



COMP-1646 B.Sc (Hons) Business IT Programme Information Systems Management

Strategic Evaluation Consultation Document for Infiniti

Submitted by – Hein Htet Aung

Student ID – 000959067

Yangon Campus

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Introduction

Information System Management is a subject that teaches in management of IT systems. It include some logical thinking and analysis of what need to improve IT organisation, managing of IT related tasks and improving business. In this assignment, I found Infiniti case studies and I written about Strategic Evaluation, Marketing strategies, Online and Offline Promotions methods, the need of Legal, Ethical issues for Infiniti.

1. Introduction

1.1 Background knowledge of Infiniti and its historical formation

Infiniti was dramatically born by Japanese parent which is Nissan Motor Company. But in 1989, Infiniti start opened also in United State. Together with brand promise “Inspired Performance”, its prior market strategy is to target the high performance car lovers so that its strategy need to be driven by global consistent brand image and awareness in order to highlight the superiority of its products.

Infiniti’s creative strategy for its aggressive marketing mix becomes to involve with well-known Formula One which definitely is a great image organisation to show high quality products to the market by allowing to link with the right consumers. With great effort, Infiniti has a chance to be a key partner to the Red Bull Racing team in November 2012. Then, they become the title sponsor and exclusive technical partner in 2013 which is now popular as Infiniti Red Bull Racing. For these reasons, Infiniti’s products and technology support are now working with Fomular One team starting from 2013.

1.2 Financial Performance of Infiniti

Partnering with Red Bull Racing, Infiniti can proudly show its brand exposure for high technology performance cars. This phenomenon can profit Infiniti to easy entrance of international high end consumers by demonstrating and proving its quality products and services are being met with their standard and brand promises. Now, the marketing network of Infiniti branded vehicles are selling in over 15 countries with over 230 dealers. So, Infiniti sales are increasing year by year. The following graph is the total income for Infiniti within last five years.

Year	Infiniti All Models	Market Share
2016	138.293	0,79%
2015	133.498	0,76%
2014	117.330	0,71%
2013	116.455	0,75%
2012	119.877	0,83%

1.3 Products and Services

The main products of Infiniti are varieties of luxury cars, especially in sport type cars. As Infiniti's target customers are high technology performance car lovers, its main products are mostly luxury sport type cars. Firstly, Infiniti marque launching was in two different models: the Q45 and M30 which was based on Nissan President but the features have been made to compete with luxury segment against Mercedes S-Class, BMW 7 Series and Cadillac. Infiniti do not offer mid-luxury cars in America but to whole luxury segment as Infiniti J30 to compete with the revised version of Lexus and it has been succeed continuously in 1996 and 2002 again by Infiniti I series and Infiniti G35.

Infiniti brand is not used in Japan as it is set up in North America at first. However, its version of Infiniti Q50 and Q45 were sold to Nissan Skyline and Nissan Infiniti Q45 in Japan by retaining its badge. Then, Infiniti models are selling directly equivalents in Japan by Nissan line up as Infiniti G to Nissan Skyline, Infiniti M to Nissan Fuga, Infiniti FX to Skyline crossover, and Infiniti Q45 to Nissan Cima in Japan. As long as Infiniti remains its value on brand promise of "Inspire Performance", its badge has a beautiful double meaning of stylized representation and Japanese origin reflection.

2. Strategic Evaluation

2.1. Organisation Performance and Industrial analysis

In this stage, Infiniti's strategic planning and its implementation will be analysed based on the current position and industrial performance by using SWOT and PEST analysis. After learning the fact that Infiniti has made a global impact share growing strategy by joining with Formula One Red Bull Racing team in 2012, its continuous strategies seem more aggressive, innovative and challenging. It has been sounded like Infiniti team has been using the right strategies by analyzing the external factors PEST which not only make them strong by providing the opportunities but also help to appear the weakness by avoiding the threats. Throwing back to 5 years ago, Infiniti has arranged to engage with its target customers for its niche market superior quality cars.

2.2 Strength of Infiniti

In this move, it can be said that the biggest strength Infiniti had is the good analysis on external environment and its aspects.

Infiniti is the branch of Nissan and it has the big organisational background through all over the world.

Infiniti has considered the profitable ways on Japanese government policy in imposing voluntary export restraints especially for the U.S market so that as an automaker, it become to have higher profit to export more expensive vehicles to the United States from the reform of new-wed Infiniti luxury badges.

