

# Positioning the Infiniti G20

**Question1:** Using the data in Exhibit 1 and the associated perceptual mapping software, describe the two (or, if applicable, three) dimensions underlying the perceptual maps that you generated. Based on these maps, how do people in this market perceive the Infiniti G20 compared with its competitors?

The 2-D analysis explains only 73% of the information. Therefore, we are working with three dimensions where the cumulative variance is 84.6%.

Dimension	Axis	Variance
Dimension 1	Overall	54.6%
Dimension 2	Sporty	18.8%
Dimension 3	Economical	11.2%

## People's perception of G20

Overall	BMW> Saab> G20
Attractiveness	BMW> (G20, Toyota)> Saab
Successful	BMW> (Toyota, Honda, G20)
Prestige	BMW, G20> Toyota, Saab
Quiet	(Saab, BMW)> G20> Honda

## Conclusion:

By the above analysis, G20 is considered as the **Prestigious, Attractive and successful** than other brands like Honda, Ford, Audi. It is also well-built, reliable and has a good value. Though G20 is not a sporty or economical, yet holds a very good position on Overall comparison.

**Question 2:** Infiniti promoted the G20 as a Japanese car (basic version \$17,500) with a German feel, basically a car that was like the BMW 318i (\$20,000), but lower priced. Is this a credible claim, given the perceptions and preferences of the respondents?

- ❖ It is a credible claim because as per average perception and preferences in Exhibit 1, people prefer BMW and G20 compared to other brands in most of the categories. But,

when it comes to economical factor, BMW is currently leading as it is 4.3 compared to G20 which is 3.6.

- ❖ Also, attributes such as “easy to service” and “interesting” for G20 is high compared to BMW. The remaining factors like attractive, comfort, roomy, sporty, successful, uncomfortable for both the cars remains very similar to each other in terms of how it is perceived and preferred by the customers.
- ❖ We know that the economical and prestige are the factors which influence people to choose BMW over G20, as the values shown in Exhibit 1 is better for BMW than G20.
- ❖ Hence, if G20 claims to be equal in other factors to BMW with lesser price, then there are good chances for the sales of G20 to increase as it gives a competitive advantage over price to G20.
- ❖ Also, Warranty of G20 is 4 years whereas BMW is 3 years with higher fuel economy. Thus, it allows customers to trust the G20 more than BMW as they are more reliable and provides better warranty period as it gives more value to their purchase.

### **Question 3**

**Which attributes are most important in influencing preference for these cars in the three segments (S1, S2 and S3) shown on these maps? To which segment(s) would you market the Infiniti G20? How would you reposition the Infiniti G20 to best suit the chosen segment(s)? Briefly describe the marketing program you would use to target the chosen segment(s).**

Following are the most important factors in influencing preference in different segments.

**Segment 1** - Prestige, Overall, Successful

**Segment 2** – Roomy, Quiet

**Segment 3** - Attractiveness

- ❖ **Infiniti G20 can be marketed to Segment 1 and Segment 3.**
- ❖ Infiniti G20 is highly rated for Attractiveness, High Prestige, Overall and Successful (in Exhibit 1 of the case). Also, Segment 3 have rated high preference for G20.
- ❖ The features of G20 highly matches with preferences of Segment 1 and Segment3.
- ❖ For Western, Yuppie, and Singles, Infiniti G20 is a Prestigious and Attractive car because it is designed for Richness. It is highly attractive car for American dreamers.

### Repositioning:

For the ***Western & Yuppie professionals***, ***Infiniti G20*** is a ***Prestigious and Attractive car*** to buy because it is ***Nissan's entry into luxury car market*** in US.

### Marketing program:

- ❖ **Credit Card Discounts** - American express card users are 75% in segment 3.
- ❖ **Late night advertisement** - Segment 1 and 3 watch TV at night
- ❖ **Advertise in business magazine** - Segment 1 read a lot of business magazines

Q4. What ongoing research program would you recommend to Infinity to improve its evaluation of its segmentation of the market and positioning of its G20?

- ❖ Infinity is perceived as attractive, prestigious and a successful car. Despite Honda and Toyota are considered as G20's major competitors, we should not forget that BMW and Saab are perceived similarly. We recommend that they should find effective ways to discriminate themselves from BMW and Saab.
- ❖ Considering segment 1 and 3, It can be observed that the company would be reaching out to 55% of people. The company should find ways to reach out to more masses. Even while considering segments 1 and 3 from current analysis, we can face major drawbacks. We would miss out on segment 2 which is dominant on percent married. Considering the characteristics of segment 2 whose average income is \$68,000\$ there may be a chance that we can get sales from that segment as it is a vast segment covering 45% of all segment. Thus the company should find more segments and efficient ways to approach more people and effectively differentiate them.
- ❖ Infinity should position themselves as a symbol of prestige and success. BMW is perceived very closely similar to G20; thus they should find a way to position themselves differently than BMW in order to reach out to the market. The company will be able to decide better on its position as the segments are improved and we find more characteristics about the product. We believe the company should position the G20 as a prestigious entity and representative of royalty for business owners, professionals and white collar people.

Q5. Summarize the advantages and limitations of the software provided for this application?

Advantages of positioning for this case study are as follow:

- Based on customer perceptions, positioning helps managers to target the segments which are most attractive. In this case, it helps us to identify which segment is most attractive to customers.
- It helps managers to view customer's perception about the brand and determine how to overcome product weakness.
- It gives systematics, structured methodologies that help managers understand the dimensions along which the customers perceive the product or services, as well as their view of the firms offering relative to competitive offerings.
- This software helps in suggesting which car attributes should the company modify so that there is desired change in its product positioning.
- It also helps in determining, how the change in products perceived attributes would alter the product's market share

Disadvantages of Positioning are as follows:

- Perceptual maps cannot indicate which areas of the maps are most desirable to the target segments of customers. In other words, maps do not incorporate information about customer preferences.
- Mapping techniques only provide partial explanation of customer perception, preferences and choices, as well as their relationships.
- Mapping insights are limited to particular set of products and attributes included in our study, which means they only support positioning efforts within an existing framework. For example, in our case, we have chosen few attributes. It limits the dimensions along which new positioning options might be considered.
- Three dimensional graphs are not clear
- Interactive 3D is not supported by this software