

Marketing plan for canon

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



Nature of Business and Background:

Canon Hong Kong Company Limited (CHK) has been established in 1971. It functions as a base for the strategic planning, marketing, distribution and technical service support of Canon products to Hong Kong, Macau and Taiwan. With Canon's commitment in bringing quality and innovative cameras to consumers' world, Mr. Kazutada (Kevin) Kobayashi, President and CEO of CHK, is confident the future growth and development of the company will be bright and prosperous. CHK is a regular contributor to local charities and social causes, such as donating altogether HKD 1.5 million to Hong Kong Hospital Authority to support the frontline medical staff since the outbreak of Severe Acute Respiratory Syndrome (SARS) and launch of the "Hong Kong Ka Yau" campaign that aims to revitalize confidence and to attract visitors from around the world in 2003.

CHK also supports Canon's Global Cartridge Recycling Program. Used toner cartridges are sent to Dalian China where they will be safely taken apart and recycled. CHK is always dedicated to Total Customer Satisfaction. CHK is one of the few COPC-2000® certified companies in Hong Kong with its service performance attained international recognized standard. On top of it, CHK obtained Caring Company Award, the Certificates of ISO 9001: 2000, ISO 14001: 2004 and OHSAS 18001: 1999 representing the company's commitment to social responsibility, quality and environmental protection. The corporate philosophy of Canon is kyosei, which means "living and working together for the common good". Their aim in pursuing this philosophy is to support the development of a society in which all people

enjoy happiness and fulfillment, regardless of differences in culture, customs, language and race.

Competitors Analysis:

Sony and Panasonic were selected to be the competitors that being analyzed. In the following, we will compare their Strengths and Weaknesses with our brand- Canon by analyzing three main parts which are function, service, promotion and Research and Development and also the effect of the change in Environmental Forces, which can represent both Opportunity and Threats.

Comparison- Strengths & Weaknesses

A) Function

Strengths

Canon has produced many different new function that other brand do not have. Take motion detection, which is the up-to-date technology that was invented by Canon, as an example, that is what its competitive do not have. Therefore, Canon has absolutely advantage in the function aspect.

Weaknesses

Sony always produce fashionable and trendy camera that attract lot of people. However, Canon only provides a few color choices to the customers. Moreover, Panasonic is in advance of wide-angle development which is what Canon cannot provide to their customers.

B) Service

Strengths

From the questionnaire, Canon has the best after-sale services. It provides free-delivery service to its customers. Besides, it also provides basic customer services to its customers, such as technical supports, products enquiry, product warranty, etc

Weaknesses
Canon only has one specialty shop and customer service centre in Hong Kong, which may not be convenient for all its customers when they need their services.

C) Promotion**Strengths**

Canon has its own blog for introducing the new products to the customers. This is a kind of Net-promotion. Besides that, Canon has launched a photo-taking competition and an exhibition. These, in fact, are the promotion strategies of Canon.

Weaknesses
The promotion of Canon may not be good enough to encourage customers to buy the product. As its spokesperson, Ekin Cheng is not that popular in Hong Kong. However, the spokesperson of its competitor, Panasonic, is Karena Lam, who is much more famous in Hong Kong.

D) Research and Development**Strengths**

Recently, Canon has invented a lot of new developments on their products. For example, Motion Detection, Face Detection, i-Contrast, etc.

Weaknesses

As Canon has invented a lot of new developments, they have to do lots of researches on these developments. So, Canon may need to spend a large amount of cost on these researches. Environmental Forces

Competitive Force

The competition faced by Canon is oligopoly competition whereas it dominates the digital camera market with other big camera manufacturer like Sony and Panasonic.

Regulatory Forces

With the enforcement of patent law, the advanced technological development of Canon can be protected. The safety regulation enforced by the government protects the consumers.

Social Forces

Demographics:

For that generation X customers, they have not much demand on the design and additional functions but a simple camera with easily manageable process. The less is the functions, the greater the appeal to them. Culture: The teenagers in Hong Kong like to change camera frequently. It may due to the trend among teenagers is changing camera is a symbol of trendy.

Economic Forces

The economic status has a great impact on the whole consumer environment. In 2002, The Hong Kong Federation of Youth carried out a survey on the youth trends. It found that only a minority group of youth would like spend money on changing their camera or other normal goods. It reflected

that, the economic downturn in Hong Kong would reduce the intention of youth to change their digital camera. Technological Forces

The new technological development creates publicity for the company. So, the advanced technologies in Canon also create them opportunity to broaden their sale.

Perceptual Map

Customer analysis:

Customer characteristics

In the market, customers have different kinds of needs and wants. So we need to use strategies segmentation to satisfy the customer's need. The current segmentation of Canon used customer characteristics which includes Demographics segmentation and Psychographics Segmentation.

Demographics Segmentation is dividing the market into groups based on demographics variables such as age, gender, income and occupation. According to the questionnaire, customers who have different income, it may have different choice of camera. Someone who has an increase income, they would like to buy the expensive and the latest model of camera than the simple or out - dated one. Canon provides large variety kinds of camera with different function at different price range. This can surely meet different age groups' need.

