed media coverage is evaluated through volume of press cuttings while evaluation of TV exposure from its partnership with Red Bull Racing is carried out on a race-by-race basis. An independent sport marketing survey gives a report on the exposure of the brand throughout each race (FM Sports Marketing Surveys).

Since the partnership first started the visibility of the brand in Formula One has risen from zero to 4th in 2011, up to 2nd place in 2012, with Red Bull being consistently the most visible brand. The statistics make it possible to compare exposure at different locations. For example, at the ABA Dhabi Grand Prix, Infinite had a 7.9% share of exposure amongst all sponsors. For this race it was measured as the top of the car (with 43.1%), followed by the driver's overalls and front torso (with 15.5%) which yielded the greatest TV coverage of the brand's logo. This information was analysed to try and increase exposure in the following race.