

RUNNING HEAD: NOKIA MARKETING PLAN

Name:

Student Number:

Unit Title: Marketing Principles.

Executive Summary

The purpose of this marketing plan is to launch a new series of mobile phone called Nokia Lumia into the Singaporean market. The introduction of Nokia Lumia into the market is based on technological advancements in the development of smartphones. There comes a lot of benefits with the new brand in terms of software and hardware features. The phone is also manufactured in a manner that benefits the sales performance of the company. This new brand will be quite affordable while at the same time the addition of the backwards camera into the brand is a major quality improvement that factors the need of the current generation to take quality pictures.

The issues of the mobile market are that the market share for Nokia has been dwindling over the years owing to key rivals which are Apple and Samsung Galaxy. Other producers of android phones such as iPhones have thus been able to amass the market share the Nokia initially enjoyed as a result of the stiff competition that is pertinent in the market. Such has thus called for the collaboration between Nokia and Microsoft to develop Nokia Lumia which has key features of the Microsoft brand and thus making it one of its kind.

The objectives of this marketing plan are to gain a larger customer base, increase sales revenue, expand the current market, etc. In this marketing plan, I will use advertising strategy, promotion strategy, global marketing strategy, price strategy, Porter 5 forces, and the marketing mix/matrix: the 4 P's.

Current Situation and Market Trend

Background Information on the Market

The Nokia brand has had great market domination since the 1980s up to the mid-2000s. this domination continued until the end of the year 2007 when the production of smartphones led to the entry of key competitors such as the iPhones brand and other rivals in the market that produce android featured phones. The introduction of iPhone led to great revolution in the phone market through technologies that enhanced capabilities of the mobile phone. The Nokia brand was thus greatly hurt by such introduction of smartphone technology and its popularity greatly dwindled over time since then. Nokia thus continued to become old-fashion over the years as some people have come to term it as being back-leaning bearing its less innovations and trendiness as required of the current algorithmic market. Its market share reduced as competitors gained great competitive edge. The adoption of the current dynamics by Nokia corporation which led to the development of Nokia Lumia were fundamental in ensuring that it is able to sustain its relevance in the market with regards to the production of telephony. The liaison between Microsoft and Nokia to develop Nokia Lumia worked out quite well as Nokia was able to regain its market share and as such, be able to favorably compete with rivals such as the iPhone brand.

What is marketing?

Marketing encompasses the entire process of using the available resources to achieve certain goals of the organization. The American Marketing Association defines marketing as “the activity, set of instructions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners and the society at large”

RUNNING HEAD: NOKIA MARKETING PLAN

(Harakova, Scarcova, & Volf, 2017). The concept of market is thus viewed in terms of the 4 P's which are product, price, promotion and place. The products are herein the goods and services that serve as offerings of value created by the process of marketing. Promotion pertains to the communication of the created value. Place refers to the process of getting the commodities dealt in by the organization to the consumer's convenience through delivery. Finally, price pertains to the value of the products as provided by the monetary amount which is charged on them to facilitate exchange.

Marketing plan is defined as the act of generating and upholding balance between the goals of a business that it aims at achieving vis-à-vis the abilities that it has with regards to operating in an environment that is highly dynamic. Market planning is aimed at achieving such set goals of the company using the limited resources that it has at its disposal. The overall foundation of this process is however to support the achievement of the goals and objectives of the organization. The components of the market plan encompass the mission, marketing strategy, situation analysis, the marketing mix and the implementation of the strategy in general.

Competitor Analysis of Nokia Lumia in Singapore

Since Nokia has had dominance of the world market over years, it faces great competition from other smartphone producers in the world such as Sony Ericson, Apple, Motorola, LG and Samsung. Sony Ericson particularly comes in as one of the major threats of Nokia through its constant evolution and bringing more features into their product. Among the major threats herein include Sony Ericson Experian and Satio. The phones in this regard are touch screen and of a more advanced nature with lower prices compared the brands that Nokia has been producing recently (Marian, 2013). The camera quality goes beyond 65 mega pixels which exceed the ones that Nokia has been producing recently. Another threat is Apple iPhone which encompasses

RUNNING HEAD: NOKIA MARKETING PLAN

touchscreen phones that are very attractive. When Apple introduced their first 3.5-inch touch screen, it had great features such as web access, functions for contact management and other multimedia operations that were a state of the art. Samsung has also been a major threat to Nokia bearing its ability to come up with phone brands such as Samsung Omnia Pro with windows operating system and higher level for the megapixels which facilitate the capturing of quality photographs using its camera. LG has been able to create larger screens that enable display of full length web pages with larger sizes for the camera mega pixels. Such rivals have made the competitive environment very stiff for Nokia pushing it towards constant innovation so as to remain relevant in this field of telephony production (Mata, 2012).

