COURSE: MBA – GENERAL

SUBJECT: MARKETING MANAGEMENT

ASSIGNMENT 1

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Executive Summary
In brief, this assignment is concerned about marketing management. It covers in details about the concept of marketing mix with the aid of Sony organization which I have taken as a case study in exploring the way this organization has applied the marketing mix.

In this assignment the following points are going to be discussed:

1. Sample List of Marketing Mix being used By the organization.
2. Find out if the marketing mix used by organization is satisfactory.
3. My suggestion to the organization concerning the marketing mix.
Introduction:

Marketing Mix is a major concept in modern marketing and involves practically everything that a marketing company can use to influence consumer perception favorably towards its product or services so that consumer and organizational objectives are attained, i.e. Marketing mix is a model of crafting and implementing marketing strategy.

In this assignment, I will discuss the major marketing mix variables as classified by Prof. E. Jerome McCarthy which are:

i. Product
ii. Price
iii. Place (Distribution)
iv. Promotion.

Throughout the assignment I will prefer to use my reference to Sony Corporation. I will refer to this company how it has diversify its market products, the price range, places for distribution and the promotional strategies they have used to promote their products.

I will also try to find out if the current marketing mixes used by the Sony corporation are satisfactory or not.

Also I will give suggestion to the Sony Corporation regarding the marketing mix.
SONY Corporation In Brief
Sony Corporation is a multinational conglomerate corporation headquartered in Tokyo, Japan, and one of the world's largest media conglomerate with revenue of US$88.7 billion (as of 2008) based in Minato, Tokyo. Sony is one of the leading manufacturers of electronics, video, communications, video game consoles and information technology products for the consumer and professional markets. Its name is derived from Sonus, the Greek goddess of sound.

Sony Corporation is the electronics business unit and the parent company of the Sony Group, which is engaged in business through its five operating segments—electronics, games, entertainment (motion pictures and music), financial services and other. These make Sony one of the most comprehensive entertainment companies in the world. Sony’s principal business operations include Sony Corporation (Sony Electronics in the U.S.), Sony Pictures Entertainment, Sony Computer Entertainment, Sony BMG Music Entertainment, Sony Ericsson and Sony Financial Holdings. As a semiconductor maker, Sony is among the Worldwide Top 20 Semiconductor Sales Leaders. The company's slogan is Sony. Like no other.
SONY Products
The first market mix element is Product. A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a need or want.

Product decision normally base on brand name, Functionality, Styling, Quality, Safety, Packaging, Repairs and Support, Warranty, accessories and Services. These product attributes can be manipulated depending on what the target market wants. Also, customers always look for new and improved things, which is why marketers should improve existing products, develop new ones, and discontinue old ones that are no longer needed or wanted by the customer.

Sony has a variety of products ranging from electronic devices, games and entertainment. So, briefly Sony products can be categorized in the following major product categories:

i. Television and Projectors.
ii. Home video.
iii. Home Audio.
iv. Home Theatre system.
v. Digital Photography.
vi. Hand cam video camera.
viii. Portable Audio.
ix. Game.
x. In-Car entertainment.
xi. Mobile phones.
xii. Storage and Recording media.
xiii. Batteries and Charger.
xiv. Other Accessories.
A. Television and Projectors

In the category of television and projector, Sony has further subdivided its products in different models, style and performance. In this category we have several other sub categories and designs which are:

i. Bravia LCD TV.
ii. CRT TV.
iii. Home theatre projector
v. Public Display Panel.

As it can be seen above, Sony has tried to cover many areas where the need of displaying devices are of great need. For example here we can see that Sony has tried to fulfill the demand of displaying devices from the home television sets, Office projectors and Public display panels to cover different needs and the size of the people in need of those displaying devices.

B. Home Video

In this category, Sony has tried to bring in new format so as to dominate the market, for example the emerging data storage format called Blue-ray has been launched along with the devices which can be used to run such a latest storage technology. In these category, Sony has included home video systems and accessories which can enable the user to record various favorite TV programs.

These products include:

i. Blue-ray disc player.
ii. DVD player.
iii. DVD portable player.
C. Home Audio

Depending on the customer needs, usage and budgets, Sony has provided several home products ranging from small packages to big audio systems. They boast on their Hi-Fi which deliver rich music, made richer with preset equalizer settings. Among other features which Sony boast to offer are like, multiple disc changers which for putting many discs at a go. Also, Some even house additional features such as the ability to handle multiple formats, track programming and repeat and random play.

