

Marketing report of window weatherguard

Business



Marketing Report of Window Weatherguard Executive summary This report is to design the marketing strategy of one of new inventions in 2011- Window Weatherguard. The guard is installed, without tool needed, on sliding windows, in order to keep rain out of the building while let airflow in. It effectively protects interiors and reduces indoor air pollution. Base on the analysis the marketing environment and consumer behaviours, segmentation, targeting, positioning are designed, as well as product and pricing plan.

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Background of the invention The Window Weatherguard can be installed to sliding windows in order to keep the rain out of the building and let air in, which was invented by a commercial estimator, Andrew Cottle. With many years experience in building industry, Andrew realized it has been an obvious and annoying problem whenever it rains. The rain would enter the sliding windows and damage our houses, such as carpets, walls, and furniture next to windows. If we close the window, we could not get the fresh air. Airflow is essential for reducing toxin air, which is released from plastics, carpets, glues, paints, household cleaners etc.

This is particularly important for new houses. Clear UV stable acrylic is the material of the Window Weatherguard with chemical resistance, water

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resistance, and scratch resistance, no discoloration, hardly noticeable and easily cleaning. They can be quickly attached to the outer frame of sliding windows either horizontally or vertically with double-sided sticky tapes. It is a simple and low-priced DIY application without tools required. 1. Unobtrusive
2.

Air in 3. Rain out With the clear UV acrylic the light can be in and airflow would be constant, which is good for temperature control. In the perspective of energy usage, it is apparently energy-saving method for controlling temperature and keeping the air fresh. There is a huge potential market for Window Weatherguards. It can be installed in every residential, commercial, or public building.

This attachment is suitable for all sliding windows currently manufactured in Australia. Newlife Wellbeing Centre Pty. Ltd has been established to operate the business. Marketing environment analysis According to Soeryanto (2009, pp. 995-1001), marketing environment refers to factors that influence marketing activities and abilities to establish and maintain relationships with customers.

Marketing environment is made up of microenvironment and macroenvironment. Microenvironment consists of the various participants with a close relationship with the enterprise that have a significant impact on enterprise's marketing ability, such as organisations, suppliers, distributors, customers, competitors and the public. Macroenvironment has an impact on microenvironment, which consists a wide range of social factors such as

demographic, economic, natural, technological, cultural, and etc (Kotler et al. , 2010, pp. 137-159).

Microenvironment analysis (1) Company Marketing department should coordinate with other departments before carrying out marketing activities with the supervisor or senior manager. The budget of advertising and promotion need to be discussed with finance or accounting department. With analysis of sales results and stock of Window Weatherguards from operation department, marketing plan can be easily made. For instance, we can put more efforts to promote less popular type by advertising or focus on most popular product to make it as the signature product of the company. With the cooperation with R; D, the technological advantages can be used as competitive advantage in advisements, like energy efficient approach, chemical resistant, water resistant, scratch resistant material and etc.

(2) Marketing intermediaries Marketing intermediaries consists of physical distribution firms, resellers, marketing services agencies and financial intermediaries (Reza, Kamran ; Gholamreza, 2011, p. 27). According to Window Weatherguard website, there is only one page made by Chief Graphics. This is obviously not enough for selling products. The main reason probably is lack of funds. It is not easy for a small company to raise sufficient funds to advertise the product.

In perspective of intermediaries, financial intermediaries and resellers could do a favour. We might borrow money from banks. We can still cooperate with some resellers to enhance distribution channels and recruit more customers by sharing profits. For example, if the net profits are 50 dollars for each

product, we could provide retailers 20%. (3) Customers Window Weatherguards closely related to building and construction section. The targeted customers can be individuals, households, companies and organisations.

We can also target domestic or international markets. (4) Competitors By searching online, there is no exactly same product available in the market. The most similar product is Window Insulator Kit, which is made from plastic film. The kit is to eliminate cold air and help home warm in cold weather. Window insulator kits are easy to install. Customers only need to put double-sided sticky tapes along window frames and then put the film around.

