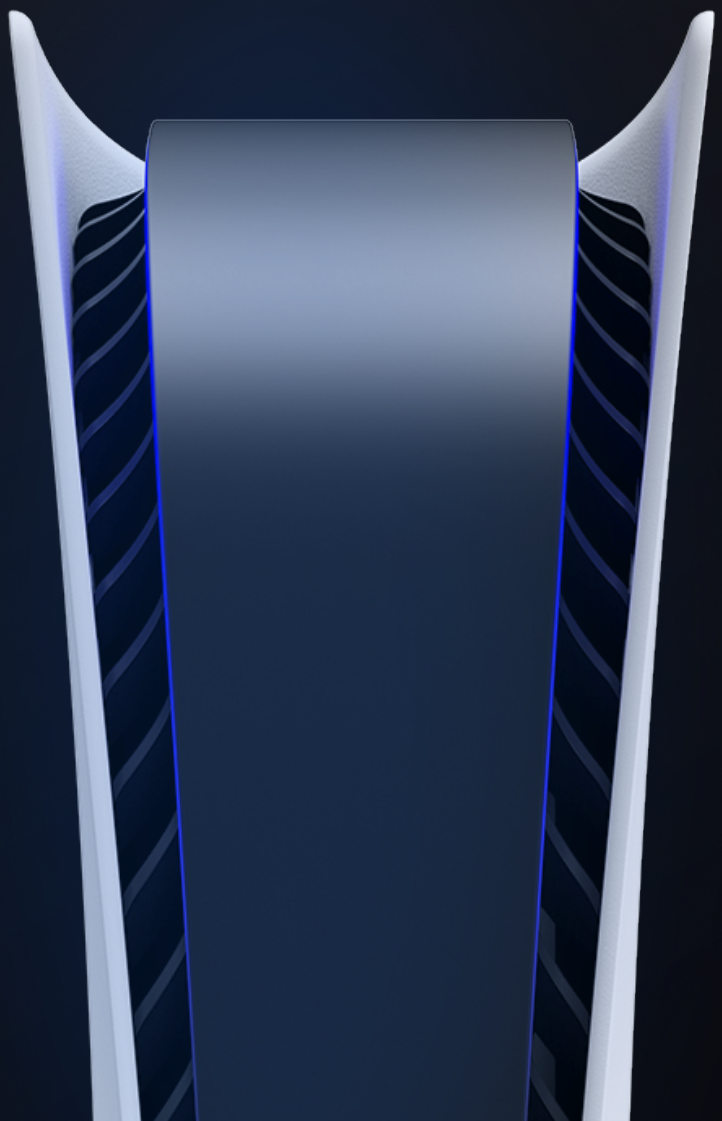
YURIY KOSHYK | MDCM 204 | 04/05/2022



Marketing Plan

SONY

SONY

Executive Summary

Sony is one of the most comprehensive entertainment companies in the world with a portfolio that includes electronics, music, movies, games and online businesses. With headquarters in Toronto, sales offices in Vancouver and Montreal and distribution centres in Coquitlam, British Columbia, and Whitby, Ontario, Sony Canada employees support a network of more than 500 authorized dealers and a number of Sony retail locations across Canada.

PlayStation is a Japanese video game brand produced by Sony Interactive Entertainment, a division of the Sony Corporation. The PlayStation video game console is the most widely known product under the PlayStation umbrella, with the first PlayStation console released in Japan in December 1994, and worldwide the following year. Since then, Sony has released a further four video game consoles - PlayStation 2, PlayStation 3, PlayStation 4, and the PlayStation 5 that was released in November 2020. Sony has also released two handheld video game consoles: the PlayStation Portable and the PlayStation Vita.

SONY

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Competitive Landscape

For years, the battle between Sony and Microsoft (PlayStation and Xbox respectively) has been pretty much a two-horse race. That dates all the way back to the year 2001, the year the first Xbox was released.

However, the PlayStation has a little more history than that. It was first released all the way back in 1994, and to some people, those seven years of history give it a bit of an edge. It tends to set the pace in the race a lot of the time.

