# Redesign Zoom Positioning to Win the Segment of Business Customers

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# Our Team



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# PESTLE Analysis



- ➤ Technology and Socio-cultural factors are the strongest for Zoom

- ➤ Political factor can be an issue, if not properly explained to the customers

- ➤ Environmental issues are not the major ones, as Zoom brings more benefits to the environment than harm.

- ➤ Economics factors need to be considered carefully as the pandemic ended and new strong competitors appeared on the market.

- ➤ Legal issues can be considered as the main ones and cannot be ignored as they can be the most harmful for the future growth.

# Customer Analysis

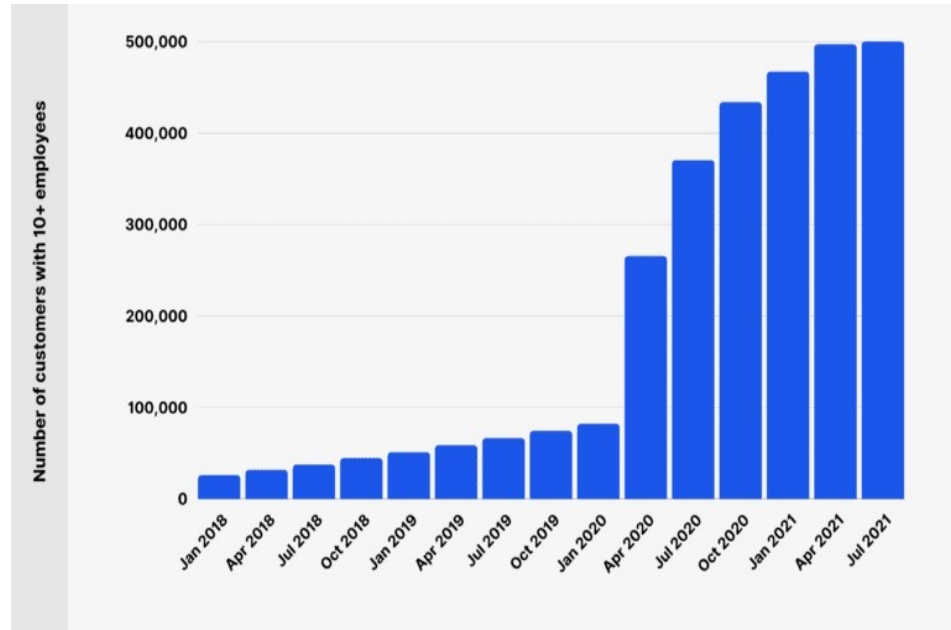| Market segments | Customers value most |
|---|---|
| Individuals | o Easy to install and easy to use <br> o Low price, ideally free <br> o Popular enough for everyone to use the same service <br> o Quality of communication <br> o Fancy design |
| Small Business | o Easy to install and easy to use <br> o Reduce the costs of collaboration <br> o Improve the employees performance <br> o Accelerate decision-making <br> o Fancy design |
| Medium-sized Business | o Reduce the costs of collaboration <br> o Accelerate decision-making <br> o Improve employee performance <br> o Improve customers experience <br> o Reliability and security |
| Enterprise | o Reduce the costs of collaboration <br> o Accelerate C-level decision-making <br> o Accelerate mid-management decision-making <br> o Increase overall corporate performance <br> o Improve employees experience <br> o Reliability and security |

➢ The core of Zoom's paid customers are businesses with more than 10 employees.

➢ At the same time the Enterprise companies market is not yet well developed.

