

Marketing Mix and Case Study on Generic Electronics

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Brand Message

Companies seek to create products which will be sure to get the attention of consumers. Whether they innovate or refine an existing creation, the conveyance of value to the consumer is crucial to sales and is transacted through brand messaging (Garrett, 2020). In a crowded market, such as the technology industry, drawing consumers' attention can be a true challenge. Take a moment to think about what a cellular telephone was on the date of its creation in 1973: A big and bulky brick which permitted just thirty minutes of call time on a half day's charge (Dyroff, 2018). It would be twenty seven years later before Nokia would create the first cell phone capable of fitting in one's pocket (Dyroff, 2018) and another seven years before the existence of the Apple iPhone. In synthesizing Garrett (2020) and Laureate Education (2019), I assert that brand messaging is about the value proposition and choosing specific language to be used in all forms of marketing which will inspire, persuade, and motivate potential consumers to buy the product. Verbiage which is catchy further accentuates this purpose. Generic Electronics has developed an innovative product which is a hybrid of two existing products, to wit; a smartphone and a tablet. Generic Electronics is producing a phone right now that has a touch screen on its face and when the user opens the phone using a motion similar to one which would be used to open a book, they are greeted with another touchscreen which spans twice the original width of the smartphone. Generic Electronics will not be the first to bring a concept like this to market, but can still be the first to make it affordable and first to raise consumer awareness to the product's existence and what's more, its usefulness. The type of brand message needed in this instance is one which shows consumers through evocative video ads a comparison of this innovation to the 2-in-1 tablets being used today which upon first sight looked like regular notebooks, but when opened and pushed beyond 180 degrees became a tablet. This innovation by

Generic Electronics does the same kind of thing for a user of both smartphones and tablets by delivering the versatility of a full featured tablet in the form factor of a smartphone while consuming less width than an iPhone and giving the user a choice of which to use in that moment. This will stimulate the minds of consumers by visually demonstrating the phone's usefulness while simultaneously directing their thoughts to compare this product to the innovative and popular 2-in-1 laptops.

Branding Adjustments

After the brand message has been determined, due consideration will need to be given to adjustments which will need to be made as Generic Electronics' product goes through what is known as the product life cycle. In synthesizing Levitt (1965) and Marketing 91 (2017), I assert that a product's life cycle traditionally consists of four primary phases, to wit; introductory, growth, maturity, and decline. In short, Generic Electronics will need to adjust its branding as customers' needs change and other, better, and more efficient products come into existence; in response, Generic Electronics may opt to expand their product to stave off the decline phase for a little which longer (Marketing 91, 2017). During the first phase of the product life cycle, the introductory phase, Generic Electronics' product will experience low initial sales volume coupled with initial per-unit costs which are higher until the company can get production standardized and made to be more efficient and cost effective. Marketing managers will need to ramp up advertising and impress consumers to try the product with a unified brand message while they seek to raise consumers' feelings of need for this product. During the second phase of the product's life cycle, its growth stage, company profits will increase alongside product sales. Over time as the general public becomes increasingly aware of the product, profits will increase

substantially even as competing and similar products begin to creep up and Generic Electronics will be required to lower the price of its product. During this time, a few slight branding adjustments will need to be made as Generic Electronics strives to get consumers to prefer their brand over others (Marketing 91, 2017).

The third stage of the product life cycle is colloquially referred to as the maturity stage (Marketing 91, 2017). At this time Generic Electronics will observe a peak in sales volume and even more competitors will appear. Additionally, competitors will flood the market with knock-offs as well as competing products which have a few additional features. During this period of product maturity, Generic Electronics will need to modify their brand advertising to stand out among the competition, promote distinct features of their product, as well as come up with innovative ways to get consumers to buy more of these devices per household or for more members of their household (Levitt, 1965). Lastly, during the fourth and final stage, the decline stage, the product will have seen market saturation, everyone who wants or needs the phone/tablet 2-in-1 product will have one, and overall sales will decline. As this occurs, profitability will decrease and the company will need to sell their product for increasingly less money (Marketing 91, 2017). At this final stage, Generic Electronics will need to adjust their branding through video adverts which show an aspect of usefulness of their product which has not before been properly captured or to release a new model which costs far less to produce but appeals to youth or has an element of fashion (Levitt, 1965). An example of this was when Apple had released its iPhone XR, a phone which came in six colors as opposed to the three of the Apple XS, and was manufactured using a cheaper material, and disposed of expensive features, such as double optical zoom range, increased water resistance, larger storage capacities, upgraded OLED technology screen, and higher-definition capabilities. In summary, Apple

revitalized their brand through making adjustments to the product offering which made them more attractive to the less financially endowed and to youth by making a model which was less advanced, more colorful, and more affordable.

