

Marketing plan of philips laptop



INTRODUCTION:

PHILIPS:

Slogan – sense and simplicity

Industry- electronics

Key people- Founder – Gerard Philips

CEO-Gerard Kleisterlee

Chairman- Michiel Hessels

Employees- 121, 400 in 2007

The company was founded by Gerard Philips and established on 1891, in Eindhoven, the Netherlands. Its first product was light bulbs. In the 1920s, the company started to manufacture other products, like-

- Vacuum tubes (also known worldwide as ‘ valves’),
- In 1939 they introduced their electric razor,
- Also on March 11, 1927 Philips went on the air with a station called PCJ now known as Radio Netherlands.
- In 1950, company introduced Philips Records.
- After this product Philips launches Compact Cassette tape in 1963 which was wildly successful. This was mainly used for dictation machines for office typing stenographers and professional journalists.
- Philips introduced the first combination portable radio and cassette recorder which is marketed as the “ radio recorder. Company also reduces the cassette size for the professional needs, in form of mini cassette and later the microcassette.

- The world's first home video cassette recorder was made by Philips. The main competitors of Philips at that time were Sony's Betamax and the VHS group of manufacturers.
- Philips had early developments of a laser disk for selling movies but due to delayed in its commercial launch for fear of cannibalizing its video recorder sales. Late join with Sony they launch commercial laser disk, and again in 1982 with Sony they launch Compact Disc. This evolved to launch of DVD, which Philips launched with Sony in 1997.
- Philips after that also come in market of television, microwave oven, mixer grinder, music system, plasma television, home theater, energy saver(CFL) bulb, etc.

The company's name was changed from N. V. Philips Gloeilampenfabrieken to Philips Electronics in 1991. At that time, North American Philips was formally dissolved, and a new corporate division was formed in the U. S. with the name Philips Electronics North America Corp.

MISSION OF OUR BUSINESS

Here we are going to produce a new laptop.

OUR MISSION- " We focus on to improve the quality of people's lives through timely introduction of meaningful innovations according to movement of situation".

As a world leader in healthcare, lifestyle and lighting, our company also integrates technologies and design into people-centric solutions.

Our mission is fully focused on to fulfill the people's needs and desires when we truly understand what they want. That's why we always begin with

getting to know as much as we possibly can about our target audiences: their priorities, values, inspirations, likes and dislikes. With this insight, our international, multi-disciplinary and diverse design team is able to deliver truly relevant solutions that anticipate people's needs, exceed their expectations and enhance our customers' business success.

OBJECTIVE OF OUR BUSINESS

I will decide my marketing objective which will completely support continuous growth and profitability through effective implementation of the strategy.

The basic objectives are;

- I will increase the market share on the basis of market development.
- I will focus more on promotional activities.
- I will focus on constant and positive sale growth each year in place of more sales in particular fixed year.
- Determination of market that should be reached by advertising.
- In this sector I will try to achieve quantitative and qualitative leadership.
- Increase the awareness of new product by print media and electronic media.
- My financial objective is to sale of 1000 laptop per month, means 12000 for a year.
- I will make strategies to double this growth in next year.

Planning process

Development of new product is a challenging process. It starts with plan formulation; firstly we identify the problem and plan to solve it. The iteration continues until the plan is declared as successfully completed. The first step in formulation of planning is situational analysis. These are the steps of planning formulation.

Situational analysis

This analysis gives us information to identify the issues and problems that need to be addressed. For situational analysis these are the information required

1. Socio demographic- Population composition and distribution, learning and family services.
2. Economic activities- national account, poverty
3. Socio- cultural and political- political structure, participation, relevant law, government policies, etc.

Formulation of goals

In goal formulation we specify the desire outcomes to achieve addressing the priority problem which identifies in the situational analysis.

Formulation of policies and strategies

In this we make a plan and create a direction to achieve the goals, objective and target.

Identification of programs and project

In this step we convert our plan and objective into specific implementable activities.

Investment programming and budgeting

Here we will decide which programs and project can be implemented according to our pre determined time scheduled and frame

MARKET AND INDUSTRIES ANALYSIS

Firstly I will go for market analysis which gives our company the sufficient information about market and consumer needs, want and demand. Market analysis will help to right offer to right consumer and can meet consumer satisfaction and can make better communication with consumer. On the basis of this study you can make delight consumer, and retention of consumer. It possesses sufficient information about the market and consumer needs, wants and demand. It will help to right offer to right customer and can meet consumer's satisfaction and can make better communication with them. Also they have some important information about customer, which is helps to make delight consumer.

