

Promotional program situation analysis



**ASSIGN
BUSTER**

Sony Entertainment has a large brand name and has a large target market for all of their electronic product line. Because of the high demand for new technology and consumers buying Sony quality products, it has an annual advertising budget of approximately five billion US dollars globally[1]. And last year in 2009, Sony spent 3.4 billion dollars in advertising alone, which is around what other competitors spend on advertising. Sony has an effective approach with spending money on advertising their new products and promoting new games for Sony game consoles. The corporation uses a variety of promotional media strategies to advertise new products that are coming out. The way Sony does this is through magazines, newspapers, video game trade shows (like E3), internet advertisement, Playstation internet forums, TV advertising, sponsorship, and word of mouth. The largest reach to consumers is through television commercials.

Sony has been found in many different kinds of magazines to reach their large target market. Sony airs their commercials on a large scale of channels and networks. For example, Sony PS3 game commercial appears on comedy central, Fox, cartoon network, and many more. Their current commercial is an actor as the Vice President of Sony entertainment that illustrates people asking the VP questions about the PS3 and he answers with something that promotes the PS3 game and console. The commercials

have a slight humor to them to keep the viewer interested and to remember the advertisement. Sony Playstation has made appearances in TV shows such as two and half men, and movies, like the 40 year old virgin. The message strategies are to illustrate the entertainment a person gets out of a

video game and the detailed computer generated images, CGI, that are used in the games.

Overall, Sony Playstation is a strong competitor for the entertainment industry. The competition is moderately intense, but it is fragmented because there is not one major company that dominates the market. The technological trend is leaning towards television advertising and internet advertising. 90% of the target market have internet and 70% use the internet to shop online. Sony is already capitalizing on this trend and spends most of the advertising budget on advertisement spots. The company meets customer satisfaction with its products and customer service. The company is always seeking to make things better and expand its products.

Positioning and Campaign Theme

Game consoles are trying to reach the demand for the consumers wanting video games that have the latest, like-real life graphics, and an enjoyable experience. When consumers compare the three major video game consoles, Nintendo Wii, Xbox 360, and PS3, there is no comparison. The PS3 has everything all in one console. With the new Playstation Interactive, it will bring Sony to another level of gaming and setting it farther apart from the competition. The major difference with the PSI is that it makes the person in control feel like they are really inside the game. PSI is the only product that enables

the character to simulate the same movement the gamer is doing by using all of their full body motion. Playstation focuses on having the best technology and implementing having the latest of technology in one console.

Sony's mission statement is "to experience the joy of advancing and applying technology for the benefit of the public." Sony has positioned all of their product lines around this philosophy.

Playstation Interactive will define their position in the market by using product differentiation, and uses of the product. Our logo "Be in control... Be interactive" positions the product as of being in control of the game and being involved in more than a controller. It also sends the message of being an innovator of having the best and latest technology on the market.

Playstation Interactive does more than play games. It has all the capabilities of the PS3. The PS3 slogan now is "it only does everything." To keep the mission statement and message of the product to the market intact of its features, another slogan is "Having everything at your movement." This slogan shows that it does more than video games, and has the best technology in one console. The message is consistent with the positioning statement. It does this by having slogans that relay the message from an advertisement as it positions the product in the market. As stated above the two slogans that would be used are "Be in control...Be interactive" and "Having everything at your movement."

Communication Objectives and Strategies

The advertising strategy for the PlayStation Interactive is attempting to communicate the major benefits of the product. The value of the PSI is that it will create an unbelievably real virtual gaming experience. The gamer will feel their game is a reality, which is the ultimate benefit. The goal is to differentiate PSI from any other gaming system that can be made similar,

and to appeal to potential customers in a psychologically manner. The objectives of the campaign are to make the PSI a desirable gaming system. Its new technology will be perceived as the leader and pioneer of the next gaming generation.

Our objectives are to:

Increase knowledge and awareness of this new technology to 90% of gamers in the selected target market in a 12 months period.

Close gap in Market share between PS3 and XBOX by introducing new technology. By doing this, we expect to increase our market share by 10% in a 12 months period, and reinforce the brand image of Playstation among existing customers.

To achieve our goals we will reach to the early adapters of the gaming industry to have them talking and blogging about our product, creating a Buzz that will provide the company with word of mouth advertising. We will incent product trial and drive purchase among the target market by offering game demos with over 80 games to choose from. We will also set demonstration available to main retailers (BestBuy, Target and Wal-Mart) to stimulate trials for potential customers.

