Barco projection system essay sample

Business, Marketing



Based on Barco's commitment and its research data since the advent of the company, it is evident that Barco does not sell its product, driven by market demand but is highly technology driven: marketing strategy and product development follow engineering. This allows Barco to charge higher prices (evident due to higher quality product) than the competition. Sony's surprise introduction of the 1270 is a clear attack on Barco's niche market. In general, Barco's main products are divided based on scan rate of projector and the type of lens used in the projectors. Based on this, there are three main segments: video, data and graphics. Sony is trying to overcome this segmentation by addressing the data and graphics with one superior product (1270). Since the launch declaration of Sony 1270 Barco faced with two main problems: (a) The technically superior projector 1270, will outdo Barco in its technical advancement (b) Barco will have to decide on lowering its prices for current products and/or react with the introduction of an even better product. Following are the production strategy for Barco and there feasibility according to me: (a)Continue with the completion of BD700.

I think this option has large risk associated with it, because if Sony 1270 is launched at a higher price, BD700 will be a viable product with lower price as compared to 1270. However, if Sony 1270 is priced at a lower value, BD700 will be reduced to a higher priced inferior product (b)Change development plans of BD700, to match technology standards of Sony 1270. According to me this also is not a very recommendable option for Barco as it will make Barco highly dependent on the pricing policy of Sony 1270. Barco will still lose its market product superiority. (c)Delay the production of BD700 indefinitely and begin working on research/production of BD800. According

to me, Barco should focus on maintaining its image of "Technology Leader" in market. It should delay the production of BD700 and begin rigorous R&D/production process for BD800. Barco might miss the launch of the BD800 at the upcoming Infocomm; however it will still maintain its image of "Superior quality product". Also, as an explanation for missed Infocomm, Barco should set up a well-detailed promotion campaign for BD800 soon after Infocomm, such that Barco's customers are well aware that a superior quality product is due soon. Also, a projector with a scan rate of about 90Khz will reinforce Barco's position as a technology leader in the market.