**Introduction**

When Cisco announced its intention to join the consumer electronics sector in 2009, many people were taken aback. Pure Digital, the manufacturer of the economical and user-friendly Flip video camera, was acquired by the firm for $600 million in stock. Cisco claimed at the time that the acquisition would benefit the company's network business since more digital content will need the development of larger, more reliable networks. Cisco, on the other hand, declared only two years later that it was closing the Flip business and discontinuing the product. There was no comparison between the shock that reverberated through the IT and business circles and the surprise that greeted the acquisition at the time.

While many have speculated on what might have gone wrong in this situation, that is not what I want to discuss today. As an alternative, I'd want to look at the user experience lessons that we can learn from Cisco. Cisco Systems' acquisition of Flip, the consumer goods to reach the market in a long time, was questioned by many industry observers, who thought it was a "strange match," given the company's focus on corporate enterprise networking *(Lu, X. H., Huang, L. H., & Heng, M. S. (2016).* The Cisco Flip camera was the company's first really consumer-oriented offering. The company's goal to extend its market beyond purely technical components into consumer devices was without a doubt taken very seriously by Cisco.

**Background**

Since acquiring Flip is entirely in a different business sector and will have no benefit to CISCO's current line of business, analysts have concluded that the company's acquisition of Flip is a bad idea, and that CISCO did not conduct adequate market research or proper planning before moving into the electronics goods sector to expand.

CISCO's consumer marketing strategy relies only on advertising and sponsorship to build brand awareness. Adapting a marketing strategy for a company like CISCO, which previously dealt with businesses, is tough because businesses don't require a marketing campaign and are entirely focused on a specific target audience, as opposed to products that need to appeal to a broad audience. Product categories face more competition than service categories *(Lenzner, B. 2021).*

At the same time as creating and adding new features to FLIP, Cisco could have been working on R&D and innovation. While smartphones are becoming increasingly popular, FLIP has a solid reputation and can be spared from obsolescence by constant R&D upgrades. Since smartphones have taken over the market, CISCO is trying to close down its Flip business.

Acquisition and advertising efforts, as well as diversification techniques, are evident in this scenario. Both examples may have benefited from planning because it could have showed the company's future opportunities and dangers and provided a clear picture of the strategies it has to create in order to thrive in the market.

As part of the Cisco Consumer Business Group, Pure Digital's audio, networking, and media storage products joined those of Linksys. Jonathan Kaplan, CEO of Pure Digital, was promoted to senior manager of Cisco's consumer products division following Cisco's acquisition of the company. The approach in this area was to be determined by Kaplan. Using Flip as a primary emphasis, Consumer branding was a big part of the company's marketing strategy, with advertisements starring celebrities like Ellen Page and product placement in series like 24.

During interviews, even John Chambers, the CEO of Cisco, used a Flip to record movies and kept it in view at all times. Custom Flip cameras were even designed by Sean "Diddy" Combs. Flip sales were $317 million in fiscal year 2010. It's possible that it wasn't enough. There were multiple quarters of poor financial results and difficulties in the main operations for Cisco. According to analysts, the corporation was striving to be all things to all people, and hence had lost sight of what made it great in the first place. In retrospect, it was obvious that significant strategic shifts were about to take place.

**Case Analysis**

It was Cisco's fault that Flip had entered the consumer market. However, this marking was part of a strategy to expand into new areas, and Flip was the appropriate product to accomplish so. It is not part of the company's primary business. Apple's introduction of the camera-equipped iPod Nano in 2009 paved the way for the mass adoption of camera-enabled smartphones. Flip's expansion was slowed since it couldn't adapt to the new market. Flip's existence appeared unnecessary when smartphones like the iPhone and Android arrived pre-loaded with high-quality still cameras.

When HD video recording became available on smartphones, the Flip camera was practically extinct or would become obsolete in a few of months. In order to maintain and compete against the competition, Flip's invention was necessary. Cisco needed to invest more money in this area, but it wasn't ready to do so given its new strategy of aligning operations in support of the company's main business. Flip was no longer relevant to customers in the present situation, and purchasers would not be interested in purchasing it either.

Alas, it would have had to sell it at a discount, which would have had an impact on the company's finances. If it wants to remain competitive, it has two options: either invest in new technologies or offer the resulting product at a discount or premium price. otherwise, the company had to be shut down. It opted for the latter.

Cisco's choice to rethink their strategy in the consumer video industry, in contrast to all the voices predicting its collapse. I love the Flipcam and think it's a terrific example of product innovation, but a company should also refocus and stick to what it knows, despite how much I love the Flip Cam.

