



Technology Marketing
06 planning and implementation



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Marketing flow

Customer

- Who is your Customers
- Customers' problem
- Customers' needs

Business Environment

- Society, technology, economy, education
- Competition
- Stakeholders

Your Ability/Resource

- Technology, design
- Sales force
- Appeal power

Company's Mission, Vision, etc.

Strategic Planning

Analyses

Decision Making

- Strategic scope
- Strategic goals
- Key success factors

Marketing Planning / Product Design

- Product
 - R&D, Design, Prototyping, Manufacturing
- Price
- Place
- Promotion

Product / service launch

Feedback / control

Go back to the upstream

Strategy Formulation and Implementation

Strategy Formulation

Implementation

Company's
Mission, Vision, etc.

Strategic Planning

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Decision making

- ▶ Based on the results of analyses (macro, micro, value chain, and SWOT) and together with the **company's vision, mission, aims / policies, and objectives**, you will make the decision and business plan
- ▶ **Vision, mission, aims / policies, and objectives** should be established before starting business (ideally)
- ▶ They should be revised when the business environment changes

Mission, vision, objectives, etc.



Vision and Mission

▶ Vision

- ▶ Vision is a short statement what the company wants to be

▶ Mission

- ▶ Mission is a short statement of what organization is
- ▶ It describes why it exists and what it does to achieve its vision
- ▶ It focuses on what benefit the company provides

Aims / policies

- ▶ Aims / policies indicate the direction to which the company goes
- ▶ These shows a general purpose

Example of mission, etc. (SONY)

▶ Vision

- ▶ To create exciting new digital entertainment experiences for consumers by bringing together cutting-edge products with latest generation content and services

▶ Mission

- ▶ Sony is committed to developing a wide range of innovative products and multimedia services that challenge the way consumers access and enjoy digital entertainment
- ▶ By ensuring synergy between businesses within the organization, Sony is constantly striving to create exciting new worlds of entertainment that can be experienced on a variety of different products

Example of mission, etc. (HONDA)

▶ Company Principle (Mission Statement)

- ▶ Maintaining a global viewpoint, we are dedicated to supplying products of the highest quality, yet at a reasonable price for worldwide customer satisfaction.

▶ Management Policies

- ▶ Proceed always with ambition and youthfulness
- ▶ Respect sound theory, develop fresh ideas, and make the most effective use of time
- ▶ Enjoy work and encourage open communication
- ▶ Strive constantly for a harmonious flow of work
- ▶ Be ever mindful of the value of research and endeavor

Example of mission, etc. (Philips)

▶ Mission

- ▶ Improving people's lives through meaningful innovation

▶ Vision

- ▶ At Philips, we strive to make the world healthier and more sustainable through innovation
- ▶ Our goal is to improve the lives of 3 billion people a year by 2025
- ▶ We will be the best place to work for people who share our passion
- ▶ Together we will deliver superior value for our customers and shareholders

Example of mission, etc. (SAP 1)

▶ Vision

- ▶ Consistently deliver high quality solutions focused on improving customer satisfaction

▶ Mission

- ▶ Research and develop new methods and standards.
- ▶ Proactively communicate and share knowledge.
- ▶ Apply the knowledge to enhance our products, processes and services.
- ▶ Continually monitor and improve our performance against set targets.
- ▶ Strive for prevention of failure, defect reduction and increased customer satisfaction.

Example of mission, etc. (SAP 2)

▶ Policy

- ▶ Quality is the basic requirement for the satisfaction of our customers and the resulting competitiveness and economic success of SAP
- ▶ The Executive Board dedicates itself to the implementation and monitoring of the following principles:
 - ▶ SAP employees shall work according to the Quality Management System applicable in their area
 - ▶ SAP employees shall undertake all actions required to maintain a close cooperation with internal and external customers and partners, and a performance-oriented communication with its suppliers
 - ▶ Continual improvement of our products, processes, and services coupled with innovation is at the center of our endeavors. To this end, SAP employees shall further optimize our organizational, operational, and technical processes. Quality Management shall support the business-oriented behavior of all parties involved
 - ▶ Promoting employee satisfaction and quality awareness are major managerial functions in the entire company. Quality shall be an integrated element of daily business for everyone
 - ▶ Integrity, excellence, partnership, innovation, and openness are required from all SAP employees to achieve the goals. They have to know the input requirements to comply with quality in their area. Internal education is provided to help SAP employees fulfill their tasks
 - ▶ Quality goals are regularly defined, implemented, and monitored by responsible parties within the framework of our Quality Management Systems