The price of window insulator kit is low, about \$6-\$10 per window. The most popular brands are 3M, Duck, and Frost King. 3M is an American multinational company with business in more than 200 countries and employees over 80, 000. Its the main products include dental products, electronic materials, medical products, car care products etc. Duck brand, marketed by ShurTech Brands, LLC in USA, has a history of 20 years with international business. Its main products are home wares and stationary and its number one brand is Duck tape.

It is now focusing on online business and has brought 4 million Facebook fans till now. Frost King is also an American company, leading in window and door strips products. The company is relatively new, which was established in 2006. The market is focused in USA.

By using SWOT analysis (Gilbert, 2011, pp. 24-35), there are some strengths of Window Weatherguard. It terms of function, window insulator kit is only <https://assignbuster.com/marketing-report-of-window-weatherguard/>

used to keep warm in winter by completely shutting windows, while Window Weatherguard is to avoid rain and keep window open to get fresh air in. Therefore Window Weatherguard is suitable for all seasons to keep warm or cool rather than only cold months. Besides, easy installation, money and energy saving properties would be also popular in the market.

The weakness is obvious as well. The companies of Window Insulator Kit are normally multinational companies. They are better at cost saving, innovations, customer services with more market and brand name. However, we still have opportunities. Window insulator kits are only widely used in countries with cold winter and have to be removed in warm weather.

They are not popular in warmer countries, like Australia. Window Weatherguard is not only suitable for all seasons in countries with warm weather, also can be used in warm seasons in the country with cold winter. We still need to be aware of copyright and patent to protect our invention.

(5) Publics As one of the inventions of 2011 in Australia, Window Weatherguard was published and demonstrated on ABC website and got support of media and government. However, there is barely financial public support.

Macroenvironment analysis The macroenvironment refers to factors that affect an organization but are out of its direct control, such as political and legal factors, economic factors, social and cultural factors and technological factors (Djavlonbek, 2011, p. 362). Window Weatherguard is suitable for buildings with sliding windows. As sliding windows have been widely used,

the market is still large. According to Australian Bureau of Statistics (ABS 2011), 11, 328 dwelling units had approved in November of 2011.

The number of total new buildings work done in the June 2011 quarter was 19, 354m², which increased by 20% compared with 2003 (9, 712 m² of new residential buildings, 1, 775 m² of alterations and additions to residential buildings and 7, 867 m² of non-residential buildings). Besides, with the strong economy of Australia, especially in global financial crisis, The Construction division has remained resilient and the revenue has climbed by an average 3. 0% per year over the five years, which exceeds the moderate pace of GDP growth, 2. 6% per year. The figures show the huge targeted market, either residential or commercial.

Consumer behaviour analysis Potential consumer behaviour Our target market is focused on who owns or uses buildings, including residential and non-residential buildings in Australia and overseas. Window Weatherguard can be used in all seasons to protect interiors and furnishings from rain and UV damage and let constant airflow in to get rid of pollution inside of the building. By using Window Weatherguard, people would not worry about the expensive maintenance expenses of carpet or furniture. It is an effective and energy-efficient way to minimise depreciation. Due to installation method, it is still easy to replace it by taking it off from the tape and putting the new one on.

Potential Influencing Factors Factors that influence consumer behaviour are internal and external factors, including psychological, personal, cultural, social factors and marketing programmes and environmental influences

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(Stewart ; Hess, 2011, pp. 197-199). Among our targeted customers, some customers, who met the problem or spent large money on fixing it up beforehand, are easier to accept our product. They would screen information available in the market, and tend to get more attention on our products. For those who are not ware of the problem or do not concern about the problem, we can make use of other influencing factors to market the product.

We can focus on two perspectives: safety factor and economic factor. One of the main advantages of Window Weatherguard is to keep indoor air fresh. In fact, according the report by Australian Government (2011), it shows that poor indoor air quality can result in health problems. Australians nowadays may spend 90% or more of their time indoors. The report points that the contributing factors to indoor air pollution are mainly inadequate ventilation, contamination from inside the building or building material.