➢ The most important Market segments are: Education, Marketing and Tech companies. The most well-developed market is the US
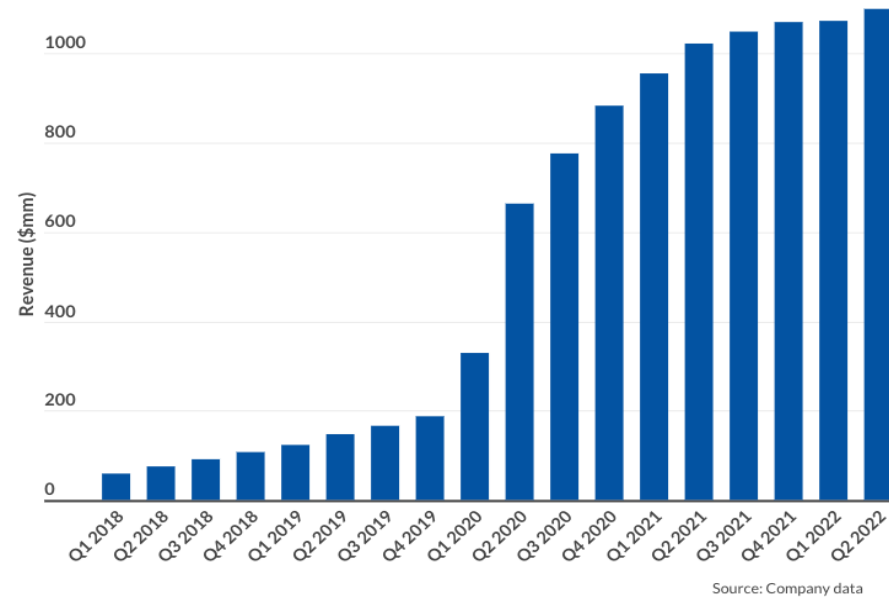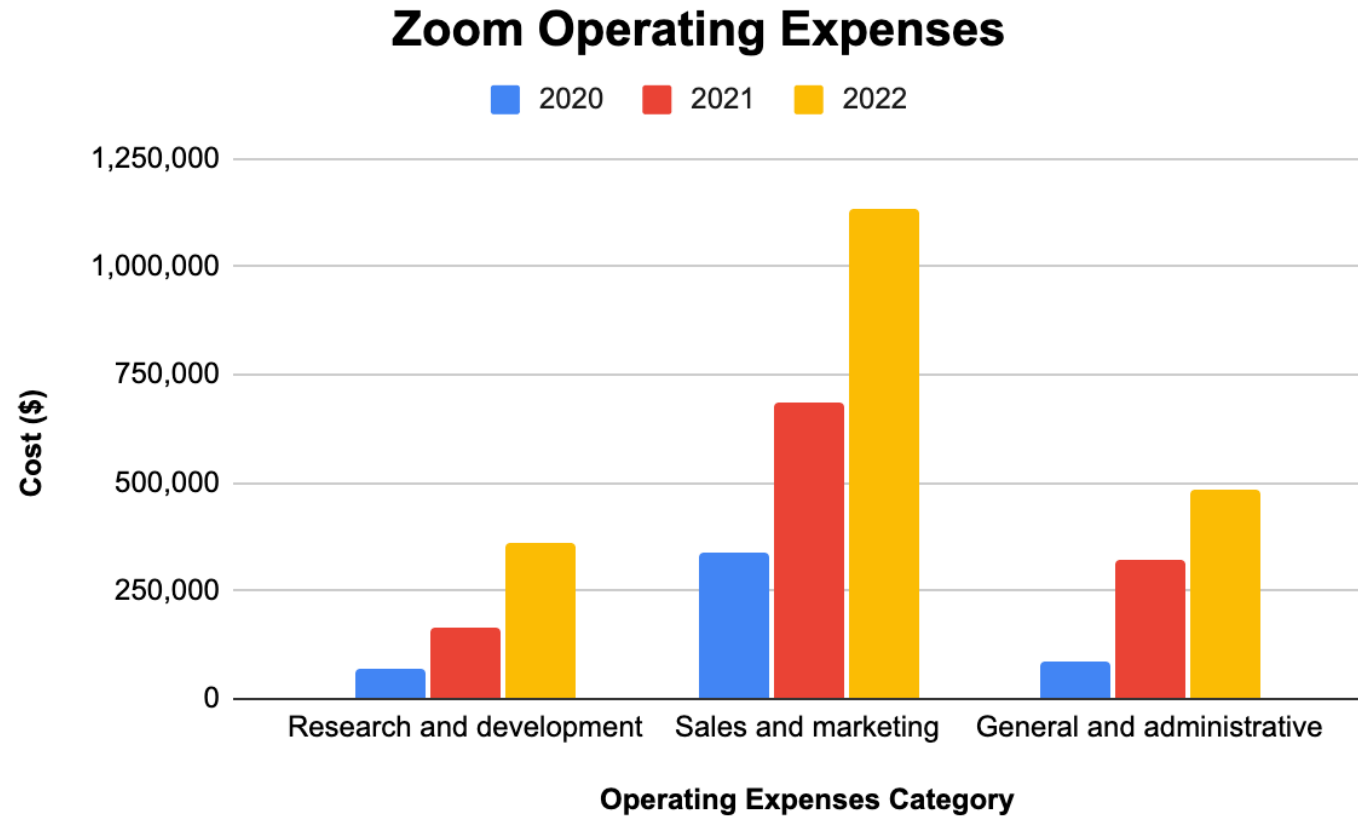
# Financial Analysis

