

# Verizon wireless marketing strategy essay sample



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Consumers need to communicate. But converting that need to the desire for certain types of communication requires skill. It also requires listening to what consumers want. Consumers demand for more cell phone and wireless services seems nearly unlimited, especially with the surge in social networking sites. This provides tremendous opportunities for Verizon Wireless. New products appear continually to feed that demand, such as increasingly popular broadband wireless services now offered by Verizon. Though many consumers who use internet-friendly phones and other devices tend to be business travelers, the wireless broadband industry is intent on improving its appeal to the social networking mass market, perhaps with flexible service plans, new features, and lower fees. There are predictions that very soon for most consumers, that the Smartphone will be the norm. Verizon Wireless operates the nation's largest 4G LTE network and largest, most reliable 3G network. Headquartered in Basking Ridge, N. J., Verizon Wireless is a joint venture of Verizon Communications and Vodafone and they are leaders in wireless voice and data services.

Owns and operates the nation's largest 4G LTE network. Launched in December 2010, the Verizon Wireless 4G LTE network is available to more than 230 million people - nearly 75% of the population - in 337 markets across the U. S. By the end of 2012 the company's 4G LTE network is expected to cover more than 260 million people in 400 markets across the country. They built the nation's first wide-area wireless broadband network. Verizon delivered the nation's first wireless consumer 3G multimedia services and they also offer global voice and data services in more than two hundred destinations. Data services include Mobile Broadband for staying

connected coast to coast on laptops, tablets, smartphones and other non-traditional wireless devices; Verizon Tones for ringtones and ring back tones; Verizon Video for full-length videos of popular cable and broadcast shows, Verizon Apps for 3D games and other apps; Text and picture messaging.

Verizon Communications Inc. headquartered in New York, is a global leader in delivering broadband and other wireless and wireline communications services to consumer, business, government and wholesale customers.

Verizon Wireless operates America's most reliable wireless network, with more than 94 million retail customers nationwide. Verizon also provides converged communications, information and entertainment services over America's most advanced fiber-optic network, and delivers integrated business solutions to customers in more than 150 countries, including all of the Fortune 500. A Dow 30 company with \$111 billion in 2011 revenues, Verizon employs a diverse workforce of more than 188, 000. Verizon Wireless, owner of the nation's largest 4G Long Term Evolution (LTE) network, will be available in 46 new markets and expand in 22 additional markets across the United States on June 21.

Just in time for the summer travel season, the company will bring its 4G LTE network to a total of 304 markets, enabling 4G LTE speeds in vacation destinations throughout the country. With the new and expanded markets, the Verizon Wireless 4G LTE network continues to expand its reach with 4G LTE speeds available to more than two-thirds of the U. S. population, and more 4G LTE coverage than all other networks combined. According to the Cellular Telecommunications & Internet Association (CTIA), there are over 180 facilities-based wireless service providers in the United States. The top 8

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wireless telecommunications service providers in the United States, from largest to smallest by the number of current subscribers, are: \* Verizon Wireless (108. 7 million)

\* AT&T Mobility (103. 2 million)

\* Sprint Nextel (55 million)]

\* T-Mobile USA (34 million)[4][5]

\* TracFone Wireless (19 million)[6]

\* MetroPCS (9 million)[7]

\* U. S. Cellular (6 million)[8]

\* Cricket Wireless (6 million)[9]

Of these, AT&T and T-Mobile use the GSM standard, while the other providers on the list, with the exception of TracFone, use CDMA. TracFone uses a combination of both GSM and CDMA. Verizon, AT&T, Sprint and T-Mobile each operate nationwide wireless networks which cover most of the population in the United States. The smaller carriers provide native network coverage across selected regions of the United States while supplementing nationwide coverage through roaming agreements with other carriers.

