

ENGINEERING AND ECONOMICS MANAGEMENT

CASE STUDY

Kia Motors



4Ps of Marketing Mix

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Product Strategy:

Kia Motors is one of the leading car manufacturing companies. Kia is majorly a car manufacturing company, and it also manufactures commercial vehicles, which are the products in its marketing mix strategy.

Kia Motors also has wing which produces military vehicles for the Government of South Korea.

In the car segment Kia Motors has basically compact cars, sedans, crossovers & minivans, hybrid and electric, special edition cars and concept cars. Some of the popular brands are Optima, Rio, Picanto, Sorento, Cerrato, Carnival, Soul, Sportage and Cadenza.

Kia Motors also has 5 door variants for certain sedans such as Ceratop and Rio. In the commercial vehicles segment Kia Motors has mini trucks

Kia Motors has been building its brand on quality and design and advantage of the 10-year warranty period at affordable prices.

Kia also tries to build upon the overall ride quality and experience by using innovation and R&D centres.



Movement that inspires

Price Strategy:

Kia Motors follows a competitive pricing strategy in its marketing mix when it had been in South Korea.

But as it has stepped into the global frontier and exports vehicles from the manufacturing plants itself. Due to this it charges higher prices in other countries such as US, in various parts of UK, parts of Africa.

Even the cheapest car Rio is priced at \$14000. Kia Motors also is not providing very competitive discounts as its counterparts such as Nissan after it has gained brand value in various parts of the world.

As the company is expanding ambitiously and upscaling its flagship cars and its other brands, it is trying to move up the ladder of the price range. But Kia Motors is still not as competitive as compared to the traditional brands.

Kia also maintains price gaps between the ranges of products it is selling so that the brand segments don't overlap.

Place & Distribution Strategy:

Kia Motors has got a network of around 4000 dealers globally which serve to the 170+ countries. This has helped in gaining sales more than 3 million units.

There are 20 regional headquarters which look after 342 sales offices. Kia Motors has also got a network of 11 shopping offices across the globe which are strategically placed and able to cater to Europe, America, Middle East, Africa, and Asia Pacific regions.

There is also a huge network of 20 regional service centres and 243 comprehensive service providers across the globe as Kia Motors provides a long duration of warranty.

It majorly manufactures cars in South Korea itself and others coming from China, Slovakia, and USA plant.

Kia Motors has also got 3 R&D centres which look after reengineering the ride experience and provide innovative design in form concept cars. It has also got technical centres which help in enhancing the safety ratings and efficiency and overall ride quality.

The customers get by Kia cars through its dealers only.

Promotion Strategy:

Kia Motors has a strong advertising and marketing policy. Kia has recently gained recognition because of its association with various major sports events happening around the globe in its marketing mix promotional strategy.

Kia Motors had sponsored Australian Open along with other events. It also sponsors major football events such as the FIFA and UEFA cup also basketball events of NBA and Women's NBA.

Kia Motors uses TV, print, online ads, billboards etc for its marketing. It also has also tied up with various sports teams and athletes for gaining recognition.

Kia Motors also has tied up with celebrities to again tell its story of resurgence. It also showcases quality, design and safety features in various motor shows which wins its laurels which faith for the customer and gains brand reputation.

It also promotes itself on various online platforms with the 'Share #Kia' campaign. Kia also participates in various CSR activities to show its global concern for environment and society.

Kia has tied up with various NGOs, governments, local communities, and employee volunteering to support its stakeholders. It has tried to help by donating vehicles for the handicapped and supporting college students. Hence, this covers the marketing mix of Kia Motors.