RUNNING HEAD: MARKETING ASSIGNMENT

Marketing for Sony

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***Introduction of Sony Corporation***

Sony Company started by Masaru Ibuka in 1945. He was working with the Japanese army and named the company Sony because people were having trouble with the Japanese name. The name was a combination of two words meaning sound and a little son. The mission statement of company states that it wants to fulfil the curiosity of its customers. The company's passion for technology, content, services and consistent innovative methods helps it to deliver latest products in entertainment industry in ways that only Sony can. The company offers TV & video, audio, digital camera, smartphones and internet, game & network services, pictures, music, and financial services.

***Micro Environment faced by the company***

This shows all internal and external groups, which can affect the ability of a company to run its business. These include suppliers, marketing intermediaries, employees, and customers. Employees of the company are properly trained with respect to usage of technology to provide latest products to their customers. Customers are at the core of all company actions and policies, and customer care is easily accessible to all customers as it is available online through various applications and company websites. Suppliers pay a very important role in allowing the company to provide quality products to its customers. The company has set supply chain code of conduct so that suppliers can better understand what company expects from them. The basic criterion for assessing a supplier is its risk level for choosing new suppliers and assessing their manufacturing facilities. If the risk is high, the company will make an on-site assessment of the suppliers, whereas a lower risk is covered by simply a request to comply with code of conduct properly. The risk factors are assessed based on country or region, their business size, and type of business. There are questionnaires filled up by the suppliers for their relevant risks, and the company assesses the results to see how much suppliers are complying with the given standards (Sony.net, 2019). As far as intermediaries are concerned, company has stopped some retailers from selling digital download codes for play Station 4 games from April 1, 2019. This will mean that people who are not willing to provide their credit card information in PSN platform, will not be able to buy digital versions of games from physical stores. The decision was taken to make sure that all key businesses are aligned globally. The final purchase will have to be made on PSN rather than from the stores. (Statt, 2019).

***Macro Environment analysis***

On the macro level, the business environment of the country is very much suitable for investments. There is stability in the political environment of a country which develops the confidence of investors in the country. The recent changes in policies have made Australia one of the top rated countries for business in the region. In the economic aspect, Australia holds 13th spot in the largest economies of world with a growth of more than 2 per cent shown in the year 2017. The property purchases with money down payments have increased in the country. Australia has a favourable currency rate as compared to other countries which also makes it favourable for businesses. As far as social factors are concerned, Australia has a smaller population as compared to other countries. The society has three major classes, working, middle and upper class. Sony products are basically targeted at middle and upper class people. Australia is known for its technological innovations, and people adopt newer technologies faster than people from other countries (Frue, 2019).

*Strengths*

The company has one of the strongest brands in the markets wherever it operates, which means that customers are easily attracted to any new product offered by the company. The company is working in a large number of businesses which helps company to minimize the risks associated with different markets. There are many popular and profitable products offered by the company, e.g. play station, which ensures that company earns a profit despite competitive rivalry. Continuous business success is ensured by these strengths and company is also improving on technological aspects of its businesses to make sure that these strengths are long lasting.

*Weaknesses*

Although the company has done well in the electronic equipment market, it has much work to do in the mobile phones and devices market as compared to major competitors like Samsung and Apple. The company is also hugely dependent upon the online services and has to make sure that its databases and networks are not affected by data loss and theft.

*Opportunities*

The working class in the country presents a big opportunity for the company, and this opportunity is further backed by the technological excellence of the company. There can be some new products which are specially designed for working class according to features and prices. For the segments already catered, company can manufacture more advanced products. The company can also start dealing with computer chips and hardware.

*Threats*

Major threats to the company come from cyber-attacks because there is greater reliance on the company on online networks and databases. Detecting and stopping the piracy of its major software is also a threat to the company (Greenspan, 2019).

The company has two options from the current situation, either it can go to some other country which it does not cater to or where it will not face fierce competition, or it may bring some changes to its strategies in Australia to cater the market in a better way. Both these aspects represent different categories of Ansoff’s Matrix. Market penetration will take place if the company decides to remain in the same market with the same product. Market development is a situation where a company takes its existing products to a new market. The company should take the first option of making certain changes to its products and catering the Australian market in a better way. This is applicable because all the analysis for this market has been done by the company, and company is also well aware of its characteristics. It will have to conduct all analyses for the new market from scratch.

**Part 2**

Sony Company started by Masaru Iuka in 1945. He was working with the Japanese army and named the company Sony because people were having trouble with the Japanese name. The name was a combination of two words meaning sound and a little son. The mission statement of company states that it wants to fulfil the curiosity of its customers. The company's passion for technology, content, services and consistent innovative methods helps it to deliver latest products in entertainment industry in ways that only Sony can. The company offers TV & video, audio, digital camera, smartphones and internet, game & network services, pictures, music, and financial services. The mission statement shows the critical roles played by mission and vision in growing and positioning of a company. The vision statement focuses on technological passion for differentiating the company from its competitors. The mission statement shows how goals set in vision statements will be achieved. The mission statement shows the activities undertaken by company to achieve the objectives and impact of these activities on the sector as a whole. Sony Australia is a wholly owned subsidiary of the Sony Corporation of Japan that has been working in Australia for more than 40 years (Sony, 2019).

The plan is about catering that part of the Australian population which has lower income at hand. The technological excellence of the company will allow it to make such a product that will have a lower cost of production and can be offered at a relatively lower price. The objective for company will be to cater to the majority of Australian population, so that company revenues are increased. With more and more technological innovations, the company will also aim to decrease its expenses so that profits are increased over time.

