

Product offering

[Business](#), [Marketing](#)



Verizon Communications Incorporated (Verizon) is an international leader in providing broadband and other wire line and wireless communications services to wholesale, mass market, business, and government customers (Verizon, 2011). The corporation primarily operates in the United States. To respond to the economic crisis, marketing challenges and opportunities of globalization, Verizon is transforming the way its business conducts marketing.

The company is developing marketing strategies and plans to offer broadband products and services in the Canadian markets. The initial product offering will be a prepaid MiFi with 3G capabilities in Canada. In this paper the subjects to discuss are market needs, market share, market growth, SWOT (strengths, weaknesses, opportunities, threats) analysis, competition, product offering and product definition, product identification, and justification for the selecting the product.

Market Needs The 3G Wi-Fi network will provide the marketing advantage over the competitors by increasing the need to supply more connection opportunities for businesses, homes, recreational facilities, and airports. The objective is to provide connections to every organization and households, including netbooks and gaming systems within Canada and surrounding regions. “Connections to more than 200 countries will increase market needs with an added bonus of a built-in SIM card within the Wi-Fi network system” according to Lawson (2010).

Product’s Expected Market Share The market share with Verizon Wi-Fi 3G prepaid network expects to gain maximum sales percentage using a six-

device connection with unlimited access to gain a marginal market advantage. “ Market share is the percentage of total category sales accounted for by a firm” as suggested by Marshall and Johnston (2010). Using a pricing strategy in Canada to launch the product will provide a new product introduction offer. The introduction growth phase objectives will concentrate on internal cost, budget, and life cycle of product availability, accessibility, reliability, and affordability, therefore protecting market share. Creating a customer base with a quality product will increase the demand for maximum profitability and gain an expected market share of seven percent.

Market Growth Technology has seen tremendous growth because cell phones hit the mainstream. The demand for mobile service has forced organizations to create innovative products and unique features to market to consumers. The increase of next generation software and hardware development gives Verizon a leading edge because the company continues to advance the development of software and hardware demands of consumers. Globalization warrants the increasing demand for products that consumers can use at any point. Verizon can target a generation of younger consumers who are more technologically advanced because the demands of social media and 24-hour business operations dictate various work and lifestyles.

SWOT Analysis The SWOT analysis provides the chief strengths and weaknesses within Verizon, and describes the opportunity and threats facing the corporation (Kotler & Keller, 2006). Verizon has the strength of possessing comprehensive experience and knowledge of the

telecommunication and broadband industry. Market concentration in Canada is a weakness for Verizon. The company generates a majority of its business and revenues in the United States, which demonstrates geographic concentration. Therefore, the business risk is high because of political and economic uncertainties in the United States. A second weakness is the need to develop a stronger network infrastructure to reach a wider customer base in Canadian region. According to Verizon Wireless (2011) national data coverage map, the Canadian 3G data is available in the cities of Toronto, Quebec, Ottawa, and Ontario.

Several opportunities and threats exist for the company. Verizon can invest in expansion of broadband networks and services. A team can be formed to research and establish a partnership to develop the network. The company can also increase its broadband penetration in Canada. The threats that face Verizon consist of intense competition and the lengthened economic recovery in the United States that may influence the firm's margins and market share. The company faces competition from other technology and communications firms seeking to gain consumer revenue and brand supremacy with regard to the provision of wireless products and services (Verizon Communications Inc. Profile, 2010).

A worldwide economic crisis began in 2007 and triggered instability in various markets (Verizon Communications Inc. Profile, 2010). In most countries, the economic upturn is predicted to be for a prolonged period because of constant unemployment dilemmas (Verizon Communications Inc. Profile, 2010). As a result, Verizon the lengthy recuperation in its key

markets may adversely affect its operating performance in the interim because the company obtains all of its profits from the United States (Verizon Communications Inc. Profile, 2010).

Competition Verizon is establishing a home base in Canada and will be considered new entrants in the markets. Because of its solid position in the Canadian telecom market, TELUS Corporation has a competitive edge over the new entrants in launching new services and acquiring customers (TELUS Corporation Company Profile, 2010). Prepaid broadband plans are beginning to emerge in Canada from various providers, such as Virgin Mobile Broadband2Go (Prepaid-Wireless-Guide. com, 2008 – 2011). Verizon understands the need to offer innovative broadband products and services with pricing that will differentiate itself from the competition.

Product Offering/Product Definition Verizon Wireless Canada is launching a new product, the MIFI 3200. It has mobile broadband service with 3G technology and Wi-Fi capability. It provides a wireless hub for up to six Wi-Fi enabled devices providing multiple users with an instant hotspot. The MIFI 3200 is lightweight and compact and can be used at home or on the go. It has a rechargeable battery that lasts for up to six hours and can remain in standby mode for up to 40 hours. Unlimited prepaid Internet access is available for Canadian clientele. The product definition is, “ We sell wireless products.”

Product Identification Verizon Wireless is an established organization founded in 1995. The company is headquartered in Bedminster, New Jersey (Bloomberg L. P., 2011). “ Verizon Wireless is a trademark of Verizon

Trademark Services, LLC” (Verizon Wireless, 2011, para. 11). Verizon is a well-known brand trying to establish a presence in Canada through product offerings and wireless data coverage in select areas. The organization has reinvented itself over the years to keep up with a progressive market of wireless technology and customer preferences. The company recently adopted a new slogan, “ Rule the Air.”

Justification for Choice of Product As a telecommunications company leading the way for advanced technology, Verizon must continue to create new products to maintain its market share and increase revenues. Brand positioning must remain strong to obtain new investors and increase funding from existing investors. The nature of Verizon’s business is to reach all consumers in various markets. The company can justify its needs for new product development because technology is always changing. Consumer demand for immediate access to data at any time is paramount to Verizon’s efforts to increase revenue. The company’s reputation has become synonymous with quality because Verizon could quantify benefits with cost.

Conclusion Due to intense competition in the Canadian markets, Verizon must formulate value-enhancing marketing activities to produce and convey worth for consumers. Good marketing is the outcome of cautious preparation, development, and execution. The analysis and research of the Canadian markets help the company offer products that are desired and needed by consumers. The main constituent of the marketing management process is perceptive, inventive marketing tactics, and plans that direct marketing activities (Kotler & Keller, 2006). Verizon can attain successful

marketing management by establishing a connection with customers, developing marketing strategies and plans, communicating exceptional customer value, forming strong brands, and generating thriving long-term growth (Kotler & Keller, 2006).