Verizon's main customers are its retail consumers, they have a total of 94. 2 million which includes the 88. 8 million retail postpaid customers. Today Verizon Wireless cellphones can be bought in many stores such as Best Buy, Walmart, and even RadioShack. They also have a very broad B2B relationship. According to Verizon's Business solutions fact sheet Verizon serves 96 percent of Fortune 100 customers, as well as businesses with 20+ lines. Verizon is very successful due to the core competency it possesses from its competitive advantage.

Verizon has made sure to stay focused on solidifying its competency and using it towards their competitors so that their business will continue to grow and be ever-lasting. They maintain by having one core competency which is “ To create the most respected brand in communications.” This competency can be seen through Verizon’s product and technological innovation and also is paired with their excellent customer service. On the other hand it can be seen that Verizon possesses many other core competencies for instance their accessibility is a very important competency. At Verizon they are devoted to providing the most reliable product and service over their data network. They are also dedicated to making all their products and services accessible so that all customers are satisfied and their communication needs are met. They provide many innovative solutions such as instant messaging, 411 assistance, and large fonts to increase accessibility.

Verizon should not limit their selves to one main competency especially because they are such a large company with a diverse range of customers. Boone & Kurtz state that there are two basic elements of a marketing strategy they consist of the target market and the marketing mix variables (which include product, distribution, promotion, and price). Verizon’s main focus for their marketing strategy is to provide solutions that will satisfy their diverse customer base or target market which ranges from young adults, elderly, and to businesses (small or large). In 2011 Verizon determined that their assets gave them a well-established foundation for growth.

This year they plan to build upon their wireless network by putting forth global solutions and a backbone for the internet which can be delivered to any device so their customers can have new ways to manage their lives.

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Verizon has a very clever way of presenting their strategy it is not based solely upon one element instead their strategy has four components which are objective areas customers, managers/employees, operations processes, and financial. Within each component there is a main factor that is focused upon. With customers they would like to increase the compatibility of their devices (GSM, 4G LTE, etc.), with their managers/employees they want to improve their product knowledge, within their operations processes they are trying to decrease their workforce and increase efficiency, and financially they are striving to increase revenues, and operation income.

Verizon seems to have a decent marketing strategy due to the fact that they not only focus on one element but they focus on many different aspects. But they have made their goal of customer satisfaction a definite point of attraction. To build-upon their existing marketing strategy they need to enhance their product strategy and think about their target market and what they are attracted to; for instance their 4G LTE network. This is a network that many customers would like to be a part of because it presents many efficiencies such as faster wireless service which is something that just about everyone wants. By keeping the target market aimed toward purchasing their products they can be aware of the marketing mix. This can be done by creating a product strategy that increases customer loyalty. By increasing their customer loyalty customers would be more willing to provide feedback that could indeed help towards their goal to create an ever-lasting company. Verizon is a very diverse company. Their main product is providing wireless phone services, however, their background in this industry has allowed them

to develop new products and use them to enter and compete in different markets.

Due to the company's diversity, one long-term environmental factor Verizon faces is competition. Verizon must directly compete with other phone companies such as AT&T, but because they have expanded outside of just telephones and internet, they must compete directly with many other companies with other products. One example of Verizon gaining a new direct competitor is from the company developing new ways to use their 4G LTE networks, smartphones, tablets, and other technologies and adapt them into hospitals to help healthcare professionals help their patients. As a result, Verizon now faces direct competition with companies such as Hewlett Packard. Although they are always competing with other company's so that consumers will spend money on their main products, their cell phones, customer service, internet, and cable television, Verizon must be more aware of direct competition moving into the future as they continue to grow and develop new technologies and new uses for their existing products.

A second environmental factor that has a role in Verizon's long-term plan is the technological environment. Verizon is a company who sells products dealing with technology. If properly updated, developed, and researched this can greatly benefit Verizon by putting them ahead of their competitors.