The home audio products categorized by Sony are:
1. Hi-Fi Systems.

D. Home Theatre System

Sony has tried to combine the latest video and audio technologies. Sony has developed a series of Home Theatre Systems that provides customers with an enhanced home theatre experience, eg. Surround sound environment and dedicated audio input for connecting portable digital music players.

In this category, Sony has categorized the products as:
1. DVD Home Theatre System
2. Home Theatre Component System
3. Home Theatre System Accessories

E. Digital Photography

In terms of digital photography, Sony has produced a variety of imaging devices depending on the users and their professions. For example for a casual user or girls there are slim camera which can be easy to carry or put on the purse. For real photograph enthusiast and professionals there are more sophisticated cameras with advanced features like digital SLR camera. And also they have produced photo printers and frames.

The sub-categories in digital photography which Sony offers include:
1. Digital SLR
2. Cybershot Digital Camera
3. Digital Photo Printer
4. Digital Photo Frame.
F. Handy Cam Video Camera

Sony has produced a variety of video camera for home and office use. A variety of these handy cam video camera are easy to use as from producing family video, documentary filming and developing feature films.

The subcategories of these hand cam video camera produced by Sony are as follows:

i. Handycam high definition video Camera
ii. Handycam Standard Definition Video Camera
iii. Handycam Accessories
iv. Digital Photo Printer
v. Digital Photo Frame

G. Computer and Peripherals

Combining form, function and the latest in technology, Sony provides a range of IT and computing devices. In case of the computer devices Sony has produced a variety of laptops with different price ranges and performance to meet the demands of the users like home users, students and businessmen.

The sub-categories of these are:

i. VAIO laptops and computers
ii. VAIO accessories
iii. Business Projectors
iv. Memory Stick

H. Portable Audio

Sony has produced a lot of various varieties of portable audio whose main target are the youth of the new generation.

The sub-categories of these portable audio produced by Sony are:

i. Walkman mp3 series
ii. CD Walkman series
iii. CD/Radio/Cassette player
iv. Radio
v. Voice recorder
vi. Audio Accessories
I. Games

Sony offers games of all genres to match customers gaming preference. Also, Sony has produced Powerful consoles which are accompanied with compelling games.

These games produced by Sony includes:

i. Playstation 3
ii. Playstation 2
iii. PSP (Playstation Portable)

J. Mobile Phones

With Sony Ericsson, Sony has produced a variety of mobile phones for different people, lifestyle, usage, budget and profession. Also a series of mobile phone accessories have been produced by Sony so that customer can spruce up their mobile phone’s appearance, prevent them from damage, or enhance their usage.

Among the subcategories are:

i. Phones
ii. Phone Accessories.

K. In-Car Entertainment

Different in-car entertainment products have been produced by Sony. Apart from the normal car radio and CD changer devices, Sony has produced more entertaining devices to view different media like video and television. Among the products subcategorized in this category are as follows:

i. Xplod CD receiver
ii. Xplod in car visual
iii. Xplod Cassette receiver
iv. Xplod Amplifier
v. Xplod Speaker/Subwoofer
L. Storage and Recording Media

Sony has developed a range of reliable storage and recording media that customers can depend on for recording, transferring or storing their information. These products range from those devices which can be used to store small amount of data for transfer and those media to store a large amount of data permanently.

The sub- categories of these products include:

i. Memory Stick
ii. USB storage media
iii. Data storage media
iv. Video Storage media
v. Audio media
vi. Storage media
vii. Professional media

M. Battery and Charger

Sony has a range of batteries that are long-lasting and offer maximum power for optimum performance, making sure that the customer will never be left hanging during the most crucial time.
**Brief Introduction:**

Promotion is a key element of marketing program and is concerned with effectively and efficiently communicating the decisions of marketing strategy, to favorably influence target customers' perceptions to facilitate exchange between the marketer and the customer that may satisfy the objective of both customer and the company.

A company’s promotional efforts are the only controllable means to create awareness among publics about itself, the products and services it offers, their features and influence their attitudes favorably.

**Sony Marketing Communication Mix:**

Sony India will spend Rs 200 crore in this financial year on advertising and promotion (Promotional Budget) of the entire range of consumer electronics, out of which Rs 60 crore will be spent only on digital imaging products.

The major elements of promotion mix include advertising, personal selling, sales promotion, direct marketing, and publicity. Sony Corporation has used all of these marketing communication mix elements.