### Number of business customers



### Total Revenue



Source: Company data

# Financial Analysis



**Zoom Operating Expenses**

# SWOT Analysis

| Strengths 💪 | Opportunities 🌸 |
|---|---|
| • free basic version to all users<br>• intuitive design<br>• widely used globally<br>• consistently performing well<br>• has a strong brand identity | • growing market of video communication platforms<br>• customizable packages for business customers<br>• product diversification on a target markets<br>• globalization |
| **Weaknesses** 🏳️ | **Threats** 🔥 |
| • past security issues<br>• "Zoombombing" reduces the trust within customers<br>• known as not good end to end encryption provider | • competitors offer similar services at a cheaper price<br>• reopening of physical workspaces and public spaces after the pandemic |

miro

zoom

# Brand Identity Pyramid

ESSENCE: Mission - Make video communications frictionless & secure. Vision - Video communications empowering people to accomplish more. Value - Care; Community, Customers, Company Teammates, Selves. Culture - Delivering happines.

PERSONALITY: Zoom has become synonymous to Videoconferencing and is recognised by one an all as the trusted platform for secure communication. If its a VC its Zoom.

EMOTIONAL BENEFITS: Zoomis an intuitive, scalable, and secure choice for large enterprises, small businesses, and individuals alike. It is crucial that customers feel safe and secure transmitting their confidential information over Zoom, trust is embedded in Zoom culture, iit is an essential feature of Zoom platform and services.

RATIONAL BENEFITS: Zoom is intuitive, scalable, and secure choice for large enterprises, small businesses, and individuals alike. While Zoom has allowed companies to significantly reduce their carbon footprint though reducing the need for travel, Zoom is also looking to also ensure the sustainability of its operational footprint, and as such is committing to reaching 100% renewable electricity in operations by 2030.

CORE FUNCTIONALITY : Zoom is an easy to adapt scalable tool that is easy to customize as per the business needs of the customer. Products: Zoom One (Meetings, Whiteboard, TeamChat, Webinars, etc.); Zoom Developers (Marketplace, APIs, etc.); Zoom Spaces; Zoom AI; Zoom Contact Centre

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# Competitors' Value Propositions

| | Market shares | Pricing | Market segments | Value proposition |
|---|---|---|---|---|
| Zoom | 42.70% | Basic – Free<br>Pro - $14.99<br>Business - $19.99<br>Business Plus - $25 | Individuals, Small-Business, Mid-Market | Video communications empower people to accomplish more. |
| Microsoft teams | 10.90% | Basic – Free<br>Essentials - $4.00<br>Business Basics - $6.00<br>Business Standard - $12.50<br>Business Premium - $22.00 | Mid-Market, Enterprise | Businesses can reduce the costs of collaboration, accelerate decision-making, and improve the customer and employee experience. |
| Google Workspace - Meet | 31.40% | Basic – Free<br>Business Starter - $6<br>Business Standard - $12<br>Business Plus - $18 | Small-Business,Mid-Market, Enterprise | Everything you need to get anything done, now in one place. Whether you're at home, at work, or in the classroom, it's the best way to create, communicate, and collaborate. |
| Cisco webex | 2.10% | Basic – Free<br>Meet - $13.50<br>Meet + Call - $20 | Mid-Market, Enterprise | The most engaging, inclusive and intelligent video conferencing solution for the modern workforce. |