With the pioneering research techniques, Primary Intelligence is able to identify and measure market drivers, benchmark and track changes to help you position your products and services correctly, and respond to emerging competitive threats and opportunities. Market Needs Analysis will help to optimize your sales team's efforts by:

- This helps us to identifying decision making and purchasing patterns
- Exposing decision-making criteria and areas of influence
- This also providing objective, real-world feedback that sales professionals can leverage to improve their strategies and tactics.

Market Needs Analysis gives us the information that directs for our product marketing, demographic targeting, and sales tactics as you approach new ground.

On the basis of study of Institute of development and communication (IDC) India which is a premier global market intelligence firm, the laptop market in India has 79% year-on-year growth during 2006. The sale of laptop is growing faster rate than projected. India is growing day by day a big market for laptop industries. On the basis of analysis of a top official of HCL Info Systems, market share of laptops would be 35-40% in the next two years.

GROWTH DRIVERS FOR COMPANY

Indian Laptop market is increasing faster as it was in 2005 that sales of laptops surpassed the sales of desktop computers. It happens first time in India.

- Change in work life of consumers is a main cause for growth for sale of laptop. The dynamic use “ anytime anywhere” access to information is increasing, the sales of laptops.
- Reduction in prices and affordability was a big cause to improve the sale of laptop. In these days Laptops are now sold at approximately half the price at which they were sold two years ago. Laptops prices are now almost at par with the desktop computer prices.
- The most important factor is duty free import of Laptops also helped a lot in increasing the penetration level of the product among the consumer. Laptop awareness is also increased over the years.

Our Target Markets

Firstly we have to target the market for Philips laptop. By definition we know that -A ' target market or target Audience is the market segment which a particular product is marketed to. It is often defined by age, gender and/or socio-economic grouping. Market Targeting is the process in which intended actual markets are defined, analyzed and evaluated just before the final decision to enter is made.

The target market of our laptop is shown below:

Our potential markets are separated into two segments; “ Corporate User” and “ End User”. The primary marketing opportunity is selling to these well defined and accessible target market segments that focus on investing discretionary income in these areas:

- Corporate User: There is requirement of more feature in their laptop as per there use and work profile. Corporate users are the users who buy the LAPTOP for their official purpose only. The MD, GM, DGM, and CEO are the main corporate level users.

Corporate users

- End User: The end users are basically focused on price. These are those users who buy the laptop for their personal use. Teachers of University, Students of private University, businessman etc are the End users for laptop

End users**Market Demographics**

WE have two objectives in regard market demographics: first we will to determine what segments or subgroups exist in the overall population; and secondly we have to create a clear and complete picture of the characteristics of a typical member of each of these segments. Once these profiles are constructed, we can to develop a marketing strategy and marketing plan. The five types of demographics in marketing are age, gender, income level, race and ethnicity.

The term demographics as a noun are often used erroneously in place of demography, the study of human population, its structure and change.

Although there is no absolute delineation, demography focuses on population structure, processes and dynamics, whereas demographics is most often used in the fields of media studies, advertising, marketing, and polling, and should not be used interchangeably with the term “demography” or (more broadly) “population studies

The profile of our PHILIPS LAPTOP customer consists of the following geographies, demographics and behavior factor:

Geographic

- We have specific domestic geographic target area. We will firstly serve the product to domestic market.
- We will cover the Metropolitan area through our own distribution channel. We have our large no of distributors approximately in each state in India.

Demographics

Demographic has been done on the basis of the following attributes:

- We are try to give almost same featured laptop and for both the corporate and end users.
- The laptops loaded with all those feature which will certainly enough for University teachers and doctors to use it for their research work.
- As well as all High, Middle, Upper middle and middle class can use it without any difficulty.

Behavior factor

We all are aware about some behavior factor which is good and in favor of my company. This is related to the

- It is the thinking that laptop increase the status and prestige of the individual.
- Also Consumer wants products, which are available in anywhere on any time.
- Consumers feel that they have a separate image by using PHILIPS LAPTOP.

Market Needs

We have to provide our customers the opportunity to choose LAPTOPs with different configuration according to market needs.

