

# Using perceptual maps in marketing

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



Thorr Motorcycles, Inc. is manufacturing over 200, 000 units annually and has current worth in excess of a billion dollars. Thorr is a leading name and holds around 40% of the total market. It not only sells motorcycles but also offers dealer training, dealer software support and mechanical training. For customers, it offers motorcycle rentals and biker training. Projected image of CruiserThorr is of “ masculinity, mobility, and freedom”. Currently Thorr is experiencing decline in sales and wants to know the reason.

Thorr can inquire from customers what they want to have in the motorcycle and then change it accordingly. Another way is to change the customer perception about the motorcycle. Phase I: Where is the Thunder? The first phase is the problem statement that the sales are decreasing, “ The motorcycle industry is growing annually, but sales of Thorr Motorcycle’s existing product CruiserThorr (a 1500cc power cruiser priced at \$25, 800) are deceasing” (University of Phoenix, 2008). This may be because of change in target market characteristics.

The people being targeted are now old, their lifestyles have changed and they are not interested in getting a motorcycle. On the other hand, younger generation has comparatively smaller disposable incomes and they are more interested in buying an affordable motorcycle. Thorr needs a new redesigned marketing strategy to win back the sales. In this paper, market position of CruiserThorr motorcycles will be determined by using a perceptual map. This positioning on the map will be based on four fundamental parameters that can used to promote Thorr.

Lifestyle reflection, price, quality engineering and offered services, were the chosen fundamental factors. Lifestyle image is the most important factor in this mapping because production motorcycles always sell on their image rather than specifications. Quality engineering is also important as no one likes to buy unreliable products. Quality of a motorcycle can also initiate word of mouth promotion for the company. In addition, no company can continue in the long term without providing quality products to the customers. Pricing is the next fundamental factor and it is on the basis of price most people buy products.

However, in case of motorcycles, customer's image of a motorcycle is directly linked to its price that is why there is a small risk if a company tries to decrease the prices that its image may get hurt in the eyes of the customers. Services are also important to keep the dealers and distributors happy. This also ensures that customers remain loyal to the company. Recommendations and suggestions that were provided at the end of phase I proved to be successful. Phase II: Revving up the Market Phase II notifies about Thorr's market position and its sales are not improving due to poor positioning.

There are two ways out of it; repositioning of CruiserThorr or launching of a new motorcycle called RRoth. Phase II shows a SWOT analysis along with customer demands and income clusters. In addition, financing documents were also provided. Customer preferences are the most important factor here as the company is trying to target a much younger audience than that of CruiserThorr. Age group of target audience is chosen to be 25-35 years so the product should be according to their preferences. Thorr has decided to

launch RRoth. \$12, 649, 000 is spent out of allotted \$13 million dollars for the marketing plan.

Keeping the young people and their salary range in mind, new motorcycle will be priced between \$13000 and \$15000. Wide range of promotional techniques will be used including sponsoring mega events like Daytona and getting celebrity endorsements. It also included insurance facility, protection offerings, and featuring of RRoth in Hollywood movies. Movies were specially focused because of young target audience. Dealers will sell the motorcycle all over the country. Official website will give complete information about the product including financing options.

Planned services include customization options, club memberships and dealer training program. Financing option will ensure the customer from lower income group. Thorr is performing much better after the implementation of all the recommendations. Now, young people are opting for the new product enhancing company's market position as well as sales. Phase III: Thundering Success? Phase III includes plotting of CruiserThorr based on market research. It will be plotted on a perceptual map. Characteristics of CruiserThorr relevant to RRoth will be chosen and then RRoth will be plotted on perceptual map based on those attributes.

A comprehensive survey was conducted and people were asked about both productions of Thorr Motorcycles Inc. Three hundred fifty people from age 25-55 were surveyed and perceptual map was plotted based on their feedback. Research for CruiserThorr showed that around 37% people planned to spend \$13000 to \$15000 on a motorcycle in near future. Around

57% people liked financing and customization options as it not only catered to those with little money, it also attracted people with extra money who wanted something better. Forty-five percent voted that dealership training is important for them.