Objectives

- ▶ You should embody the aims / policies more specific
- ▶ Aims / policies are transformed into specific, measurable, aspirational, realistic, and time-bound objectives

Specific, measurable

- ▶ “We will develop a fuel-efficient vehicle” is **not a specific** objective
- ▶ “We will develop a fuel-efficient vehicle in 10 months” is **specific** but **not measurable**
- ▶ “We will reduce fuel consumption of a vehicle by 30 % in 10 months” is **specific and measurable**

Aspirational, realistic

- ▶ “We will develop a flying car” is aspirational but not realistic
 - ▶ Although it is physically possible to make it, there are many problems with fuel, range and takeoff and landing locations.
- ▶ “We will develop a fuel-efficient vehicle” is realistic but not aspirational
- ▶ “We will develop a driverless car” is aspirational and realistic
 - ▶ Many car companies are now developing a driverless car (which drives itself <<automatically>> and does not require a driver)

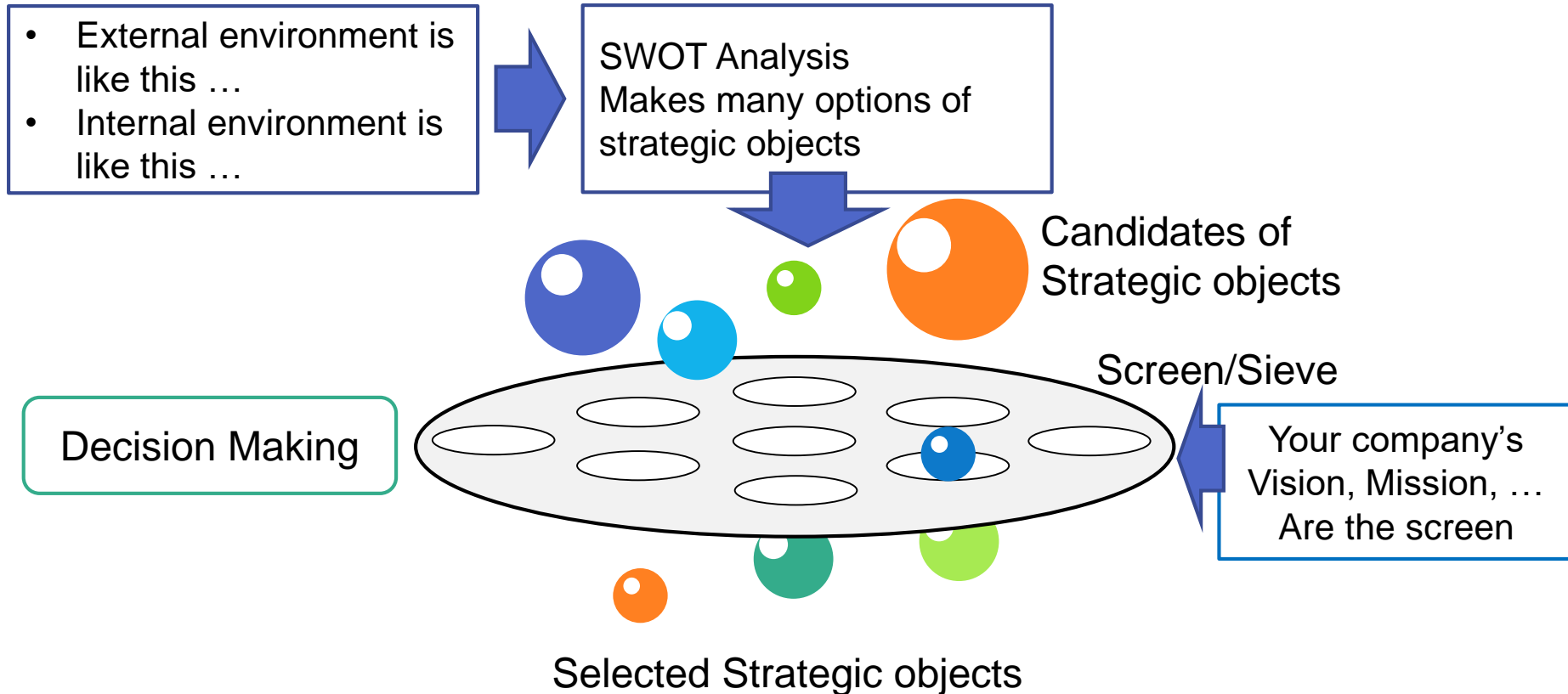
Time-bound

- ▶ Objectives should have time limits
 - ▶ When it starts
 - ▶ When it ends
- ▶ Timeless objectives will not ends
 - ▶ It will fail
- ▶ If there's no homework deadline, students will not do it.

Mission, vision, objectives, etc. [Again]



Decision making



Based on the results of analyses, together with vision, mission, aims, policies, and objectives, you should decide what you should do

Marketing flow



Planning

- ▶ In the planning stage, you should make a plan for the following elements:
 - ▶ Product
 - ▶ Price
 - ▶ Place
 - ▶ Promotion
- ▶ These elements are often called “Marketing mix”

Product

- ▶ You should make a concrete / specific plan of product / services, which you offer to your customer
- ▶ Note
 - ▶ People don't want products
 - ▶ They want to solve their problem
- ▶ Example
 - ▶ People don't want a computer
 - ▶ They want to use the internet services
 - ▶ So, people don't buy a computer, if there are cheaper devices to connect to the internet, such as mobile phones, tablet PC, etc.

Price

- ▶ How much will the customers pay for your products / services?
 - ▶ Customer will not pay for your products themselves
 - ▶ They will **pay for the benefit (= customer value)** which your products give
- ▶ Every company must control the pricing gap between the **consumer value** and **costs**
- ▶ If the consumers' perception of value is less than the price of the product offered by the company, consumers won't buy the product