Macro-environment analysis

This section will make an analysis of the Singaporean macro-environment in order for Nokia to make penetration into the Nokia Lumia market. Comprehension of the external environment of a business is key to understanding the operation of the four major forces which impact the operation of businesses. The external forces which affect business operation herein encompass technological changes, political or government activities, sociological change, and economic factors (Houben, Lenie, & Vanhoof, 1999). The acronym associated with the factors of the external environment herein mentioned is “PEST” and this is therefore a “PEST” analysis of the Singaporean market. We shall now delve into the macro environment as labelled by the PEST factors for the marketing of Nokia Lumia among the youth in the Singapore market.

Political/Government Activities

The government offers great incentives such as grants in institutions of higher learning to facilitate research and general communication of knowledge and ideas. The political

RUNNING HEAD: NOKIA MARKETING PLAN

environment in the country has also been favorable as there are no political clashes that may hinder successful sale of the Nokia Lumia phones in the Singapore market. In addition, the government has been able to provide great tranquility through a robust police system that provides security to businesses in the country.

Economy

Singapore has been able to make key trade agreements with other countries that it trades with. Such trade agreements have been fundamental to ensuring shipment costs are eased. In addition, there has been a reduction of taxes on shipment which have made the cost of importation of the Nokia Lumia phones to be lowered (Microsoft, 2014). The entire cost of purchase will thus be reduced for the final consumer. This has the impact of increasing the general demand for the Nokia Lumia phones as many consumers prefer to buy products at lower prices.

Social

the youth in the Singapore market are more opened up to communication using digital technology. They use the mobile phones for communication and for the different study opportunities that they are accorded. Such opportunities that they get from the use of mobile phones include video studies, audio studies, and photography in the institutions of learning.

Technology

The youth and old individuals in Singapore have been quite exposed to the use of technology through school programs and other research and communication purposes. The introduction of guides and tools that are user friendly as provided by the Nokia Lumia mobile phone will enable both the young and old users to have great ease of operation of technology (Microsoft, 2014). They will handle electronic with ease which over the years have been deemed to be a complex

thing to handle. This is only possible through the introduction of key features particular to Nokia Lumia.

Performance Review of Nokia Lumia.

Having launched Nokia Lumia, the prices are set through comparison to the prices set by the competitors in the market. The phone is based on product development of the Nokia brands with key features that are modern and fitting the current market. In addition to setting prices by comparison to the ones set by the competitors, consideration is also taken with regards to specific segments. Nokia has to retain its relevance in the market by offering high quality products, at lower prices and with more features (Marian, 2013).

SWOT Analysis.

this section offers details of analysis of the strengths, weaknesses, opportunities and threats of Nokia Lumia in the Singaporean market.

Strengths

The Nokia Lumia brand falls in the category of concept phones. The Nokia mobile phones are known to be the most attractive and reliable phones in the world market and the Singaporean market in particular. They are therefore famous all over the world by virtue of their high product quality and wide range of product line (Laamanen, Lamberg, & Vaara, 2016).

Weakness

Comparing Nokia with the other competing phone brands shows that it has higher prices charged for its products. This is a weak point that Nokia has to readjust to be able to compete favorably with the other telephony producers.

Opportunity

The current upswings in the economy would encourage consumers to increase their spending on luxury commodities such as the Nokia Lumia mobile smartphone. There is also room for the growth of the market since there is an untapped source of potential market of the young generation with development of media studies available which requires great use of smartphone technology (Mata, 2012).

Threats

There is threat of competition from other leading market players such as iPhone, LG, Samsung and Motorola. It is an age where every phone producer envisages the addition of features that make their products attractive and selling in the market. Nokia also faces the price war threat as it has to make constant price reviews to go with their rivals' offer (Singh, 2014).

Objectives: marketing and financial objectives

The marketing objectives of Nokia Lumia encompass income and profit generation, customer needs expectation, customer perception, environmental awareness, and customer satisfaction. Nokia is expected to generate a profit of 46 billion yen for the third quarter of the year 2021, thanks to the robust sales strategy that it has in place (Harakova, Scarcova, & Volf, 2017). The market will be bigger enough to cover 87% of the youth in Singapore with such a larger customer base that will meet the goals of the company. Nokia hopes to open more than 65 branches in Singapore by the second half of the year 2021.

