

Marketing: oxo essay sample

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OXO is a design company whose mission is “ OXO is dedicated to providing innovative consumer products that make everyday living easier.” OXO was established by Sam Farber in 1990 to develop the Good Grips range of comfortable, easy-to-use kitchen utensils. Farber’s inspiration to establish OXO was due to his wife. Sam began to question the effectiveness of kitchen utensils when he observed his wife’s difficulty in gripping and using ordinary kitchen tools, due to her mild case of arthritis. He saw it as an opportunity to help not only people with arthritis but also to create more comfortable kitchen tools for everyone to use.

It has since grown to over 850 products, including cooking, storage, cleaning, office and organizational tools. Today OXO continues to manufacture innovative products and has brought the principles of universal design to the global marketplace. This company has proven that design for all can be innovative, appealing and profitable. These user friendly designed kitchen utensils set a new standard for the industry and raised the bar of consumer expectation for comfort and performance (About OXO). OXO Target Market

OXO is not a product line devoted entirely to those with particular difficulties such as arthritis and dexterity problems, but rather a line developed to be easy for all ages, abilities, strengths, and sexes to use. Each product is developed based on the concept of Universal Design (also known as Inclusive Design), a philosophy of making products that are usable by as many people as possible (About OXO). This Inclusive Design has created a large target market for the company’s products. OXO has covered many different segmentation classifications such as geographic, demographic, behavioral, and psychographic (lifestyle) by the philosophy of Universal Design. This

company offers at least a few items fitting for any and every individual.

Value Proposition

Since beginning in 1990, OXO's marketing strategy has focused on the value proposition of good design rather than on price. Designed by ergonomic engineers, the products offer both value and quality in a line of products that are well designed, comfortable to hold (due to soft-cushioned handles) and crafted to fit in the palm of your hand with no strain or stress (Danh, 2014). From a basic functions' view, the kitchen utensils produced by OXO Co. are similar to the kitchen utensils produced by other companies. However, the kitchen utensils produced by OXO are more focused on the details. The value is in the design and technology offered to the consumer.

Product Mix

OXO offers over 850 products, covering many areas of the home: Cooking tools/Household cleaning tools

Baby and toddler products/Bath cleaning tools and accessories Storage and organization products/ Office products

The CORE products of OXO tools is the benefit of comfort while using a high quality long lasting product. Consumers will find the products OXO creates to be valuable because unlike other kitchen and household tools, OXO designs its tools with incredible detail to be comfortable for all users. The ACTUAL product would be the tools OXO produces. This would consist of their entire product line from kitchen tools to bathroom tools. The AUGMENTED product of the OXO tools is the warranty and the customer service support offered by the manufacturer (Tanner, 2013). Distribution Strategy

OXO follows an exclusive distribution strategy, making its product as available as possible through many outlets. OXO products are available at many retailers across the US and online. Some distributors of OXO products are Target, Amazon, Bed Bath & Beyond, Williams Sonoma and Kohl's. OXO has chosen to distribute its products in places where consumers would be more than likely look for kitchen and house ware appliances. The company has made finding its products convenient for all people. Most of these locations are not too far from where people live and could create more chances to let customers view the product. Pricing Strategy

The price of OXO products can be considered slightly higher than the average non-department store kitchen and house ware tools. For example an "OXO Good Grips Salt and Pepper Grinder Set bottle opener" on Amazon runs for \$49.95 compared to price of under \$30 for some other brands (Amazon). That is considered very expensive for a product with such a simple structure and task. OXO products have a higher level target customers than other normal brands. I've also noticed advertising focusing on quality; "You get what you pay for" is the central theme. Social media OXO is very active in the current social media. OXO can be found on the most popular social media outlets of today. The company can be found on Facebook, Twitter, Instagram and Pinterest (Danh, 2014). The OXO products do have promotions and advertisements on YouTube as well. Even though the company has chosen to use social media as one of its marketing strategies, word of mouth and consumer recommendations to friends and families have been the main routes of recognition for the company. In

conclusion, OXO has become successful by providing a Universal Design for a diverse target market. Offering a value proposition of comfort within a high quality durable tool, has kept consumers interest for the past 24 years. While the prices are considered higher than average, the exclusive distribution strategy of offering the products through many outlets have made the OXO products a tough competitor in the market. OXO has a vast product mix, offering household tools for the kitchen, bathrooms, barware and even baby products. Through social media and word of mouth OXO has continued to increase in sales and revenue each year.

References:

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