- ▶ Increase the value and decrease the costs!

Place

- ▶ “Place” means how to provide your products / services at a place, which is convenient for consumers
- ▶ If you develop a good product but you cannot send it to your customers, you could not get any profit
- ▶ Logistics (transportation, packing, money-collecting, etc.) are vital for your business

Promotion

- ▶ Promotion consists of many activities, such as
 - ▶ Advertising your products / services
 - ▶ Informing benefit of your products / services to customers
 - ▶ Sales promotions (discounts)
 - ▶ Etc.
- ▶ Promotion is a type of communication
- ▶ There are many promotion measures:
 - ▶ Press, Radio, TV, Posters, Personal selling, E-communication (HP, SNS), Sponsorship, Exhibitions

To concentrate on “product”

- ▶ Marketing mix is often called “4P’s”
- ▶ Each element of the marketing mix is important
- ▶ However, in this lecture, we concentrate on “product”
- ▶ Because this lecture is “technology management” and it has strong relationship with products / services

Customers do not buy a product or service the same way or for the same reason

- ▶ Customers are organized by marketers into segments distinguished by age, geography, interests, income, and similar factors. A different marketing mix or the Four P's is used to reach each segment.
- ▶ Product: an offering's feature, style, variety (e.g., cane sugar, granulated sugar, light brown sugar, etc.) packaging (single-serving packets, five-pound packages, etc.), and brand name.
- ▶ Price: the list price, discounts, allowances, and payment terms
- ▶ Promotion: advertising, personal selling, sales promotions, and public relations. A product aimed at young buyers, for example, might emphasize web-based promotion over print advertising
- ▶ Place: the venue for purchase and the logistics of moving products from manufacturer to consumer; for example, whether the product will be sold through authorized retailers only, in vending machines, etc.
- ▶ Some experts refer to the Five P's (including packaging), or the Six P's (people).

Source: Michael W Preis with Matthew Frederick, "101 Things I Learned in Business School"

Literature

1. Tony Curtis: Marketing for engineers, scientists and technologists, Wiley, 2008
2. Michael Porter: Competitive Advantage, 1985
3. Dave Needham: Business for Higher Awards, Heinemann, 1996
4. <http://www.philips.com/>