Psychographic Segmentation is dividing a market into different groups based on social class, lifestyle and personality. People have different lifestyle and personality; some customers may like taking photos with better quality; some customers may like taking photo every time and everywhere. So that

Canon provides two lines of camera –Digital SLR Camera and Digital Compact Camera. It can satisfy different customer's need and want. Buying Situations

Benefit Sought is the market based on the understanding of what benefits are important to different customers is often a useful way to segment markets because it can lead directly to specific marketing action. For example, Canon is divided by series of description. For younger, they always want to show off themselves. They buy a new product every month or half years. Some cameras including professional functions, such as IXUS, are suitable for them because they think that new camera is fashionable. Besides, some housewives or junior workers just want to have an all-around camera for daily life use. Powershot E series are suitable for them. Product

Analysis

Digital Camera are classifying as Shopping Goods. Consumer always compares several alternatives on criteria, such as price, quality, or style. From consumer's point of view, Canon is Dynamically Continuous Innovation which advertises points of difference and benefits to them. For example, the brand has three special lines, which are Digital IXUS(for user friendly), Powershot(for semiprofessional) and EOS(for professional). Customer can choose their DC according to their needs. Therefore, Canon provides various products for customer so as to satisfy different customers' wants and needs. Canon IXUS stay at Maturity stage in the Product Life Cycle. They do a lot to improve their products quality to prevent IXUS go into the decline stage. For the Product Functions and Designs, the brand always do research and development. Therefore, it has some special functions and features which

other brands do not have. Firstly, it has New DIGIC 4 Digital Image Processor, which possesses high algorithm power capable of processing massive and complex image data in a shorter time p. The overall performance is improved by 30% when compared to DIGIC III, and brings forth speedily start-up time and quicker response time. Secondly, Motion Detection Technology, Canon IXUS 980 IS supports the innovative Motion Detection Technology. With the helps of DIGIC 4 Digital Image Processor stunning data processing speed and enhanced motion tracking technology, pressing the shutter button halfway, even if the subject moves, the camera will continue to focus.

Linked with face tracking performance, this means beautiful, sharp pictures could always be achieved whenever the shutter button is fully pressed. For Price, Canon set IXUS' selling price between \$2500 and \$3500 for an attractable price. With the same price level, Canon produces the most functional and photographing quality than other brands in the market. For Promotion, whenever Canon launch a new product, a new season of promotion will be started. Canon will hold a new advertisement on TV, magazine, internet and newspapers. For Place, Canon's product can easily find everywhere. Canon sells their product though dealer, such as Broadway and Fortress, which is easy to reach by people who lives in different area. In order to provide more specific services, Canon also has their showroom which located in Tsim Sha Tsui. Based on Competitor Analysis:

1. Strengthen the weaknesses: Although Sony Ericsson takes advantages in investigating the touch screen function and outlook of camera at the moment, the competitors will keep up with her one day. We suggest that

Canon can work out products that have all-round functions instead of specializing in a particular function only. Also Canon should organize more shop in crowded area so as to meet more customers need. Moreover, having a popular artist is spokesperson of its products would definitely boost sale and enlarge the market. By applying what we have mentioned above, she can remain her comparative advantage as well as her position in the market.

Based on Consumer Analysis:

1. Occasional Segmentation: To cater the different tastes of customers, Canon may try to launch “lover series” in February for the Valentine Day or “limited edition series” for occasional events like the Olympic Games 2008 in Beijing or just launch a Christmas gift pack in order to boost the sell of camera. 2. Combine Segments to reduce marketing actions so as to lower the costs: Canon has several market segments which include similar needs and can be simplified. When the company targets the youngsters group, she can notice that their desires in the Canon design, which can reflect their personalities, are similar to the trend followers’ ones. For that reason, Canon can save the researching cost in the planning phase and the promotion cost in the implementation phase by taking the same marketing actions on both groups. As time changes, the society and living standard of Hong Kong people will change too. Keeping her eyes open and watch out for significant movements in the market segments are the responsibility of the marketing department and the key of success for Canon.

Based on Product Analysis:

1. Ease of usage: New functions such as the Motion Detection and Color Accent function are innovative and impressive. However, there are several barriers. It takes time for new-users to read the manual in order to fully utilize the camera. In addition, the modern technology only attracts customers with special interests. Canon should put effort on investigating more user-friendly products and collect more feedbacks during the Idea Generation process for next products. To ease the operation of Camera, we suggest that she can make use of the website available to give in-depth demonstrations of products through video-clips.

Questionnaire

We are students of Hong Kong Community College. We are carrying out a research about the trend of camera. Would you mind answering some questions for me if I record our conversation? That is a proof to support our survey report. Thank you! (100sent out 85 back)

1. What is your age?

? Around. 11-20 ? 21-29 ? 30-39 ? 40 or above

2. Do you think high salary is a reason for you to buy expensive camera? ?

Yes

? No

3. Which are the three most important factors when you choose your camera? ? Color ? Function ? Design ? Thickness ? Price ? Energy consumption ? Others

4. Which brand do you like most when buying a new Digital Camera ? ?

Canon ? Sony ? Panasonic ? Nikon ? Samsung ? Casio ? Others

5. Which brand's after-sale service is the best?

? Canon ? Sony ? Panasonic ? Nikon ? Samsung ? Casio ? Others

6. Which brand's quality is the best?

? Canon ? Sony ? Panasonic ? Nikon ? Samsung ? Casio ? Others

7. Which manufacturers launch its new model most frequently? ? Canon ?

Sony ? Panasonic ? Nikon ? Samsung ? Casio ? Others

8. How often would you change your camera?

? 18 months

9. Would you buy the new camera because of releasing new functions? ?

Yes ? No

10. Do you think the government should take action on safety regulation? (e.

g. sound is emitted when taking photo to avoid stalkerazzi.) ? Yes ? No

-Thank you for your co-operation-