# Marketing Issue Identification
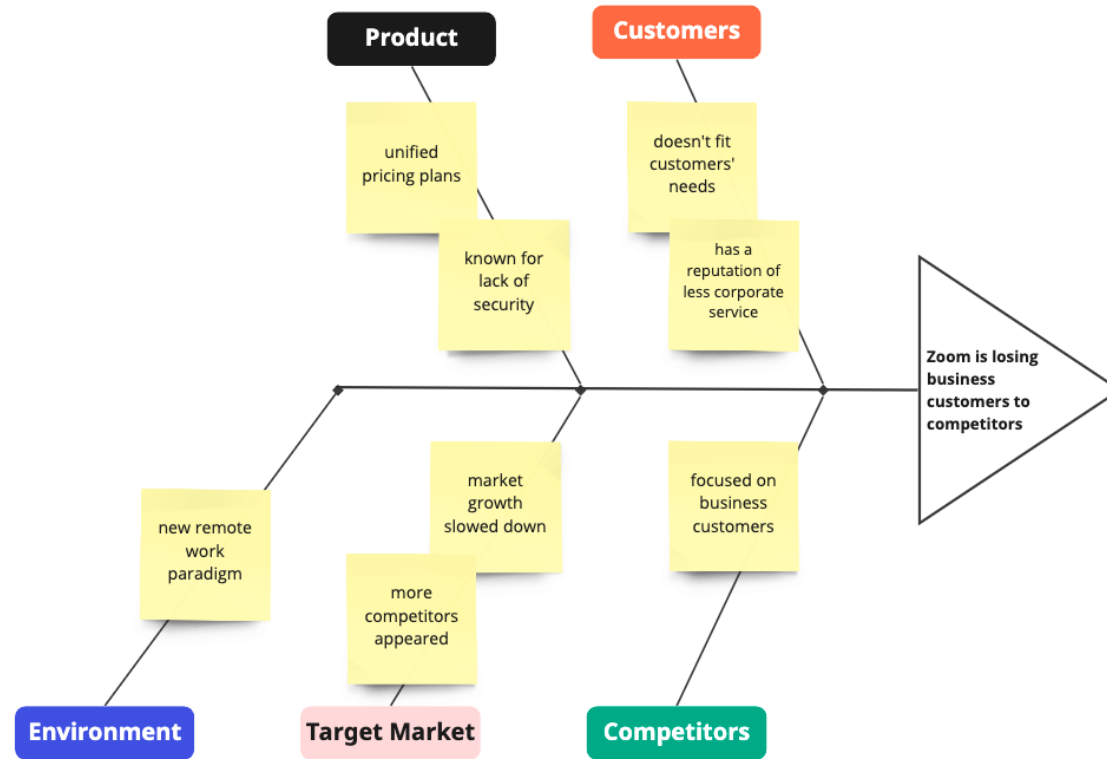
# Prioritization Matrix

| Relevant issues | Relevance | Focused | Critical | Pressing | Complex | Implementable | Sum |
|---|---|---|---|---|---|---|---|
| Zoom doesn't meet business customers' needs | 3 | 3 | 3 | 1 | 2 | 2 | **14** |
| Zoom has a reputation of less corporate service | 3 | 2 | 2 | 1 | 3 | 2 | **13** |
| Competitors better focused on business customers | 3 | 1 | 3 | 2 | 2 | 1 | **12** |
| Market growth slowed down | 2 | 2 | 2 | 1 | 1 | 1 | **9** |
| More competitors appeared on a market | 2 | 1 | 2 | 2 | 1 | 1 | **9** |
| Product has unified pricing plans | 1 | 1 | 1 | 2 | 3 | 3 | **11** |
| Product has a reputation of less secure | 1 | 2 | 2 | 1 | 3 | 2 | **11** |
| New remote work paradigm appeared on a market | 1 | 1 | 1 | 1 | 1 | 1 | **6** |