Pricing Strategy

It is commonly understood that there are many strategies in existence today used in determining the prices of products. Perhaps what is less understood is the specifics about these diverse strategies. In synthesizing BDC (n.d.) and Fletcher (2015), I assert that there are five primary pricing strategies, to wit; cost-plus, competitive, value-based, price skimming, and penetration pricing. Cost-plus starts by computing costs and adding a mark-up, competitive pricing is about setting price based on competitors' pricing, value-based pricing is about pricing based on speculation of the product's worth, price skimming involves starting at the highest salable amount, and penetration pricing is pricing a product to capture market share from competitors (BDC, n.d.). During Generic Electronics' product's introductory stage, due consideration should be given to the fact that this is a new, up and coming, and innovative product. In this instance the first, second, and fifth strategies can be eliminated from consideration, leaving value-based pricing and price-skimming methods. As aforesaid, value-based pricing is pricing based on speculation of the product's worth to consumers and price skimming involves starting at the highest salable amount with the option of backing down the price to increase sales or after the initial prospect of the product's ingenuity wears (BDC, n.d.). Personally, for this particular innovation, and given its plethora of uses and extreme level of innovation, I would begin with the price-skimming method and set a high initial price with the option of lowering it as the market evolves to maximize profitability and build up cash reserves

to endure the product changes which will be necessary to sustain profitability and longevity of the product life cycle. When the product reaches the maturity stage, many competitors will be in the market and Generic Electronics will have to tweak its branding and modify the core product to create variations which will bring increased sales and maintain market share amongst competitors. At this stage in the game I would recommend a hybrid between competitive pricing and value-based pricing. In essence, Generic Electronics will either need to keep their pricing consistent with competitors entering the market to maintain market share or will need to innovate and add marketable and competitive new features to justify a higher value-based price than competitors are seeking (Fletcher, 2015).

Distribution Channel

Perhaps after product development, but certainly prior to its initial product launch, Generic Electronics will be faced with the decision to either do direct sales to consumers through its own website and storefront or they will sell through mainstream national and international stores and ecommerce platforms such as Best Buy and Amazon. Arguments for and against each position can be made. To begin, let us analyze direct to consumer sales. Perhaps the greatest reason to primarily or solely engage in business to consumer sales is to avoid profit sharing. As retailers such as Best Buy will undoubtedly and substantially tap into the profitability of Generic Electronics' venture (Kaufman, 2018). An additional positive to endorse direct sales is the great control the company will have over the way it advertises its own product and the branding and image it puts out. Another positive is the exclusivity factor. Consumers' need to buy the product direct from the manufacture will mean the option of higher pricing and an uptick in consumers' desire. Simply through limited supply, demand can increase. Conversely, quite a few detractors

exist which would make Generic Electronics consider a business to business distribution method. First and foremost, Generic Electronics lacks the requisite access to consumers for their product to ever take off without enlisting a business to business distribution channel. In the succeeding paragraph I'll list attractive reasons to sell to/through Best Buy and Amazon, the inverse of each represents an additional detracting reason for engaging in direct consumer sales, just as the inverse of each item on the preceding list of positives each represents a detracting reason to use resale channels.

According to Statista (2020), in 2017, Amazon consumed 37% of all United States e-commerce market share. Based on available data, the site has forecasted that it would be responsible for 50% of U.S. online sale market share in the year 2021. Generic Electronics is a small company with a severely limiting reach outside of its own home-city and state. By selling through companies such as Best Buy and Amazon, Generic Electronics will gain access to a countless number of consumers that it simply would not have been able to reach through its own website and storefront. Additionally, Generic Electronics can save substantially on costs it would otherwise expend to expand their storefront and to employ staff by utilizing Best Buy's existing store locations and Amazon's existing market share. Additionally, business to business distribution allows the company to reduce costs of warehousing and eliminate any costs which would be associated with handling returns which are not related to defects in their product. In summation, utilizing Amazon and Best Buy for distribution is by and large the best option Generic Electronics has. They can focus their time and attention on creating their innovative product and expend less on the logistics of getting it into consumers' hands. Admittedly, they lose elements of product exclusivity and some control over adverts, elements of their visual

product showcasing and display but gain substantial access to consumers and this will ultimately translate into a substantial increase in profitability, which is preferable.

Integrated Marketing Communication Plan

An integrated marketing communications plan is about sending a unified message across all marketing platforms (Laureate Education, 2019). Many marketing platforms exist, such as, personal selling, sales and promotional adverts, video adverts, radio adverts, public relations campaigns, direct-to-consumer mailing, and trade fairs, among others. (Marketing Teacher, 2018). Integrated marketing does add in the element of taking on the marketing from the perspective of the consumer and keeping their needs and wants in consideration (Laureate Education, 2019). It is important to have an integrated marketing communications plan because without one, confusing or mixed messages may be sent to consumers and the target audience may not be given the utmost focus that is required for maximum profitability and success. Additional reasons for its importance is to refine campaign goals and limitations, gain insight into consumer wants and needs, identify the product's competitive edge, and to more strongly communicate the message in a consistent and amplified fashion (Kareh, 2017).

Utilizing Integrated Marketing Communication

The marketing managers of Generic Electronics can be sure that they are utilizing integrated marketing communication by ensuring that they are sending one unified message across all of their various forms of advertising; a message which emphasizes the value of their product while evoking emotion in the consumer (Kareh, 2017). The emotion could be inspiration or motivation. Either way, the wording chosen in the adverts need not be so awe inspiring as it

needs to be catchy. The product that Generic Electronics has developed is innovative, and consumers watching or listening to the advert need to buy into this ideology. The product is a hybrid of two existing products, a smartphone and a tablet, and in demonstrating the phone's usefulness, the adverts need to direct consumers' thoughts to compare this product to 2-in-1 laptops. If the connection is made properly, consumers will recall just how genius that combination was: No longer did they need to bring around a tablet and a laptop when one device now filled both roles. This product should evoke similar sentiments around the juxtaposition of a tablet and a smartphone. The marketing needs to be focused on the consumer in this regard (Laureate Education, 2019). Lastly, brand recognition has its place and Generic Electronics ought to ensure logos, slogans, and any images which are incorporated in adverts are consistent (DMA, 2018).

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