Infiniti makes a strategy to focus on the countries where has the higher demand for the luxury cars for example targeting in the fast growing market, China market which has new dealership every week. Apparently, China's premium car market is growing with 12% annual rate sot that it makes 7 % growth more than the overall market. In this move, Infiniti has opened its newly global headquarters in Hong Kong in 2012. Not in the further future of 2012, Infiniti has already

make to include the high performance cars demanding market which is Chile and Australia for the sales target of 500,000 units over 70 markets in 2016.

Since the first offering for entry level segment, Infiniti has introduced the Infiniti J30, then upgraded to Infiniti G35 based on Nissan Maxima. In this move, its badge has a double sounding like style and culture which can offer both the representation of stylized combination and the cultural essence of reflecting Japanese origins.

Not only about the styling, joining with the Red Bull Racing team for Formula One will be the other strategy of Infiniti. As Formula One is the platform to success to showcase own brand creation, the Infiniti become to have a chance to better presentation to the direct market for its customers.

In this way, Infiniti had used technological aspects in succession in its road to expansion of new market and the growth of share. As long as the Infiniti becomes the team with Formula One, it becomes the house of new technologies with the support of world best car interesting people. Even if they are not working under the Infiniti, still Infiniti receive the ideas and the newest technologies' inspiration for the racing of Formula One.

The great marketing approach to expand its market is also the strength of Infiniti. For example by joining with strongest sport teams like Formula1 and Red Bull, it is the very good strength and it can improve the interest of many sports lovers. Infiniti brand become popular shortly by sponsoring on the car racing sport contest. So, Infiniti become improve its expanding market through online and offline. Infiniti advertisement can be seen with sports information from varieties of media channels, sports channel, facebook, twitter and youtube.

2.3 Weakness in its creative strategies

Beyond the further success of excellent fit in creative strategy of partnering with Formula One team within these five years, not much weakness have been made by Infiniti. From time to time in the historical ages, Infiniti sales drop because of the wrongly invented customized cars for the unwanted customers and investing in the wrong market. However, after that time of the small failure, Infiniti has created fresh ideas and can overcome the weakness in writing new history. Although, if the weakness would like to be found out, the issues will be the cost of sponsorship and investing in the new technologies with the aspects of social and the technology.

2.4 Opportunities in the growing market

Beautiful and creative business strategies mean providing both the strength of the organisation and opportunities to become that kind of strength of it. Therefore, during the time of five years working with Formula One team, Infiniti has caught the millions opportunities for the further success of the business. In doing so, the opportunities that Infiniti have will be listed out based on the aspects of external environment PEST.

For political points of view, Infiniti grabbed the opportunities of more profit for high end luxury car sales by taking the chances of the support of the government policies. Further from that Infiniti can take a chance to work with successful political and ethical ways in joining with Formula One team as F1 team is where global high end investors, retailers, technology supporters and customers' ethical meeting point.

Furthermore, from the bird eye view of economic situation, the Infiniti become to have a link with international customers so that its brand dealership has increased in 47 countries across through 450 Infiniti dealership centers which all of them are high growing market like China, Australia, North America, Russia, and other countries across Europe that can have opportunities for young loyal customers.

Therefore, Infiniti can take a chance to have the social hearts with the strategy of grabbing the hearts of young investors across this countries. As Infiniti have a belief that the young customers become long-term loyal customers if they are using the brand from time to time. In this way, at the young stage of creating the brand, the earlier period of manufacturing the brand, Infiniti has focused on producing the stylized luxury sport type cars who can attract the young customers normally. In this way, the brand can be old together with its customers and it plan is to produce the manufacturing expansion.

Another thing is the demography of customers in the market. Traditionally, the international luxury car industry is dominated by German high-end luxury cars like Mercedes Benz, BMW and Audi in almost all market and they are normally favorite for the upper level classic generation. However, for now, in the current growing market like China, young professionals are earning even better than their generation so that it can be possible luxury cars' sector can be dominated by the preferable designs for young people with high incomers. The final things

cheaper work force of Chinese market for the dealership so that it can be the opportunities to expand and focus on selling more cars in the market.

In this move, Infiniti has upgraded its technology to have high end overall luxury series with the support of latest technology so that it can grow its product range from time to time (from nowadays seven products line to almost ten products range) in its whole market of 70 regions by aiming more than 800 centers across the growing market. In this move, it can achieve the luxury vehicle market trend of 10% share relevantly as a result of its long-term growth with the continuous success and growing of its technological supports.