However, it can become a downfall if not managed properly. Wireless voice services are continually evolving, and Verizon not only has to keep pace, but in order to stay ahead must annually invest in research and development if they wish to remain established as a lead competitor in their industry. The number of American wireless customers now exceeds 290 million; however, <https://assignbuster.com/verizon-wireless-marketing-strategy-essay-sample/>

these plans are not purchased for mainly talking on the phone, as they are now making a trend towards being primarily used for data. The new major growth area for service providers is data as more customers upgrade to smartphones with data service plans.

This means that a greater amount of information is being transferred by Verizon, and they are managing to do it at a faster pace with the development of their 4G LTE Network. The development of the new network is an example of how the technological environment has played a role in Verizon's company plans and will continue to play in their future. With the new network, Verizon is beginning to make their old generation of network speed obsolete, and look to continue to bring more new products to customers. In the end, Verizon hopes to be able to provide more cost-efficient production and distribution methods, reduced prices, and continue to improve customer service. Pushing technology to new limits helps not only to move Verizon's company to new places, but also to move the world along with them.

The political-legal environmental factor also plays a role in Verizon's long-term plans. Past, current and even potential future political or legal actions and decisions all have potential roles in impacting Verizon as a company. Most notably from past rulings is the Telecommunications Act of 1996, which allows any company to enter any communications business. Verizon did not exist before this act, and without it, it may not have been formed. Later on, in 2003 an amendment was made to the act. This amendment created the national Do Not Call Registry which prohibited telemarketers from calling numbers registered to the list. The Telecommunications Act has also allowed

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satellite and cable television companies to provide phone services and phone companies to provide cable. All of this has opened the door to what Verizon's merger with Comcast, and will continue to play a very large role in Verizon's plans for the future. The Federal Communications Commission oversees the industries in which Verizon is involved with.

They consider, propose, and create new laws to regulate the communications industry, and therefore Verizon must be very familiar with how they operate. Verizon must also comply with laws and regulations, not only avoid damaging their reputation or hurting profits, but also by not doing so, they hurt their customers too. Verizon will always have to plan around political-legal environmental factors that play a role in their industry, but will be able to successfully continue to follow new laws and regulations by meeting customer's needs with their products and meeting goals set by the government.

The telecommunications industry is more than a century old. It continues to evolve, transform, and remain in the middle of a revolution as broadband and wireless technologies radically transform the industry. In order for Verizon to succeed, the company must be open to many different ideas. Besides investing all of their time and efforts into attempting to research and upgrade wireless phone services, Verizon has become involved in many different areas to help prepare them to compete in the future and continue to be a leader in their industry. One change Verizon is making is pushing towards cloud computing services along with their more known fiber optics TV and internet offerings and cell phone operations. In January of 2011, Verizon purchased Terramark Worldwide, an information technology services <https://assignbuster.com/verizon-wireless-marketing-strategy-essay-sample/>

provider, for 1.4 billion dollars. With cloud computing, Verizon will be competing with one company they are very familiar with, AT&T; however, companies that they have not had experience directly competing with in the past will be there now, such as Amazon now being considered a main competitor.

Although Verizon's start into this new industry was later than its main competitors, they feel they have an edge because of their global data center assets to provide cloud services. Verizon not only looks towards cloud computing for their future, but also cable television and combining it with their advanced technologies in fiber optic cables and wireless internet. They have made no secret of this, and in late 2011, announced they would be merging with Comcast. Although the 3.6 billion dollar deal has not yet been approved by the Federal Communications Commission, plans for advertising have already begun. Verizon has been able to offer cable television to its customers in the past, but now by merging with a top cable company, Verizon has set themselves apart for now and look to make new developments in the future using Comcast's knowledge with their products combined with Verizon's knowledge and their won products.

Other innovative solutions Verizon is exploring include energy management, sustainable energy, security, and an innovation program that works with other companies to help aid in the development of new devices to be used on Verizon's network. Verizon is a leader in their industry and is proving that they will continue to stay at the top when providing customers with wireless phone services, internet, cable, and customer support; and with their research and support into further developments in other related products

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Verizon is giving everyone no reason to doubt that they will be a leader long into the future.

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