People with poor indoor air quality can suffer from respiratory diseases, allergic response, and cancer risk. That is why occupants in mechanically ventilated office buildings are easy to get headache, drowsiness and irritancy. By advertising the importance of air ventilation, customers can learn the information and product knowledge can be reinforced. According to Maslow's hierarchy needs, their safety needs can be satisfied as well. In terms of economic factor, Window Weatherguard is much more affordable compared with expensive maintenance costs.

Potential Risks There are some potential risks during the buyer decision process. Window Weatherguard is an invention, which is now operated by a small company. Due to small users and weak brand name, customers hardly

know about reviews of products from other users. Only good product quality and complementary customer service can build good customer reviews. We still need to operate online business to build up our brand quickly.

Specifically, we can open our own online shopping website or cooperate with popular websites, such as eBay, Ouffer, Groupon, Jumper. We can also distribute special offers or free samples online or in the shop to let customers try. Segmentation, targeting and positioning Market segmentation Market segmentation is the first step to determine our target market. There are different perspectives (Proctor, 2000, pp. 192-194).

Geographically, areas with wet climate are our potential market, like coastal cities in Australia. Sliding windows are widely used in new buildings. We can segment it by population over 1 million: Sydney, Melbourne, Brisbane, Perth and Adelaide. We can also divide the market into residential, commercial and public buildings. In the perspective of demographics, we divide the market by age structure into three groups: age under 19, 20-50 and age over 50.

From statistics of ABS (2011), the percentages of these three groups are about 25%, 45% and 30% respectively. In terms of income, the average hourly earning of full time adult is \$33/h in 2011. The minimum wage is \$15.1/h. The market can be segmented into 0-\$15.5/h, \$15.

51/h-\$33/h, \$33/h and above. In terms of psychographics, the market can be segmented into positive, neutral and negative energy savers. Benefits are segmented into quality, service and economy. Market targeting Window Weatherguard is an invention with the support of a new small company, so resources are very limited. Concentrated marketing is our targeting strategy.

Concentrated marketing is a strategy whereby a product is developed and marketed for a very well defined and specific segment of the consumer population.

With this strategy, small companies would be able to reach the strong market position with limited resources (Proctor, 2000, pp. 195-198). Due to the starting stage of the business, we can start from the city with biggest population, Sydney. The buildings can be roughly targeted to residential and commercial buildings where sliding windows are widely used. The age group can be focused on 20-50 with largest proportion of the population. Window Weatherguard is a kind of self-assembly furniture with low price.

Thus we can target income groups of \$15. 51-\$33 and \$33 and above. Adults with hourly earning below \$15. 51 probably get money from Centrelink. We still need to target positive and neutral environment protectors with energy saving property.

Thus 20-50 city dwellers with earnings above minimum level in Sydney are our target customers. Market positioning We can position Window Weatherguard in perspectives of price, quality and service. According to analysis of SWOT above, we are aware of our advantages. 'Keep rain out, let air in' is the unique benefit of the product, which helps protect interiors, keep airflow in, reduce indoor pollution damage. This is better than Window Insulator Kit, which is only used to keep warm.

The material of Window Weatherguard is the clear UV stable acrylic, which is chemical resistant, scratch resistant, no discoloration, hardly noticeable and easily cleaning, while Window Insulator Kit is made of thin and easily

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damaged plastic film. The quality is better than competitors. The price of our product needs to be low with easy DIY installation and energy-saving property. Thus low-price, medium quality and good service with unique function is our positioning strategy. Product plans Product consists of core product, actual product and augmented product (Berk, Van ; Mela, 2010, p. 871).

For Window Weatherguard, core benefit is the interior protector of a building. Next, actual product needs to be designed. There is only one part of Window Weatherguard, which is the Clear UV stable acrylic shield with double sticky tape around the frame. The Window Weatherguard is compatible with sliding and double hung windows. It comes with four sizes – 600mm, 900mm, 1000mm, and 1200mm. The bathroom window version of 600mm is available in a frosted finish.

The Window Weatherguard with unique shape and high-performance material could withstand winds of up to 170k/h. The guard can be fitted with window locks that allow the window to be locked into a position of around 100mm. It also comes with single guard, two-window, three-window, four-window packs. The guard is wrapped with burble wrap paper and packed in the carton with company logo and product name on top. Inside of the carton, there is a booklet about self-assemble instructions, ingredients of the product and cautions.