This is very important to fulfill the following benefits which are important for our customer. We will completely focus on these facilities for our customers according to preference:

- High quality

- Today all the customers are aware about the general function of computer because they are already using the desktop since long time. That's why at this time the Consumer wants high quality product, which is must been high in regard to performance. PHILIPS meets this need of consumer.
- Reasonable price
- Today consumer wants a high quality product at reasonable price, for that reason PHILIPS try to provide high quality product at a reasonable price.
- Different flavors
- When we talk about the customer's choice that is vary from person to person. So PHILIPS provides different laptop with different features for different feature.
- Product availability
- Today's the customer always seek available product so that they can buy the product at any time according to their need.

Market Trends

PHILIPS produces different type of laptop which fulfills quality but a reasonable price. Now laptop Production Company is growing and more competitors are coming in the market also customer are more aware about the product for that reason they want different types of product. At the moment market is growing faster, competition are increasing. Thus, Philips made segments for their product. Philips divided their customer in to three groups, and give emphasis on each of the group.

Market Growth

PHILIPS Company is going upward with a strong competition. With the domestic market, our international market growth statistics is increasing day by day.

SWOT ANALYSIS

The following SOWT analysis captures the key strength and weakness within the company, and describes the opportunities and threats facing PHILIPS.

Strengths:

- We have strong information technology and customer relation management approaches our customer can track any delivery by containing online customer services.
- PHILIPS has its popular brand name.
- We have Strong quality product.
- We are producing attractive design.
- Body of Philips laptop is made of the silver and plastic both.
- We have our own large distribution channel.
- The satisfaction of buyer about Philips product is very good.

Weakness

- Lack of promotional activities.
- At present we have insufficient capital.
- We have lack of promotional activities
- There are some legal and political barrier regarding import, tax and shipment.

Opportunities

- Increasing the demand of LAPTOP o the basis of survey.

- Increase in management school.
- Technical based job are increasing.
- Improved market portfolio.
- Increasing sales through the country.
- Promotional activities to increase brand image.

Threats

- Legal & political barriers regarding import duty, tax etc.
- The large no of range of laptop of existing in present time in market.
- New competitors are entrance in the market.
- The price of LAPTOP is decreasing day by day, so there is low profit of margin in this business

COMPETITORS

At present in the market there are no of competitors in laptop industries. We have to analyze their strategy and know everything like feature, quality, price, segmentation, pricing strategies, target market and so on.

The major player in laptop industries are:-

- Hewlett Packard (HP)
- Lenovo
- Acer
- IBM
- Toshiba
- Dell
- Sony

PRODUCT WISE ANALYSIS OF OUR NEAREST COMPETITORS

We establish our own market. Also it is facing some competitors. The no of competitor are at present time and their status is as given-

Sources to Gather the Information about our Competitors

The following are 10 sources and strategies by which we can get information about our competitors:

1. Suppliers:
2. Annual reports
3. Phone the competition
4. Talk to their customers
5. Check periodicals and trade journals
6. Review the company's Web site.
7. Talk to some of their employees: Be careful what you disclose. But a little give and take might yield surprising results.
8. Visit your competitors at a local industry trade show: It will give us a good idea of how competitors present themselves to the public.
9. Review reports and profiles of the local industry
10. Look at your competitors' advertising

Ø HP: HP Pavilion

HP is a line of personal computers produced by Hewlett-Packard and introduced in 1995. The name is applied to both desktops and laptops for the Home and Home Office product range. Today's HP is the largest player in the market. HP's LAPTOP has captured the maximum market share of laptop and

pc. It is produced in China. It is holding a leading position for long time in laptop in our country. It has large no of its customer group.

Current Notebook Models of HP

- 18. 4 inch: HDX18t
- 17. 3 inch: dv7t
- 17. 0 inch: G70t
- 16. 0 inch: HDX16t / dv6t / dv6z / dv6zae (Artist Edition 2) / G60t
- 15. 6 inch: Compaq CQ60
- 15. 4 inch: dv5tse
- 14. 1 inch: dv4tse / dv4t
- 13. 3 inch: dv3t / Voodoo Envy 133
- 12. 1 inch: Touch Smart tx2z / HP Pavilion dv2z
- 10. 1 inch: HP Mini 110 Mi / HP Mini 110 XP / / Mini 1000 Vivienne Tam

Ø DELL:

In the 1980s Dell became a pioneer in the “configure to order” approach to manufacturing – delivering individual PCs configured to customer specifications. In contrast, most PC manufacturers in those times delivered large orders to intermediaries on a quarterly basis.

