

# Lego the famous toy brand in the world marketing essay



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Today, LEGO has turned into one of the most famous toy brands in the world this is a case study about a LEGO product and brand image. LEGO is only European country to occupy a place in the world's top ten toy manufactures. LEGO products are produced in Denmark, the US, Switzerland and Korea and retailed through some 60, 000 outlets in more than 130 countries. It is estimated that in the 50 years following its inception, some 203 billion LEGO element have been produced. The LEGO Company organizes its business into four main categories: the core business of play materials, family attractions, lifestyle products and media.

LEGO external marketing environment- the marketing environment will present many opportunities and threats that can fundamentally affect all element of the marketing mix we saw in this case the most notable things concerning the external environment of LEGO is that it is viewed as a strong brand. It had been part of the toy market for so long. The product also has a unique selling point. Toy of LEGO is aiming to capture a creative imagination and also enable it to stand out in the market of dolls, cars, computer games etc so the company divides a product according to the customer needed. The management aims to ensure that at least one of every product LEGO sells is on offer in one of the outlets. Another positive aspect of the LEGO is the broad of products it sells and its ability to create products for children of all ages. They provide an opportunity for children. There has also been considerable extension of the brand to outside of the toy market. The company has also faced considerable reductions in sales in several countries that have seen a downturn in their economic environment. One of the main ways the brand has branched out is through the introduction of LEGO based

theme parks in several countries, including one in Windsor in UK. The main problem facing LEGO is the cultural change that is taking place in society as a whole. In today's world, children are much more attracted to the digital and technological world. Its management points out those only products of specific interest to children which match up to the company's stringent quality and standard are allowed to tolerate the LEGO brand.

#### SWOT analysis chart

**Strengths** A product with a history and to which all generations feel attached. Unique selling point - "capture a creative imagination", "system of play" and problems of society" Famous brand worldwide.

**Weakness** . LEGO main weakness key point is products may not be as successful in the market and Lack of efficiency in production creation of broken down products which require recall. Difficulties in management production with demand for the most popular LEGO lines.

**Opportunities** have successfully introduced line extension, which should help make stronger the brand. More child-oriented products could be introduced under the brand name with the unique focus of the company, focus should be put on further thorough the media market, which is one of the major competitors in children entertainment.

Now a days in this competitive world so many toys on the markets, many of which has more functions and are more difficult than LEGO and its connected products.

When the child searching for the gift in local toyshop, hypermarket, toy superstore or even on the internet firstly they think about LEGO because there are more choice available for the children. The choices available to the child may be extremely diverse or quite constrained.

Consumer decision making process to the marketing decision made by LEGO -attracting people or help the using that product LEGO build a theme park for LEGO makes a product according to the customer what they are need and they think as a consumer. Now today a parent, every one innovative LEGO understanding brings support memories of their childhood. LEGO established a reputation for quality, adopting the slogan ' Only the best is good enough '. They craft a product according to the age range 0 to 16+ and its not easy task because today's time is globalization time younger group like that type of product who made with extra technology or who fit with their modern life However, remaining competitive in the fast-moving world of children's toys means it must keep on within adjust with is ready to respond to the latest fads and fashions. For analyzing about product or invited to enjoy a variety of role playing experiences. It's also building and rides are designed with children in mind. They give to chance for children to use their product for educational establishments there is also a category of learning material. Although the format of the product and coverage of the range used to be very much similar, the creative imagination it was designed to capture was exactly same. They make a product what can be afforded, where the spending priorities lie and how a purchasing decision is made. They did not design that type of product, which is not cheaply nor do expensive means they developed a product according to the today's common family income

how much they are spend or preferred of their product. The company is continually searching for innovative and exciting way to move forward. There is some statement which is defined how they work according to the customer needed-

” Conny stated there must be a shared vision throughout the company with a strong focus on the customer. This focus on the customer implied that LEGO had to clearly understand who its core customers are. So LEGO defined customer groups according to their level of affinity, starting with households that never or rarely buy LEGO products up to users who are ‘ true fans’ - who spend a considerable amount on LEGO products”.

