**Marketer’s Toolbox Case Memo Analysis for PA Document Systems**

**TARGET MARKET**

1. **The main target group for PADs are cost sensitive institutions with printing and printing supply needs, more specifically government entities and educational facilities.**
2. **With the new high end PAD 1000 I believe they could potentially research into adding media outlets and digital design firms to their target market.**

**PRODUCT**

1. **They are a manufacturer of affordably priced printing and document management equipment for large offices.**
2. **They offer the PADs 400 and are introducing the PADs 1000 due to a new contract with a business partner.**
3. **The PADs 400 is of average quality and is priced affordably. The PADs 1000 is high quality and is at a premium price point due to the quality and features it offers.**

**PROMOTION**

1. **The president only wants to sell the PADs 1000 and discontinue the PADs 400.**
2. **For customers who purchased PADS 400 in the last 3 years the company will offer a trade-in incentive the amount of which is based on a formula comprised of the number of years the product has been in service and the number of copies that have been made. However, the trade-in value will not exceed more than 60% of the original purchase price.**
3. **For customers who are leasing the PADs 400, PADs will allow for termination of the lease without penalty if they lease or buy the PADs 1000.**

**PLACE (Distribution)**

1. **It currently has limited sales/shipping to the U.S. & Canada for the PADs 1000 for 10 years.**

**PRICE**

1. **The price is more expensive than other coffee brands because it is a premium high quality brand. However, when consumers compare priced in retail stores they typically will choose the one that costs less.**
2. **Headquartered in Eastern Pennsylvania.**

ANY ADDITIONAL INSIGHTS?

My Recommendations:

1. I do not believe that they should discontinue the PADs 400 due to their already established customer base. The PADs 1000 is not going to be perceived as well to the customers that use the PADs 400.
2. The company’s president wants to change the ideals of the company by changing the products, but that is not how it works. When you introduce a new product, it is usually not a replacement for an already existing product.
3. PADs should invest in researching new target markets for their PADs 1000 that do not conflict with their business partner’s license. I think that this type of printer could be marketed to the healthcare industry as well as media outlets and digital design agencies.