To minimize the delay between purchase and delivery, Dell has a general policy of manufacturing its products close to its customers. This also allows for implementing a just-in-time (JIT) manufacturing approach, which minimizes inventory costs. Low inventory is another signature of the Dell business model – a critical consideration in an industry where components depreciate very rapidly.

Products of dell:

- Dell inspiron series
- Dell vostro series
- Dell 1510
- Dell n series
- Dell studio 14z
- Dell studio xps 13
- Dell studio xps 16

Ø ACER:

It is a Chinese producer of laptop. Acer has taking cover over the market share of LAPTOP PC in India. It is emerging laptop brand today and focuses on product for middle class and student.

Product of Acer in market at current time:

- Acer Gemstone series
- Acer Travel Mate series
- Tablet PC series
- Acer Aspire series
- Acer Aspire Timeline series
- Acer Extents series
- Acer Ferrari series

Ø LENOVO:

Lenovo markets its products directly to consumers, small to medium size businesses, and large enterprises, as well as through online sales, company-owned stores (in China only), chain retailers, and major technology distributors and vendors. It is also a competitor of PHILIPS LAPTOP.

Lenovo makes a variety of products for worldwide sale, these products include:

- Lenovo
- Lenovo ThinkPad laptops
- Lenovo Think Station
- Lenovo workstations
- Lenovo Think Server
- Idea Pad consumer-oriented laptops
- Lenovo 3000 J Series laptops
- Lenovo 3000 C, N, and V Series laptops

A current agreement allows Lenovo to sell IBM-branded desktops and laptops until 2010.

OUR PRODUCT RANGE

PHILIPS: when we talk about our company we are basically a television company. But enhances our company business by producing laptop.

Product offering

PHILIPS offers different type of configuration at different price to our consumer for chooses their expected product. This laptops are given in figure –

1. PHILIPS EXTREME SERIES
2. PHILIPS MOUNTAIN SERIES
3. PHILIPS S-20
4. PHILIPS S-10
5. PHILIPS YUVA

BASIC KEY FOR OUR SUCCESS:

- We have Strong quality
- Brand image of the product.
- We have our own distribution channel
- We are focused on to retain our customer to generate repeat purchase and referrals.
- Our general average sales about 1000 piece per month.

Critical issues for our company

Form the inauguration, PHILIPS is still in the early stage. The critical issues for PHILIPS are:

- There are quality variation in our products
- We excess discounts from other competitors.

Marketing strategy

For launching the Philips laptop we have to know about marketing strategy.

It is a method of focusing an organization's energies and resources on a course of action which can lead to increased sales and dominance of a targeted market niche. A marketing strategy combines product development, promotion, distribution, pricing, relationship management and other elements; identifies the firm's marketing goals, and explains how they will be achieved, ideally within a stated timeframe. Marketing strategy determines the choice of target market segments, positioning, marketing mix, and allocation of resources. It is most effective when it is an integral component of overall firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. As the customer constitutes the source of a company's revenue,

marketing strategy is closely linked with sales. A key component of marketing strategy is often to keep marketing in line with a company's overarching mission statement.

The marketing strategy will create awareness, interest and appeal from our target market for what PHILIPS offers to customers.

The marketing strategy is based on superior performance in the following areas:

- Our product have different configuration.
- Philips laptop focused on Product quality.
- Delight user.

Positioning

Philips will maintain its position as a laptop company. The position will be achieved by quality product, competitive price, and according to consumer's demand and delight consumers. They have experienced manager to make awareness about the product to customer.

Strategies

Our main primary marketing strategy will seek to first create customer awareness regarding the products.

Our other marketing strategy are-

- To increase the product line and length as per the expectations of the consumers
- To serve the consumer with competitive prices
- To ensure the availability of the product

- Practicing Total Quality Management (TQM)
- Consumer Orientation
- Produce and market international standard products

Marketing Mix

Philips laptop marketing mix is comprised of the following approaches to product price, distribution, advertising and promotion, and customer service.

This is the basis format of marketing mix.

PRODUCT

• Brand name

We have our strong brand name “ PHILIPS”. Which is already known by customers in market?

• Product variety

PHILIPS has five types of product. These are –

1. PHL EXTREME SERIES
2. PHL MOUNTAIN SERIES
3. PHL-S20
4. PHL-S10
5. PHL EC

Quality

PHILIPS always maintains high quality of its products. Total Quality Management (TQM) is practiced here.

Design

Attractive design, different colors, comfortable weight.

Features

Philips product has a Variety of features in comparison of competitors.