[http://blogs.forrester.com/customer\\_experience/2009/11/lessons-from-lego-at-forresters-marketing-forum-emea-2009.html](http://blogs.forrester.com/customer_experience/2009/11/lessons-from-lego-at-forresters-marketing-forum-emea-2009.html)

It is also make a product for educational establishments they also have categories for learning materials 7-16+ and developed a ranged called LEGO DAGTA that consists of products for kindergartens and schools. They make an innovative and engaging 30-hour curriculum introducing creative robotics to students in middle school. This student will be using humanities as a foundation for the exploration of past, present, and future inventions. The curriculum also includes a four-part Teacher’s Guide, activities correlated to national standards, digital resources, and reproducible student materials. Lego always build a reliable and such as type of product according to the gender. LEGO products aimed at the consumer are then split into eight different product programmes: LEGO PRIMO, LEGO DUPLO LEGO SGALA etc.

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The LEGO SAGLA and LEGO SYSTEM belville sets are especially designed for the needs of the girls.

### **Market strategy:**

Lego is experiencing increasing challenges in the market mostly spurred by socio-cultural and technological issues that certainly impact on each. A current economic crisis, consumer behavior changes as well as technological improvements are forcing Lego to improve its marketing strategy. Pursuing a new strategy “ Shared Vision” with the purpose to...” re-vitalize the Lego Brand as a synonym to creative building fun and role play” Lego aims to sustain its competitive advantage in the toys industry (Company Profile 2007). Hence, a solution to these challenges might be seen in the pursuit of marketing activities establishing closer relations to stakeholders in order to sustain competitive advantage in the future. Theoretical Considerations Adhering to Håkansson’s (2006) statement: “ No Business is an Island” the theoretical framework guiding the analysis of Question 1 (Q1) will be a network perspective. According to Gulati’s (2000) view:”... the economic environment becomes sharply more competitive, the firm’.....

The LEGO Company has been making great moves lately, moves that are building the online presence of the company and rewarding loyal customers.

I remember playing with Lego’s as a child and they provided hours of entertainment – I’m very glad to see that the company and the Lego is healthy and growing, especially in this age of computers. Lego’s were one of the first toys I bought for my kids as I think it’s fantastic for childhood development and creativity skills.

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From The Long Tail, LEGO has done many other things than simply selling a product, which they do well. They have invited participation from customers who become a limitless supply of product designers. The LEGO Designer allows people to create their own model, share it and purchase it. As a result there are thousands of customer-created models in all kinds of categories, and the Lego Designers choose their favorites to feature on the site.

The cover story of Wired last February, LEGO opened up development of Mindstorm Robotics. Lego started by open sourcing the Mindstorm NXT software - the core component of the robotics toolset. Coming later this summer, Lego will also release Firmware code for Software, Hardware and Bluetooth Developer Kits.

This is an amazing story of how a toy company started with a simple product and grew to take advantage of the technology of the age. Not only the technology but they have and increased their audience from children to those of us children that haven't yet grown up.

The company's vision is to become the world's strongest brand among families with children in year 2005. LEGO position itself as "The Power to Create" in the minds of children and adults. Problem recognition Buying Behaviors Children are an important part of the family buying process. In addition to the obvious role that the children play as the user, they are also the buyers of the future. Children who plays with LEGO may be able to hold on to the adult due to brand awareness and brand loyalty formed at their early age. As LEGO's core target market are children age 0-16+, the

company face great challenges in developing products that appeal to the increasingly sophisticated demands of children. Children are moving into new markets. Children as young as seven

input

Read more: [http://www.coursework.info/University/Business\\_and\\_Administrative\\_studies/Marketing/LEGO\\_has\\_been\\_around\\_since\\_1932\\_\\_Today\\_L\\_L86258.html#ixzz0Z8lcCTSk](http://www.coursework.info/University/Business_and_Administrative_studies/Marketing/LEGO_has_been_around_since_1932__Today_L_L86258.html#ixzz0Z8lcCTSk)

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“ Like every large company, Lego has a “ must” culture - you must do this; the open source developer community has a ‘ can’ culture - I do this because I want to, because I can. The value of the outside-in model is that it brings a different culture inside your company.”

**Toy maker Lego reported a 60% rise in net profit in the first six months of 2009 as it said parents were turning to its classic products in the recession.**