2.5 Threats that can happen in the near future

However, in doing business, not only opportunities but also the threats will be the issues that Infiniti have to figure out. In the ocean of car industry, every companies are working hard to have better profit and bigger share. It leads more aggressive competition in luxury car businesses. Certainly, it starts with market competition for example China market which is now the world's largest car market. Sometimes, the strength and the profit can also be the thread as imposes of import tariffs on luxury items makes the brand new high performance Infiniti's luxury cars more expensive than before even more to buy for the old customers.

Therefore, Infiniti probably need to overcome the threats in doing localization on bringing the prices of cars down. Another thing is the catchable time to the targeted customers for example the young potential customers in China market. If Infiniti miss the opportunity to catch their targeted customers, it probably have to wait for the certain ages to buy into the other brands cars rather than the first cars' brands they are used to. For these reasons, Infiniti should focus on the external environment not only to catch the opportunities but also to overcome the threat.

3. E Marketing Strategies

3.1 E Marketing Strategy of the organisation

After learning the marketing strategies of Infiniti, it makes interesting topic to discuss furthermore so that e-marketing strategies have been focused on analyzing deeper out. As marketing strategies are the plans in increasing bigger sales and higher share, they have to be enable the organisation to achieve its aims and objectives based on its brand value, for example, for Infiniti, brand value is “Inspired Performance”. More than that, as for competitive luxury car industry, e-marketing means to aim attaining the brand performance through the trustworthy channel so that the strategies can profit not only the dealerships and the organisation but also the growing market and the consumers.

In this move, the communication process that can enable its brands to success becomes important, for instance, for Infiniti, Formula One team is the visible and achievable platform to reach to the targeted customers. And Infiniti also became partnership with Red Bull team. So Infiniti improve its brand by giving sponsorship to racing championships. The racing contest are show in mass media channel, youtube, facebook and other e-marketing objects and the world famous drivers are driving Infiniti cars in the contest. So people attention to Infiniti brand is higher. Together with the higher attention, the customers who like racing sports interest sport type luxury cars of Infiniti and then the market is more expand among sport lovers. Theoretically, e-marketing strategies can involve the e-conferences, programs and events videos, and then the company visits reviews videos rather than road shows, advertising, sales brochures and the sponsorships programme.

The marketing strategies that are using by Infiniti can be described in two different groups of marketing so called “online marketing” and “offline marketing”. Currently, Infiniti has adapting both online and offline marketing strategies because it is now conducting the press conferences programme for the journalists, competitions programme for the candidates who likes “money-can’t-buy-experience”, viral marketing on social media such as “Inspired performers video clips” with the celebrities from different fields, and teaching driving skills programme by the F1 drivers.

3.2.1 Online marketing promotion methods

To be specific, online marketing strategies means the marketing via internet. It can be many ways such as email marketing, websites, google advertising (advertising with google ads on other websites), and marketing through the social media like youtube, twitter and facebook. Infiniti selling its special offer products through its official websites or other car shopping websites. For the email marketing, they send email to the customers about new promotions and information about the luxury cars. Infiniti also use online marketing method that is if the customer buy one product, they usually send email about the promotions. The email contains about they really thanks for choosing their product, they will offer promotions for other models for buying this product. Infiniti usually update its promotions offers to facebook and twitter. Sometime they make lucky draw promotion and advertise through the websites, email, facebook, youtube and twitter. Infiniti also use social media promotion especially “like and share contest” to promote its new products. The contest is about they will choose the lucky person from the people who like and share their facebook post or twitter post. The chosen person will get brand new cars from Infiniti. These are attractive online promotions methods of Infiniti.

3.2.2 Offline marketing promotion methods

The effective way of infinity offline promotions is using TV channels and mass media. Infiniti contract with global TV channels to advertise their promotions and the highlight of their superior products. By this way, the information reached to customers directly. Infiniti use other methods via the advertising agents such as printed media so called journals, magazines, newspapers, billboards by roadsides, airports and the high visible advertising. Infiniti advertise their promotions through printed media especially journals, magazines, newspapers. In the printed media mostly in sports, Infiniti advertisement contain together with car racing championship. Infiniti attract consumer’s attention with racing championship like Formula1 and Red Bull racing teams. Most of the people are interesting in races and Infiniti brand more popular. Infiniti posted billboards in some crowed places mostly in cars related business. The billboards are about interesting latest models cars, promotions offers and other advertisement. Sometime Infiniti promote marketing via phones to customer directly by telling about their new products, promotions and their services. These are also the offline marketing promotions of Infiniti.

