The market for intenscare product

The market for IntensCare product Competitors The primary source of competition companies that supply similar products to IntensCare. The company's management identified two companies in the year 2008 announcing to move into MediSys's core markets (Donnellon and Margolis 1). These companies had sufficient funds and were highly reputable in the industry.

Customers

The customers for the IntensCare product include the hospitals and clinics that have wards for patients needing intensive care units. These include hospitals that treat chronic diseases, accidents victims and victims of violence. Price elasticity is high; any slight change in price will lead to more than proportionate change in quantity of IntensCare products demanded.

Market power

The company enjoys a large market power because of its innovativeness, formalized process of product development and heavy investments in product development (Donnellon and Margolis 2). Presently, MedSys Company has is the leading distributor of the IntensiveCare product in the market. The company has invested huge sums of money, amounting to $20. 5 million in developing and launching the product (Donnellon and Margolis 1). Since the product is the most ambitious project in history, MediSys must have the largest market compared to its competitors.

Nature of the market structure

The nature of the market for IntensCare product is perfect competition. Perfect competition market is where there are many buyers and sellers so that the action of one trader has no significant impact on the market price.

Perfect competition market is characterized by mobility of the factors of production such that producers can respond to price signals. Valerie Merz, for example, fears of losing the market share for to the forthcoming product, which are scheduled for release within the year (Donnellon and Margolis 1). Valerie is rational and seek to maximize utility and profits; this is the feature of a perfect competition market.

Graph of the perfect competition market structure

Key

Quantity represents the number of units of IntensiveCare product bought

Price represents the market price of IntensiveCare product

Strategy Statement

Objective

To be the worldwide supplier medical monitoring systems having all the dimensions of product quality to meet consumer needs.

Scope

The company will specialize only in supplying medical monitoring systems to hospitals.

Advantage

MediSys is highly competitive in the market. The company has excellent management that organizes all the functions of the organization with the aim of improving product quality. The company has an excellent record of accomplishment for successful management of the interface between engineering and production (Donnellon and Margolis 3).

Factions within MediSys associated with the IntensCare product

The marketing function

The marketing function is interested in distributing and selling the product. Valerie Merz, the marketing manager was under pressure as she reviewed the agenda of the meeting intended for IntensCare product development team. She was worried about losing the market to competitors and be rated second (Donnellon and Margolis 1).

The production Department

The production department is dealing with product development. Jack Fogel is the senior production manager; Valerie wonders why he was too far focused on the details of the product and having little concern about the business issues and the impending launch (Donnellon and Margolis 1).

Research and Development

The research and development is concerned with determining whether the market will respond to IntensCare product.

Design and Engineering

The design and engineering provides the professional engineers from mechanical, computer and electronic specializations to collaborate with the all other functions in order to achieve product development.

Work Cited

Donnellon, Anne, and Joshua Margolis (2009). " MediSys Corporation: The IntensCare Product Development Team." Harvard Business School.(2009): 1-10. Print.