Service enhancements were demanded by 38% people. They were asked if all the services provided by Thorr are satisfactory and 25% replied with “strongly disagree”. After analyzing this data, lifestyle image factor was escalated to level 9 while price, quality engineering, and service offerings were changed to five, eight and seven respectively. Positive feedback confirmed that we are heading in the right direction. Positioning on perceptual map was corrected accordingly. Price attribute for RRoth was placed at level 8 and lifestyle image at level 9.

Quality engineering stood at 8 while cool was also given an 8. Results from survey show that Cool and Price parameters were rightly placed at 8 and 8. As for lifestyle image and quality engineering, they needed to be revamped. Lifestyle image attribute was lowered to a 7 instead of already planned 9. It was done because of existing high image of Thorr. Quality engineering was also lowered at 7 rather than 8 because, although customers rated it high, they had positive views about its fuel-efficient engine. Relationship between Differentiation and Positioning

Positioning and differentiation both are necessary for the success of a product. A product cannot be a Hit if any of these is missing. If a product is positioning accurately but does not differentiate itself from others then it will not become a leader. Similarly, if a product is very well differentiated from its

competitors, but has not positioned itself accurately, it will also fail. Thus, it is imperative for a company that is planning to be the market leader, to not only introduce a unique product but projects it as a unique product as well.

Repositioning in case of Thorrr was inevitable because sales were decreasing and there was no option left. They repositioned and targeted a younger market to get the much-needed growth a good spark. Product life changes were being experienced and CruiserThorrr was in declining phase. Something new was needed to keep the company in growth phase. Introduction of RRoth was great as it benefited the company in two ways; loyal customers did not leave CruiserThorrr and stayed and secondly, new market was found that helped the company earn desired profits.

Two products being offered at the same time gives the choice to the customers. They can choose any product that meets their requirements of style, fuel consumption or engine power etc. As for the differentiation, or uniqueness, the company has many ways in which it can differentiate its products. It can be price based, service based, or delivery options based. A common challenge in keeping both the differentiation and positioning is that the company must ensure increased sales along with company growth. Thorrr should position its new motorcycle so that it attracts the young generation.

After that, an aggressive marketing campaign should be launched to lure the target market into buying the motorcycle. The Effect of the Product Life Cycle on Marketing Marketing styles and techniques constantly change with the change in product lifecycles. Customer desires, wants and needs of customers keep on changing and so does the marketing scheme. For the

same reason, marketers are always presenting their ideas in new and novel ways. Success of a product is always affected by the change in product lifecycle and it is the job of a marketer to show, through marketing plan, how to revitalize the product perception.

Best way to do it is through repositioning of the product lifecycle. Product positioning is essentially how a customer feels when he goes out for buying a motorcycle. The Effect of the Product Life Cycle on Thorr Marketing plan should always be based on the position of product in the product lifecycle. At this moment, CruiserThorr is almost on the verge of leaving maturity and entering decline phase. It would be very difficult to stop the decline of CruiserThorr. RRoth on the other hand is still in the introductory stage. 'Thorr should know about the positioning of its products according to the product lifecycle, only then will it be able to anticipate whether it is going to retain market position or need a new target market. Thorr faced a critical situation when it was time for differentiating and positioning of both its products but marketing research solved the issue in no time. Marketing research is vital to any company's success and the data collected through the research should be used in decision-making. Data collected from surveys and marketing research can be used to produce perceptual map. This map will help in development of marketing plan.

Opportunities also can be identified, through the perceptual map, and then they can be taken advantage of by acting accordingly. Thorr Motorcycles has designed a more redefined marketing strategy based on market research and perceptual maps. This hard work has put Thorr back on the right track of

profitability and success. Creation of a marketing plan, according to research and conceptual maps, shows how a product can be repositioned in customer's minds. This will not only change the overall image of the product but will also bring in profits.