Marketing Strategy**Promotion Strategy**

RUNNING HEAD: NOKIA MARKETING PLAN

Since the largest portion of the target market for Nokia Lumia is in institutions of higher learning, Nokia will use road shows and exhibitions to reach the youth. This will encompass engagement of the students' interests for the features offered by the Nokia Lumia product.

In addition, since a larger portion of the youths spend their time on social media platforms, the social media advertisement strategy will be used on popular sites such as WhatsApp, Facebook and IG.

Price Strategy

The marketing price of Nokia Lumia has been SGD\$ 888 since the time that it was launched in the year 2009. The cost will be reduced to about SGD\$ 799 to compete favorably with the rivals. This reduction will make the phone closely affordable by the young generation in the Singaporean market.

Advertisement Strategy

Nokia can reap greater benefits from Television ads since many smaller companies that produce mobile phones are incapable of paying the large amount of money used for the advertisements. In this regard, Nokia will target the business people too through such television ads and banners that have larger audience coverage (Cravens, and Piercy, 2006).

Action Plan

Segmentation, Targeting, Positioning

A key aspect in positioning of Lumia is variance from the offers of the competitors.

Differentiation in this regard will be achieved by development of features such as the Microsoft operating system which the competitors have not considered so far. This uniqueness will be

RUNNING HEAD: NOKIA MARKETING PLAN

achieved through incorporation of the Windows 8 operating system that better positions Nokia and thus catapults its popularity. Lumia will also target segments that had been neglected by competitors such as those customers that were yet to own smartphones. This move will ensure all categories of people are able to afford the Nokia Lumia smartphone.

Marketing Mix

The pricing strategy of Nokia Lumia will need to feature attraction of clientele from both middle-class and high end customers. Nokia will aim at developing partnerships with key distributors so as to increase its popularity in the market. Since it has less retail outlets across the world, it is the aim of Nokia to increase distribution outlets so that the phones will be accessed conveniently across the world (Laamanen, Lamberg, & Vaara, 2016).

Control

The marketing plan will be checked against objectives and goals set to be met by the third quarter of 2021. If the sale will not have increased to SGD\$ 4 billion by the first half of 2021, the planning process is reviewed. Improvements will then be made on such aspects that have shown little performance. If sales will be down for the Singapore market, further market research will need to be done to indicate whether the target market was inaccurate and whether there is need to redefine the target market.

Contingency plan.

Difficulties and Risks: Problems in the visibility generation and overly deliberating and aggressive actions by the competitors.

RUNNING HEAD: NOKIA MARKETING PLAN

Worst Case Risks: Determining that the business is unable to support itself in an ongoing basis.

Other cases include liquidation of equipment to cover liabilities.

Suggestion for Future Improvement.

Nokia should implement a bi-annual SWOT analysis to enhance its predictability of potential threats while as well understanding the opportunities that it could harness in the market.

References

- Cravens, D.W., and Piercy, N. (2006). *Strategic marketing* (vol. 7). New York, NY, McGraw-Hill.
- Harakova, H., Scarcova, M., & Volf, L. (2017). *Marketing planning process- reflection on the complex activities that affect all aspects of business life*. Marketing science & inspirations. 12(2).
- Houben, G., Lenie, K., & Vanhoof, K. (1999). A knowledge-based SWOT analysis system as an instrument for strategic planning in small and medium sized enterprises. Decision support systems, 26(2), 125-135
- Laamanen, T., Lamberg, J.A., & Vaara, E. (2016). *Explanations of success and failure in management learning: what can we learn from Nokia's rise and fall?* Academy of Management Learning & Education, 15(1), 2-25.
- Marian, L. (2013). Is Nokia's performance in the smartphone market affected negatively by marketing strategy decisions? Aarhus School of Business and Social Sciences. Retrieved 11, 11, 2014 from http://pure.au.dk/portal/files/53734147/nokia_marketing_strategy.pdf
- Mata, F.R. (2012). Leadership in the Mobile Smartphone Market. Turun yliopisto University of Turku.
- Microsoft. (2014). Nokia Lumia 625-Software Update and Downloads. Retrieved, 11,11, 2014. From, Microsoft.com: <http://www.microsoft.com/en-gb/mobile/support/product/lumia625/softwareupdate/>

RUNNING HEAD: NOKIA MARKETING PLAN

Singh, A. (2014, October 31). Apple iPhone 6 vs Nokia Lumia 930: Specs Comparison.

Retrieved 11, 11, 2014, from Android origin: <http://www.androidorigin.com/apple-iphone-6-vs-nokia-lumia-930-specs-compare/>