Numerous blog postings speculate on what exactly went wrong and why. Flip wasn't a bad product, it's just that Cisco wasn't the proper company to build it, as it turns out. Staying true to your strengths has a lot to recommend it. Companies and brands have been taught over the years that acquisitions that don't create value or provide synergies are not worth the effort. Specialization is essential in the tech industry. As a result, we've established a tech-focused agency. That's what we specialize in, and it's what we're the most proficient at. Let's brainstorm some ideas for an FMCG marketing campaign. Absolutely. Like Cisco, we're sticking to what we know right now. Flipophiles may feel disappointed, but remember that narrowing one's focus is a good thing.

Conclusion

When it comes to the supply of communications technology services, networking, and the sale of electronic goods to a wide range of customers around the world, Cisco Systems is a leading international firm. As of 2010, the corporation boasts of employing over seventy thousand people in the United States and bringing in $40.0 billion in revenue to the United States economy.

Flip camcorder division was purchased by CISCO for more than half a billion dollars and is now being shut down. This is unfortunate, considering how high Flip was flying just a few years ago. It's also a waste of money, considering that Cisco paid $590 million for Flip just two years ago. Cisco's earnings dropped 18 percent, and CEO John Chambers had to demonstrate he was doing something dramatic to stop the flow.

The Flip hasn't been doing so well lately. Just how many of these so-called "good enough" Flips are truly in use these days? Two years ago. What killed those beautiful, inexpensive camcorders? One of the main culprits is the all-purpose smartphone. When phones like the iPhone and Android began launching with great cameras for taking still photos, the Flip felt out of date.

When HD video recording became available on smartphones, the Flip was practically obsolete. However, the demise of the Flip wasn't solely due to the proliferation of smartphones. In the absence of Cisco, the Flip would still be around today. There are, after all, plenty of camera companies like Canon still in business.

It's not in the DNA of a company that focuses on networking hardware for the corporate market to manage a consumer business. Geoff Moore's well-known contrast between complicated operations and big volume enterprises might make this point. Alternatively, analysts may have disliked Cisco's consumer strategy so much that the business had a hard time justifying the acquisition for too long.

According to another viewpoint, under the protection of parents, Flip was unable to continue developing the series of advancements that would have allowed it to grow beyond merely being a little video camera and become more important to people's lives. Flip was a big hit with those who liked it. And the company's sales were up 15% over last year. Also, Flip was the most popular camcorder on Amazon at the time. However, despite the positive indicators, the good news was not enough to protect it from being cut from the corporate budget.

**Case Questions**

**Answer 5**

Cisco's acquisition of the company was a crucial aspect of its goal to expand in the consumer market, particularly as houses became more media-enabled. In order for Cisco to grow, it needs to be able to identify and influence business sector trends. Corporate Development focuses on acquiring companies that can help Cisco take advantage of market shifts. An important factor in successful acquisitions is integration. Starting with the early stages of industriousness, we're pouring resources into dedicated reconciling assets at both corporate and functional levels to help our clients grow their businesses.

Market acceleration, sector development, and new market entry are all examples of acquisitions by Cisco. Cisco may receive a variety of resources from the target firms, including amazing skill and innovation in produced products and arrangements, as well as new routes to market and strategies for action. If a target has the potential to become a billion-dollar market, Cisco is particularly interested in acquiring it.

**Answer 6**

**a)** When Cisco Systems purchased Flip, one of the sexiest customer products to hit store shelves in a while, many industry experts scrutinized that choice, believing it was an odd fit for the organization that is best known for its business endeavor organizing services. At the point when Cisco Systems chose to purchase Flip one of the sexiest customer products to hit store shelves in a while numerous industry experts scrutinized that choice. The Flip camera was Cisco's most popular product for customers. To expand its media-enabled home force, Cisco cited the buying as a crucial component of its strategy. During the financial crisis of 2010, $317 million was invested in flips. It's possible that it wasn't enough. After a few quarters of perplexing financial results and problems in the company's core organizations, Cisco was finally able to come out on top.

**b)** Goal setting and planning have been a part of the purchase by Cisco is an easy company to understand. Victories garner appreciation around the world, but setbacks warrant in-depth inquiry. Whatever the case may be, the newest Flip failure by the tech giant deserves a great deal of attention. Home systems administration sound and media storing products were also part of Cisco's Consumer Business Group (CBG).

**c)** Pure Digital's CEO, Jonathan Kaplan, was also named as Cisco's senior VP and general administrator responsible for consumer products at the time of the acquisition. There, Kaplan was tasked with establishing Cisco's procedures. With Flip as a main focus, Cisco did what it felt was necessary to compete in the buyer market. Purchaser marking was heavily invested in through the use of big-name actors like Ellen Page and the payment of item positioning.

**d)** Finally, Cisco's decision to close Flip was an odd fit for a company that is known for its venture organizing administrations. Some examiners believed that Cisco's decision to screen Flip constituted an admission of guilt. adjusting operations in support of our system-driven stage methodology, it is making critical focused movements. In the same way, experts have cited the rapid development of cell phones as one of the most harmful trends ever. Flip would have become obsolete very quickly if the commercial sector hadn't adopted phones with built-in cameras and photo-editing software.

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