3.3 Implementation of strategies and the performance of the business

When the managerial balance between the marketing strategies of Infiniti, the implementation strategies to compare with the performance of the business will be figured out. In Infiniti marketing strategies, it could be visibly seen the beautiful balance between the creative strategies of marketing and the performance of the business. In this move, three main methods will be used to narrow their performance. The first implementation will be the proportion between business strategies and the brand awareness, secondly the link between marketing strategies and the brand performance then finally the proof of the achievement of the marketing objectives and the company performance.

According to the research study with ISM Sports Marketing Survey, the strategy of partnering with Red Bull team makes Infiniti the exposure of the brand awareness across the region throughout every race. It leads the visibility of the brand starting from original point to 4th time higher than the starting point in 2011, and in 2012, it reach to the second place as long as Red Bull racing brand performance is higher.

Similarly for financial performance, statistics shows the better performance of the company over different regions by regions. For instance, according to the company report, in Abu Dhabi Grand Prix, Infiniti achieved 7.9% share exposition amongst all sponsors. It was a great success for Infiniti because the statics are measured over 43.1% of top car and its drivers then 15.5% of front torso which yield the TV coverage of brand's logo. It has been expected to be increased in the following race from time to time.

More than that, according to the evaluation data sources from OMD Global Snapshots Survey findings, after the partnering with Red Bull racing, Infiniti have succeed in two dimensions: visit to Infiniti dealership and consumer perception. Form the top show of the result, Infiniti has developed its consumer perception uplifting about 30% even form June to December 2011. Then, in the aspects of the visit of dealership, it improved 27% globally after the partnering with Red Bull team.

4. Legal and Ethical Issues

These days, with the development of internet, the organisation needs to consider regarding data gathering, processing, then distribution and use of information via internet and World Wide Web. In this way, even lawyers are now working together with the organisation for the array of new tools regarding data gathering, processing, exchanging and transferring documents not only in the communication of internal but also in the communication with the clients.

Especially in advertising and marketing strategies, direct communication to the clients need to be ethical as long as the client information has been searched out and seek in the internet then the organisation try to process the information and use as a tool of direct marketing in the communication with the clients. However, in this case, just the confidentiality concerns of the client is more critical but not all electronic communications raise the confidential stage of clients. Sometimes, the dealerships and clients communication, the dealerships and researchers communication has be wrongly raised the obligation in the matter of violate, intercepted by the unauthorized party and creating possible malpractice liability.

However, in some case, the attorneys has adopted some techniques to protect client confidentiality in the forms of asking of considering the alternative technologies, reviews messages to increase security and attaining the agreement to use the internet acknowledgment for the practice of the cars. Furthermore, obtaining the information from the clients via internet chat rooms is also important as there is an opportunities to lose the clients important documents like bank information can be loosen. There will also be some aspects of information conflicts gathering and processing form the internet such as the technologies of rivals companies and creating reviews by the dealers themselves. Therefore, gathering the information via internet will also be the problems that the organisation need to criticize in order to avoid with the ethical concerns and legal issues with the local communities.

5. Conclusion

Theatrically, a business strategy can lift the organisation up in achieving its objectives and goals so that normally the main objectives of the business strategy for a manufacturing company is a combination of brand awareness, improvement in share and customers' uplift perception. In this move, Infiniti has stepped a creative strategy to partner with Formula1 and Red Bull to promote its brand awareness and customers' perception. It was an excellent idea to have a visible showcase to present its quality high luxury cars via racing competition because not only the brand awareness but also Infiniti have the chances to motivate both his employees and customers to work proudly with its potential well-known success brand.

Therefore, in the end after the evaluation, Infiniti becomes to expand its market in the market with its potential customers, statically, its expansion was 450 dealerships centers in 47 well-developed and developing countries. Moreover, it can still keep its key markets around Europe, Australia, North America, Russia and China. Furthermore, Infiniti can even grow its product range from 7 different main products to at least 10 products for more than 800 its dealership over 70 markets. For these reasons, starting form 2016, they can even expect to have a place of 10% share in global high end luxury car market in the long term.

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