A Web site will be launched dedicated to the PSI besides the existing Sony Playstation official Web site. Each game will contain a link to the Web site where users can find out

about more games and subscribe to our email list and follow us on Twitter and Facebook. This Web site will also provide visitors with information about

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the new technology of the PSI. Visitors will be able to order the system and games through the website as well. We plan to offer games with custom made features only for our online customers.

We will place advertising ads in the large gaming magazine such as GamePro and Game Informer. We will place commercials on stations such as G4 and Spike which target the same gaming market as PSI. We intend to improve relations with game retailers by providing them with cooperative advertising support. Other examples of advertising would be direct response advertising, co-operative advertising, and sales promotion (like when Sony dropped the price for the PS3 to \$299. 00).

Advertising Appeals

The advertising appeals which will be used for the PSI is a fun, sometime humorous and emotional appeal. The advertising will create a desire. Video game/console advertising is sort of like movie trailers, the reason being the trailers get the viewer involved in the situation or, in a gaming case, the action. One commercial, for example, advertises a new game and shows a brief glimpse of what the game is like, the detailed graphics and at the end of the commercial will show the logo for the Sony PSI. An advertisement for the product can show a person playing the Nintendo Wii on the couch and not moving their body just moving the controller. Then the screen will shift to a person playing Playstation Interactive actually moving their whole body as the person in

game does exactly the same thing as the person in control. This advertisement will show product differentiation and product usage. Other

advertisements can show the advanced graphics of a game with a character running around in the game then the camera will zoom out of the television showing the game footage and show a person running around doing all the things the character is doing, then it will move to a slogan, “ Be in control... Be interactive.”

We think these types of appeals will work best for our campaign since one of our goals is to establish a reputation for games that poke fun at what many would consider humorous or ridiculous actions by well-known people.

Additionally, to help promote games via word of mouth, each game has the option to notify a friend. So, a user can send a text message to a friend instantly to share their excitement or recommendation about the games.

Rationale for Creative Recommendations

The reason for choosing the advertising strategy selected, is due to the fact that the act of gaming requires more a mental state than a physical state. Therefore by advertising to customer’s psychological side it may create more of an intense desire to have the newest technology in gaming.

Advertising Media Recommendations

Strategy

We first must create awareness of our virtual gaming system to the novice and serious video gamer so they can be aware that our virtual gaming system actually exists. Secondly we have to show how our gaming system is different and superior to any other gaming system in the market today. This won’t be easy task but can yield major dividends if done correctly. In our

media strategy we won't neglect the power and the influence of word of mouth advertising which will be a huge factor in promoting our virtual gaming system. The target market we are going to reach has to be overwhelming satisfied with our virtual gaming system otherwise they won't recommend their friends to go out and purchase the system. The target market were reaching would only recommend the system if they all can play against each other. In other words we have to completely satisfy all of their friends so they can all go out and buy a virtual gaming system for their own home. Either we satisfy all of them or none of them to buy the virtual gaming system. We believe word of mouth advertising will eventually supersede all traditional forms of media advertising once people learn more about our virtual gaming system. In the meantime we will coordinate different media strategies to maximize our virtual gaming system by bringing out brand awareness of our gaming system.

Advertising and Communication Objectives

First our communication to the public will be about how our virtual gaming system is unique to anything on the market. Secondly, any video game enthusiast will have an opportunity to not just a play a video game but to actually feel and be a part of the

experience within the game! This is a far different experience then just playing a game and your body movements are mimicked on the screen with the other competitors in our target market. When you think of a video game slogan, such as the one in John Madden Football; " It's in the game!" This virtual system will entirely change your perspective because the player of the virtual gaming system is going to literally be, in the game. The last

message that we want to convey to our target market is that our virtual gaming system comes complete with everything included. No need to go out and buy any accessories to use and play our virtual gaming system since it comes complete in our base package.

Target market

Video Game Players

Teenagers to young adults 15-35

You enjoy playing video games in your spare time and you already own a Playstation 3, Xbox or a Wii. This is a video gaming system that you must have immediately! It takes video games the way we know it today and intensifies the experience you receive from playing video games and multiplies it 100 over. Getting the system is cool but it's even cooler if you get it before all your friends get the system. Since you're the coolest kid out there you open up the virtual gaming system and it blows you away on how realistic and fun the system is. So you decide to brag to all your friends how cool the virtual gaming system is. Since we live in a stay connected era your friends are jealous that not only they don't have a virtual gaming system to play against you, they don't have a system

period, to play with. This is an unfair competitive advantage that most teenagers and young adults won't put up with at all. So you know what happens next, you're not cool if you don't own a virtual gaming system. You nag your parents, begin working part-time or you sell your old gaming system to gather the money to get your own virtual gaming system. This is

how the popularity of the virtual gaming system will take off and a large part will be attributed to word of mouth advertising. Word of mouth advertising is huge trend in the target market were trying to reach to promote our virtual gaming system.