Packaging

PHILIPS supplies the laptops to the users in attractive packet. It provides special cartoon to send the LAPTOPs to its dealers which is for safety purpose also.

Size

Our products' size varies a little too product to product and depending on screen of laptop.

Service

We will provide home delivery service after selling of our laptops.

PROMOTION**Sales promotion**

PHILIPS provides shot-term incentives to encourage and purchase or sale of products. Occasionally it gives special discounted price for its products. It also gives T-shirts, caps, Bluetooth and other accessories to the customers.

Advertising

We will give the advertisement for Philips laptop through newspaper, billboard, popular magazine, leaflets, sponsoring on game competition, internet etc.

Personal selling

When we talk about personal selling, then it can be said that Philips is not arrange any types of personal selling.

PRICE**• Price list****• Discount**

- It allows discount facilities for its retailers and dealers.

• Payment period

PHILIPS sells LAPTOP on credit to its distributors and retailers and after the sale they then make payment. The payment time is of 45 days month, after this due date the interest will be charged.

PLACE**• Distributor Channels**

We have our own channel for distribute the products in all main city of India

• Location

Firstly we will cover the district areas of our country to sale the Philips laptop.

• Transport

We have no own transport facility for our distributors. Distributors are responsible for taking the products to their showrooms.

Marketing Research

Marketing research is very important for us to know about current market and predict future needs.

We can collect the information through the dealer and retailer by –

x

- Question – Notes customer responses to the “ How did you hear about product?” question. Based on the answer it takes its promotional activities.
- Customer suggestion – They take customers’ suggestions to gain additional information. It want to know from the customers about-
 1. What suggestion do you have to improve our product? And
 2. Why do you need a laptop?

Financials

This sector will offer the financial overview of PHILIPS LAPTOP related to marketing activities. PHILIPS address break even analysis, sales forecast, expense forecast, and indicate how this activity are link to the marketing activity.

Break-even Analysis

The break-even analysis below illustrates the number of single sales, or units, that we must realize to break-even. This is based on average sale and costs per transaction.

Monthly Break-even Point

Break-even Analysis:

Monthly Units Beak-even 700 Unit.

Monthly Revenue Beak-even Tk. 3, 64, 00000

Assumptions:

Average Per-Unit Selling Price Tk. 52, 0000

Average Variable Cost per month Tk. 42, 000

Estimated monthly Fixed Cost Tk. 70, 00, 000

Sales Forecast:

PHILIPS thinks that the sales forecast will be achieved into the five main revenue streams; PHL EXTREME SERIES, PHL MOUNTAIN SERIES, PHL-S20, PHL-S10, PHL EC. It will steadily increase sales as the advertising budget allows although the target market forecast listed all of the potential customers divided into separate groups. The forecasted customers group divided into 2 categories: Corporate Users and End Users.

Expense Forecast

Marketing expense is to be budgeted at approximately 3% of total sales for 2010-11 and 4% for 2011-12. Expenses are tracked in the major marketing categories of newspaper advertisements, printed leaflets, billboard promotional event and others.

Controls

The purpose of PHILIPS LAPTOP's marketing plan is to serve as a guide for the organization. This plan is about implementation, changing the business, and making it better. Here we look at specific implementation programs, and the details that it takes to make it happen. The following areas will be monitored to gauge performance:

1. Customer satisfaction
2. Revenue: monthly and annual
3. Expenses: monthly and annual

Implementation

The following identifies the key activities that are critical to our marketing plan. It is important to accomplish each one on time and on budget.

Our contingency planning

Difficulties and Risks for our business –

1. An entry into the market by an already established market competitor.
2. Problems generating visibility, a function of being an internet-based start-up organization.

BIBLIOGRAPHY:

* <http://en.wikipedia.org/wiki/Philips>

* http://www.google.co.in/search?sourceid=navclient&ie=UTF-8&rlz=1T4ADSA_enIN354IN355&q=geographic+target+area

* http://www.google.co.in/search?sourceid=navclient&ie=UTF-8&rlz=1T4ADSA_enIN354IN355&q=MARKET+DEMOGRAPI+WIKKI

* http://en.wikipedia.org/wiki/Sales_promotion

* http://www.google.co.in/search?sourceid=navclient&ie=UTF-8&rlz=1T4ADSA_enIN354IN355&q=sales+promotion+wikki

* http://en.wikipedia.org/wiki/Marketing_strategy

* http://en.wikipedia.org/wiki/Marketing_mix