

Description of the current brand

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of the current brand General Motors is an iconic American vehicle manufacturer. The organization has managed to establish itself as one of the leading car manufacturers in the world. A large part of the success that the organization has achieved is due to its ability to embrace a product differentiation strategy. The strategy has allowed them to have multiple variations of the brand and sub-brands that has enabled it to cater to different market segments.

The organization has eleven brands (General Motors 1). Firstly, the Baojun, Jiefang, Vauxhaull, Wuling and Buick brands cater for the Chinese and Asian market. Second, its iconic Cadillac caters for the high-end market (General Motors 1). Thirdly, Chevrolet, GMC and Opel cater for the middle class market segment (General Motors 1). The multiple brands enable the organization to increase its product offering, a key source of competitive advantage in the motor industry. In addition, it enables it to compete in different parts of the world due to differences in consumer needs.

In addition, the organization has sub-brands. For example, the organization has separated Cadillac from the other operations due to its huge potential and its ability to operate as a standalone unit (The Daily Herald). The essence of having a sub brand is that it enables the organization to focus on a niche market that it would otherwise have been unable to. Furthermore, its Chevy brand is doing well in the American market. As a result, it has the ability to operate as a sub brand.

In conclusion, the motor vehicle industry is a heavily segmented market. Consumers have different utility needs and different levels of purchasing power. Consequently, manufacturers such as General Motors have embraced

a product differentiation strategy that enables them to have multiple brands to satisfy the different market needs. In addition, it has sub-brands to cater for niche market segments.

Works Cited

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