Major Selling Idea or Key Benefits

The major selling idea would be that the system includes a 3-Dimensional Virtual gaming experience. This key benefit will be the strength of our selling promotion. Since it gives the video game player an experience they can only enjoy if they use the virtual gaming system. This will be introducing a new state of the art dimension that will be the strength to our sales promotion.

The Media Plan

To create curiosity among the public, we will first advertise our slogan, followed by the PSI logo and the “coming soon” words. To effectively market the virtual gaming system we will first have the system setup in a display kiosk at retail stores for people to test and play the virtual gaming system. This will be our Internet/Interactive Recommendation of our media plan. The retail stores we will first launch the system at will retail stores like Wal-Mart, Best Buy, Target, GameStop, Toys R Us and HH Gregg. This will start the process of creating an advertising buzz about the system. This will be done one month before the release date of the actual system to allow people to prepare for the arrival date of the virtual gaming system. In the meantime while they wait for the release date this waiting period will create an enormous amount of hype about our gaming system.

Once the systems are all installed and set up and running in all the retail stores listed above we will move to step two of our media plan and that's using the Internet as our recommendation for marketing the virtual gaming system. The Internet advertising will be done on banners on Google, AOL, Bing, You Tube and MSN home pages. This will have our company logo and invite people to see and try out our virtual gaming system kiosk wherever electronics are sold. The advertisement will also list the release date of December 3rd. This will create motion by consumers to get involved and try out the system for a free trial. For an incentive they can obtain a \$15 off coupon redeemable off their first game purchase. The timing of this step will be a week after step one has been complete. The timing of the system will be to bring brand awareness in early November and have a release date to be set December 3rd.

The rationale behind this marketing strategy is the target market where trying to reach is Internet savvy and love interaction. They will get the best of both worlds with a free trial period and an incentive to buy the virtual gaming system just by coming into the store. This will start the buzz and word of mouth advertising which is exactly the type of response where looking for. Friends discussing their first virtual gaming experience with other friends and bouncing off ideas and opinions about the new virtual gaming system.

This will cause our target market to literally salivate from the mouth and cross off each day on their calendar until our December 3rd release date.

The third step in our media plan after exactly one week after the Internet/Interactive phase will be to use mass advertising and more specifically TV advertising. The television advertising will be short commercials showing someone using the virtual gaming system and then it will flash on the screen showing you what they see inside their glasses. The commercial will end with the system's slogan and logo and will simply say, coming December 3rd. Under the release date it will have the company's website address and say visit us online for more details. The television ad will just be used to give people just little bit of information about the virtual gaming system and give them an invitation to the website.

When they visit the website it will have the system specifications and FAQ's. The website will also show clips of the users at the retail store and interviews from the virtual gaming system designers. It will also have a 10 minute video will a virtual system executive selling to the viewers why the virtual gaming system is so unique. The website will also have a discussion board for others to discuss with others.

The rationale behind this form of advertising is to penetrate the market near Christmas time so consumers and families have time to prepare for the added expense during the holiday season. Since our product is a virtual gaming system this will create the broadest amount of brand awareness and since the commercials will be short and to the point will save millions in advertising dollars. The goal for the television advertising is to accomplish a few things. The first is to create brand awareness to the virtual gaming

system. The second is giving a brief insight into what the virtual gaming system actually does. The third goal it will do is educate consumers of the release date. Fourth goal is to invite people to visit the website to get more information. Once consumers visit our website were confident they will continue to find out more information by visiting the retail store next for the free trail. The last goal will be for video gamers to purchase our virtual gaming system.

Budget Summary

The Total Estimated budget is at \$1 billion

Rationale behind this budget

The virtual gaming system kiosk will be approximately \$350 million dollars of our advertising budget. This portion of the budget is the Interactive recommendation of our marketing strategy. The second expense will be approximately \$150 million dollars in Internet advertising dollars. The remaining \$500 million dollars will be dedicated in television advertising since this is the most expensive form of adverting dollars. The expenses will be the order of the steps as listed above. This is the most effective way of reaching the target market and creating awareness of the virtual gaming system. Regardless of whether you're a novice or serious video gamer, this media plan will reach the intended recipient.