**Advertising**

Advertising is any paid form of non-personal mass communication through various media to present and promote product, services and ideas etc. by an identified sponsor.

So far, SONY has advertised its products through many different ways and media. Through TV we have seen different advertisements of its products such as Bravia televisions or Sony wega TV. Sony also advertise its products by targeting those favorable television programs, like sports, series and also it has its own channel called Sony TV channel. Sony uses some events like Miss India 2008 to promote its products.

Also, Sony has advertised its games like Playstation 3, Playstation 2 and PSP using sports like football in England premiere league.

Through newspapers like Times of India, Sony has advertised a wide range of products it offers to its customers. And also through Posters a message has been sent to a lot of people to be aware of the products which Sony offers.
Sony also uses *direct – response advertising*. This is type of advertising that encourages the consumer to respond either by providing feedback to the advertiser or placing the order with the advertiser either by telephone, mail or the internet. Such advertising is done through direct mail or catalogues.

Sony incorporates *co-operative advertising* in its advertising process. Sony corporation provides the dealers (e.g. Sony World) with the materials and guidelines to develop ads for print, television or radio commercials. This ensures that message is in line with, what the manufacture wants to communicate. The company and the dealers usually share the media costs and hence, the name ‘co-operative advertising’.

**Sales Promotion**

Sales promotion is a marketing discipline that utilizes a variety of incentives techniques to structure sales – related programs targeted to customers, trade, and/or sales levels that generate a specific, measurable action or response for a product or service.

Sales promotions for example includes free samples, discount, rebates, coupons, contents and sweepstakes, premiums, scratch cards, exchange offers, early bird prizes, etc.

Sony has promoted its products through different sales promotional strategies. For example after the release of the Sony BRAVIA television sets, Sony promoted them by earl bird prizes by saying that all BRAVIA full HD LCD TVs purchased during July 2008 and registered within two weeks of purchase qualify for a Bonus Playstation 3 as long as the customer claims is one of the first 35,000 received and validated by Sony.

Also Sony has promoted its Sony Ericsson P1i phones by including a scratch cards which gives the customer the offer to download 10 free software application for that mobile phone.

Sony Ericsson has also promoted its Sony Ericsson K550i Mid-Range Cyber-shot Phone that if you buy it you get a free Bluetooth headset with one year manufacturer’s warranty.

**Public Relations and Publicity**

Public relations is a broad set of communication activities employed to create and maintain favourable relationship with employees, shareholders,
suppliers, media, educators, potential investors, financial institutions, government agencies and officials and society in general.

Through its website, Sony corporation has its provided contacts for those customers who will be in need of any information from the company. In this way Sony can create a mutual relationship with its customers and ensure that it serves the wishes and demands of its customers.

Unpleasant situations arising as a result of negative events may precipitate unfavorable public reactions for an organization. To minimize the negative effect of such situations leading to unfavorable coverage, the company has policies and procedures in place to manage help any such public relation problems.

For example, Sony released an ad depicting a man smiling towards the camera and wearing on his head a crown of thorns with button symbols (Δ, O, X, □). At the bottom, the copy read as "Ten Years of Passion". This supposedly took advantage of the publicity from the Mel Gibson film The Passion of the Christ. The advertisement outraged the Vatican as well as many local Catholics, prompting comments such as "Sony went too far" and "Vatican ex-communicates Sony". After the incident, the campaign was quickly discontinued.

Another example is that, In July 2006, Sony released a Dutch advertising campaign featuring a white model dressed entirely in white and a black model garbed in black. The first ad featured the white model clutching the face of the black model. The words "White is coming" headlined one of the ads. The ad has been viewed as racist by critics. A Sony spokesperson responded that the ad does not have a racist message, saying that it was only trying to depict the contrast between the black PSP model and the new ceramic white PSP. Other pictures of the ad campaign include the black model overpowering the white model.

So it’s the duty of the public relation department of Sony to solve such issues as mentioned above so as to ensure that it maintains a good public relation with the public.
SONY Place (Distribution)
Decisions with respect to distribution channel focus on making the product available in adequate quantities at places where customers are normally expected to shop for them to satisfy their needs. Depending on the nature of the product, marketing management decides to put into place an exclusive, selective or intensive network of distribution, while selecting the appropriate dealers or wholesalers.