Window Weatherguards are available in the shop or online. In terms of augmented product design, we need to focus on customer services. Sales in the shop and online should use their expertise to sell the product with

passion and sale skills. For online business, quick and safe delivery is a necessity. In terms of promotion, 'buy one get one free' or 'gift with purchase' can be used. The gift could be our new product, like bathroom guard.

For exchange and return policy, we can establish 'Make It Right' scheme. Once there is any faulty, it can be returned or exchanged immediately. According to the criteria of product characteristics on rate of adoption, there are five factors considered: relative advantages, compatibility, complexity, trialability, observability (Olshavsky, 2008, pp. 425-428). Compared with Window Insulator, the window guard is easier to install.

Window insulator needs hair dries to make the surface smooth. Because the film is very thin and soft, it is easy to be scratched and damaged. However, customers do not worry about those problems on Window Weatherguard. This is the obvious advantage of rate of adoption. Compatibility means the degree of product to fit in customers' value and habits. Because damages of furniture and interiors from rain and sun are very common, the maintenance costs are expensive, and more concerns about indoor diseases, so the guard can be quickly accepted by customers.

If the product can be tried more easily, the product can be adopted faster. Due to the limit of funds, not every potential customer can try it before buying. Thus demonstration is very important. In the store, we can put some samples on the pretending window, and might make rain by shower nuzzle to show how effective to get rid of rain indoor. Apart from that, the degree of

observability is essential too. If the more easily the result can be observed, more customers can be adopted.

By demonstration of samples, we can show research result figures about improvement of air quality indoor, even how much can be saved from furniture maintenance costs. Pricing strategies There are basically two pricing strategies: market-skimming and market-penetrating strategies. Market-skimming strategy is designed to high price product with fewer customers, while market-penetrating strategy is for low price product to attract more customers to try (Yuan ; Han 2011, pp. 8-61). The price of Window Insulator is around \$6-\$10 per window. Because the guard comes with 600mm, 900mm, 1000mm, and 1200mm four sizes.

If the thickness is 4.5mm, the wholesale cost of 1200mm1200mm acrylic sheet is \$4. With smaller size, the cost would be less. Thus the price can be similar to Window Insulator, presumably \$8-\$10. Compared to hundreds of dollars of furniture maintenance costs or new furniture purchase, Window Weatherguard is very cheap.

Thus, our pricing strategy is market-penetrating strategy. Our product with medium quality and low price is our strategy. In according to product/service-line pricing strategies, we can design prices in terms of product lines, product accessories, by-products and bundle products. In terms of product line, two-window pack, three-window pack and four-window pack can be designed. Customers can pick sizes of each guard in the pack. The price will be cheaper with more or bigger-size purchase of the guards.

The accessory of Window Weatherguard is the double-sided sticky tape. Acrylic, which is plastic, would last longer than sticky tapes. If tapes are not sticky enough, they are replaceable. Sticky tapes can be also bundled with guards in a pack with cheaper price. For online shopping, if customers spend to certain large amount, we can do free shipping as a bonus. These tapes can also be sold and the price is depending on the length.

For the faulty products or by-products, we can recycle them and resell to acrylic dealers or reproduce them. Conclusion On the basis of analysis of marketing environment, it is illustrated the advantages and weakness of microenvironment and macroenvironment of Window Weatherguard. Apart from that, the report analysed consumer behaviours in the perspectives of potential consumer behaviour, influencing factors and potential risks. As an invention, the market is designed to segment in geographic, demographic, psychographic and behavioural perspectives. As a result, the concentrated marketing strategy is used to target 20-50 city dwellers with earnings above minimum level in Sydney.

Low-price, medium quality and good service with unique function is our positioning strategy. The core product, actual product and augmented product are also designed with quick adoption rate. With research of wholesale price of acrylic sheets, the price of single product, product pack, by-product and bundle product are made by use of market-penetrating strategies. Reference: Australian Bureau of Statistics (ABS) 2011, Building Approvals, Australia, November 2011, Australian social trends, cat. no. 8731.

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