*Objectives*

Increase market share by at least 5% within the next 12 months

Decrease expenses by 2% in the next financial statements

Increase profit by 1% in the next financial statements

*Micro Environment Analysis*

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*Macro Environment analysis*

On the macro level, the business environment of a country is very much suitable for investments. There is stability in the political environment of a country which develops the confidence of investors in the country. The recent changes in policies have made Australia one of the top rated countries for business in the region. In the economic aspect, Australia holds 13th spot in the largest economies of world with a growth of more than 2 per cent shown in the year 2017. The property purchases with money down payments have increased in the country. Australia has a favourable currency rate as compared to other countries which also makes it favorable for businesses. As far as social factors are concerned, Australia has a smaller population as compared to other countries. The society has three major classes, working, middle and upper class. Sony products are basically targeted at middle and upper class people. Australia is known for its technological innovations, and people adopt newer technologies faster than people from other countries (Frue, 2019). The political environment of country is conducive to business development, and there are no specific hurdles in conducting business. This has prompted the company to expand its business within Australian market to cater it in much detail. The economic outlook of the country is also positive enough because it is ranked higher in the list of largest economies in the world.

*Strengths*

The company knows various environmental factors related to the country because it has been working for a longer period of time here.

The company has a strong technological background which means that it can make low-cost high-quality products suitable for the lower income group. The technological background will also let company develop mobile phones which will suit all segments of market.

The global presence, along with environmental knowledge, will allow the company to put in resources to capture the target market.

*Weaknesses*

Although the company has done well in the electronic equipment market, it has much work to do in the mobile phones and devices market as compared to major competitors like Samsung and Apple. The company is also hugely dependent upon the online services and has to make sure that its databases and networks are not affected by data loss and theft.

*Opportunities*

The biggest opportunity for the company is to cater to the lower income group of society which cannot afford high priced products. The other opportunity will be the population that wants mobile phones which are lower priced than Apple and Samsung, and at the same time, their specifications will have to match those offered by the competitors.

*Threats*

The biggest threat is that competitors may come up with some products that will outperform products offered by company.

***Marketing Mix***

There are 4 major aspects of the marketing mix for any offers, product, price, place, and promotion.

Among the strategies presented by Ansoff in a matrix, Sony will apply market penetration strategy because it will be further exploring a market which is already catered by it. It is also trying to provide a new product to the existing market, which can come under market development. The company can take any of these strategies and aim to increase its market share within Australia.

*Product*

The product includes the whole set of offerings that are provided to the customers. In this scenario, the core products are mobile phones and other electronic devices which will satisfy the entertainment needs of their consumers. The generic product will show the specifications of a product, e.g. memory aspects of a phone or features of television. The expected product includes expectations which consumers have established about a product, and these may include ease of use for a phone and good voice quality in case of audio devices. The augmented aspects will contain the various features installed on these phones and other electronic devices. The company will have to make sure that products include a variety of features. These products can also be considered limited versions of products offered at higher prices. Technological improvements and implementations will allow the company to decrease its overall expenses which is one of the aims of this plan.

*Price*

There are two important considerations for the company to think about, price setting technique and pricing strategy. A price setting technique is either based upon cost or perspective revenues. In the present scenario, we will opt for the cost-plus pricing technique, which will allow the company to assess all costs before setting the price of its products. The penetration pricing strategy will be followed by the company because it is aiming to target price sensitive customers who have limited purchasing power. Following this strategy will also affect the competitors of the company because they may lose sales to Sony. There will be a limited number of features available to customers because these products will be lower priced. Adopting this strategy may even force some competitors to leave the Australian market, but these competitors are big companies that will be able to survive the challenge. Using price as the sole competitive arsenal can be dangerous because big companies can reduce their prices further to win a competition. The actual aspect of new product is delivering value to its customers. Decreasing the price of products will increase the overall revenue of the company because the demand for these products is inelastic. The reduction of price will increase the market share of the company, which is one of the aims of this plan. Increased revenues, coupled with decreased expenses, will lead to an increase in profits of the firm. The company can also have different pricing strategies for different segments. It can have skimming or competitive pricing for the existing segments so that they continue to generate reasonable revenues for company.

*Place*

The company will offer these products at various stores all across the country, including its own stores of the company. The reason behind using other shops and stores is that people must be able to buy products from shops which will be near to their homes. There must not be any confusion regarding the target markets of various products. Retail stores can be used to display these products.

*Promotion*

This is one of the most important aspects of the marketing mix because the company is changing some aspects of its products and target market. The company will have to use all options of advertising available to it so that it can reach maximum people from its target market. Electronic and print media will be jointly used to aware people about the exact offerings. It is very important that a company delivers what is being communicated in its advertisements. Social media and internet should be used to communicate new offers to the target market. There may be banners displayed at prominent places of the city so that more and more people are able to see these offerings. Internet marketing will play an important part in the overall advertising campaign for the company. It is important to note that use of these modes is not meant for cost reduction because cost reduction was the major aim of technology usage. The major aim of online and social media advertising is to reach an increased number of customers within a given time. The advertisements should communicate the lower price along with the reduced features offered in these products. Effective use of various modes of promotion will make sure that a majority of people know about the offering. For sales promotion, certain events can be selected to put company stalls to sell a particular product (Greenspan, 2017).

The success of the company will depend upon the coordination of all aspects of the marketing mix so that all aspects of this plan go in the same direction. It is important that the objectives of a marketing plan are referred to regularly because they will provide the benchmark against which performance will be measured.

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