Sony being the company which positions itself as a seller of durable and high-end products, it is practicing selective distribution of its products from the selective dealers i.e. SONY World. Apart from this there are grey-markets in India and other countries where a practice of intensive market coverage is practiced, and the products in these kind of markets normally do not posses all the features and benefits which Sony offers e.g. warranty and guarantee.

Sony distributes its products in various channels. It uses Zero-level channel, one level channel and two-level channel.

In India, Sony has used the method of one-level distribution channel. This means that, customer buy their Sony product from the retailers recognized by Sony, and these retailers buy the products directly from the company itself. i.e.

MANUFACTURER

 RETAILER

 CUSTOMER
Through the internet, Sony has helped its customers to find the nearest retail shop where they can buy the Sony products. All you have to do is to go to their website e.g. www.sony.co.in/section/shop and specify the product and location. Then it will display all the nearest retail shop available.
SONY Price
Pricing decisions are almost always made in consultation with marketing management. Price is the only marketing mix variable that can be altered quickly. Price variables such as dealer price, retail price, discounts, allowances, credit terms etc. influence the development of marketing strategy, as price is a major factor that influences the assessment of value obtained by customers.

Customers directly relate price to quality, particularly in case of products that are ego intensive of technology based. Sony being a company which emphasize product quality, it tends to sell its products with price range from moderately-high to high-prices, depending on the use and the targeted customers.

For example, Lets consider Sony series of VAIO laptops. Sony has tried to categorize the laptops according to style, user, purpose, mobility and performance, and each a corresponding price.

The laptops sold by Sony in India include a series of Sony VAIO, this are VAIO SR, VAIO FW, VAIO tokage, VAIO CR, VAIO NR, VAIO TZ and VAIO SZ.

VAIO SR, boast on the excellence in mobility and perfection in performance. This laptop was designed for businessmen and its price is around Rs. 75,000/-

VAIO FW, boast of theatrical experience and world class performance. This model was designed mainly for home user or casual user of laptops who aims on media playback. The price of it is around Rs. 80,000 and Rs.1,25,000.

VAIO CR, boast on style and texture. Depending on the configuration, the prices are from Rs. 40,000 to Rs. 65,000.

VAIO NR, boast of natural, chic design. It was designed to meet customers ambiance and lifestyle. For this reason the Sony corporation has decided the price of the laptop to be Rs. 40,000 and Rs. 50,000 depending on the configuration.

VAIO TZ, boast of elite lifestyle, and high class performance. The laptop was designed purposely for business as it is light weight, high processing speed, and flash memory storage and longer backup power. For all this facts Sony has priced it to be between Rs. 1,15,000 and Rs. 1,40,000.

VAIO SZ, boast of premier mobility and executive excellence. This laptop was developed by Sony to target executives and business people who are mobile. The laptop is fitted with hybrid hard disk drive and motion eye camera and Bluetooth compatible headset with applications for increasing mobility and video conferencing. It's price is about Rs. 1,24,000.
Discussion On The Current Marketing Mix
In my opinion, I think the current marketing mix which Sony Corporation has is satisfactory to customer needs. As it can be clearly seen that Sony as a company has expanded its products and services from electronic and digital devices to television broadcasting (i.e. Sony home entertainment) and entertainments like music (i.e. Sony BMG music entertainment) and movie production and distribution (i.e. Sony Picture).

In providing a wide range of products and services with high quality, Sony has by far influenced most of the its customers perception favorably towards its products. From time the company was created till now, the quality of the products that Sony offers is improving each year, although there are some occurrence of defects like that of defect on laptop batteries which were sold and got exploded and caught fire in Japan has caused the company a great loss as it had to recall a million of those defected batteries, and also this issue degraded the company’s reputation. But the overall products offered by Sony to my opinion will still be of best quality.

Even though the prices imposed by Sony seems to be fair with consideration of the quality of the products and services offered, The only problem is that, Sony has priced its products too expensively for a middle or lower class customer to afford to buy those products. Apart from that Sony has targeted its market mainly to urban customers as are the only customers who can afford such expensive products. In my opinion, I think Sony has to create also some of low end products with low prices which can be affordable to low income users.

As I have mentioned above, In the case of place (distribution), Sony has targeted its markets in the urban areas, in big cities like New Delhi, Pune, Mumbai etc. In most of all this places, Sony has more than four different distributors like Sony world and also they have Sony service centers. So, For the customers in urban areas the supply seem to be satisfactory, though the rural areas are left out.
Conclusion
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