# Identification of Possible Solutions
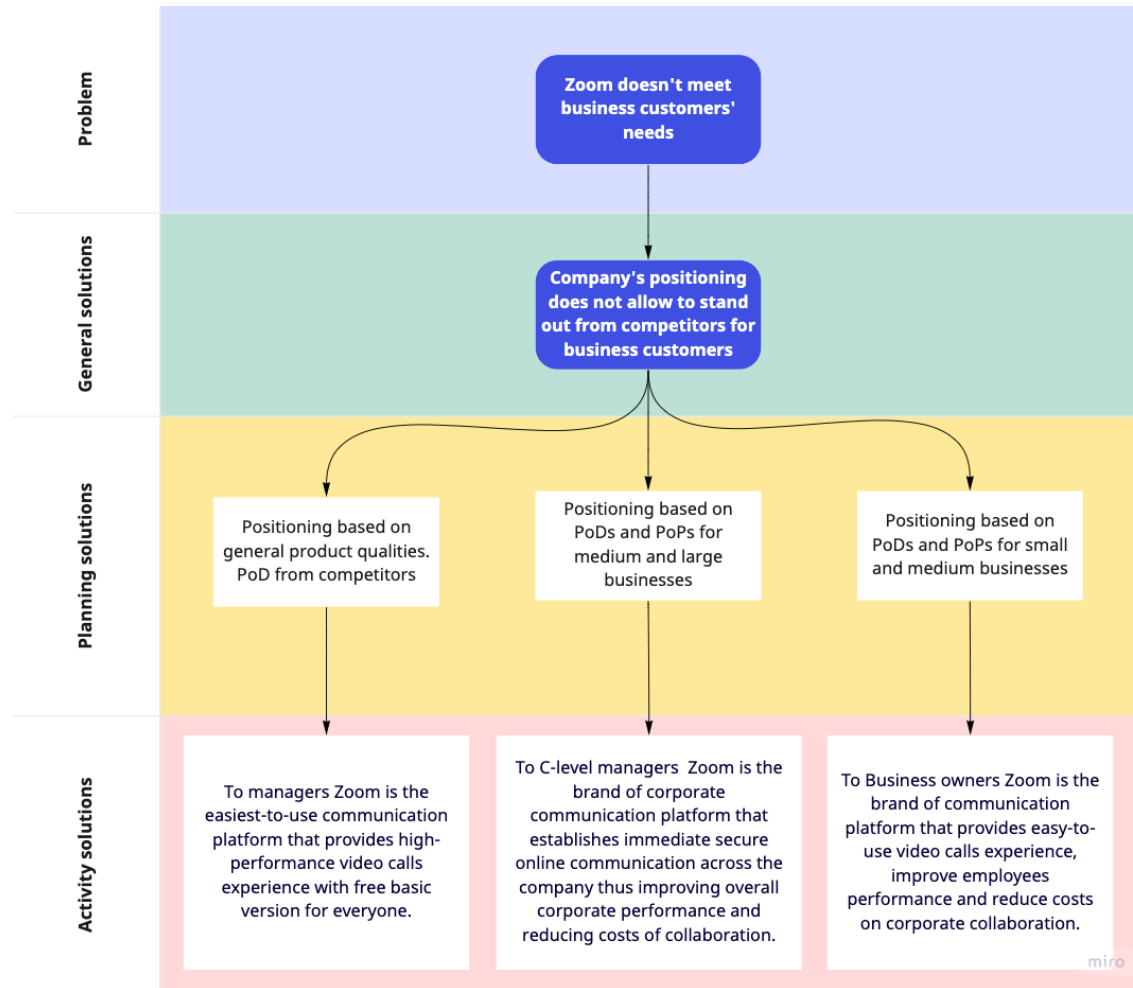
# Evaluation and choice of solution

| Evaluation criteria | Key evaluation criteria | Stakeholder Perspective | Importance | Positioning 1 (General) | Positioning 2 (SMB) | Positioning 3 (Enterprise) |
|---|---|---|---|---|---|---|
| Strategic | Competitive advantage fit | Company – Top. mgmt. | Low | Fair match | Good match | Good match |
| | Score | | 10% | 3 | 5 | 5 |
| | Weighted Score | | | 0.3 | 0.5 | 0.5 |
| Financial | ROI | Company – Top. mgmt. | Very High | 200 M | 150 M | 300 M |
| | Score | | 40% | 4 | 3 | 5 |
| | Weighted Score | | | 1.6 | 1.2 | 2 |
| | CAPEX investment | Company – Financial dpt. | Low | 3 M | 3 M | 3 M |
| | Score | | 10% | 2 | 2 | 2 |
| | Weighted Score | | | 0.2 | 0.2 | 0.2 |
| Market | Market share change | Company – Sales and marketing dpt. | Medium | +8% | +6% | +12% |
| | Score | | 20% | 4 | 3 | 5 |
| | Weighted Score | | | 0.6 | 1 | 0.8 |
| Risk level | Likelihood of failure (negative ROI) | Company – Shareholders | Medium | Low | Medium | High-Medium |
| | Score | | 20% | 2 | 3 | 4 |
| | Weighted Score | | | 0.4 | 0.6 | 0.8 |
| Total Weighted Score | | | 100% | **3.3** | **3.1** | **4.5** |
| Ranking of Alternatives | | | | **3** | **2** | **1** |

# Positioning statement

To C-level managers  Zoom is the brand of corporate communication platform that establishes immediate secure online communication across the company, improving overall corporate performance and reducing the costs of collaboration.

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# Implementation action plan

Thank you