Back in January, Nintendo announced that it won't be releasing any new hardware in 2020.

The company already built on the massive success of the Nintendo Switch with the release of its cheaper counterpart last year, the Switch Lite.

Additionally, the Switch's software lineup continues to excite gamers, with upcoming games from beloved series like Zelda.

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Business Enviroment

The video game sector is immensely large. In fact, it is larger than the movie and music industries combined, and it is only growing. Though it doesn't get the same attention that the movie and music industry does, there are over two billion gamers across the world. That is 26% of the world's population.

It's no surprise that companies want a piece of the pie. In 2020, the gaming industry generated $155 billion in revenue, By 2025, analysts predict the industry will generate more than $260 billion in revenue.1 As such, tech companies are looking to get involved in this revenue stream. Tech giants such as Google (GOOGL), Meta (FB), formerly Facebook, and Apple (AAPL), have all made plans to enter the video game industry.

Virtual reality is here. Oculus VR, a subsidiary of Meta, is working hard on improving the quality of the virtual reality headsets it has already released. Oculus VR was purchased by Meta in 2014 for $2 billion.3 The Oculus Quest 2 is Meta's latest offering of the product.

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Brand Persona

Robb Miller

The Kid on Vacation

Age:	12
Gender:	Male
Occupation:	Student
Status:	Living with parents and younger sister
Education:	Middle School
Income:	$20/week

Carefree, Energetic, Impatient

Technology Expertise

Internet

Mobile Apps

Playstation Console

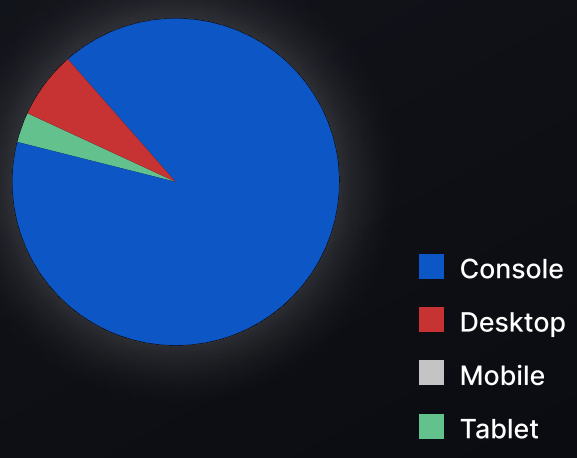
Social Networks

Goals

- Get good discount on products
- Purchase products with gift cards
- Browse and buy quickly, since he has a short attention span
- View plenty of images and videos, as Robb relies on these more than text

Frustrations

- Discounts are not always displayed clearly in the grid, making it confusing
- Forgets what games he wants as gifts
- Wastes time clicking on products that he is not old enough to buy
- Repeatedly has to check what's on sale



Sony's Products

Sony has products in the consumer electronics, gaming, entertainment and financial services markets. However, the company uses a different categorization to properly group its various products. This element of the marketing mix is called the product mix, which identifies the firm's products or organizational outputs. The following are the main product lines in Sony product mix:

- Mobile communications
- Game and network services
- Imaging products and solutions
- Home entertainment and sound
- Devices
- Pictures
- Music
- Financial services
- Others

Place/Distribution

Sony employs a variety of places for delivering its products to target customers. This element of the marketing mix identifies the places or venues that the firm uses to transact with customers, to distribute and deliver products, or to allow customers to access the products. Sony uses the following places or venues:

- Sony Stores
- Authorized sellers
- Cinemas and media networks
- Official websites

Sony's Promotion

Sony promotes its products in a variety of ways and forms. This element of the marketing mix identifies the promotional mix or the methods that the firm uses to communicate with its target customers. The following promotion methods are used in Sony's business:

- Advertising (most significant)
- Public relations
- Direct marketing
- Sales promotion
- Personal selling

Prices and Pricing Strategy

Sony is known for high quality products. However, these products are typically sold at relatively high prices. This element of the marketing mix determines how the company sets its prices. Sony applies the following pricing strategies:

- Premium pricing strategy
- Market-oriented pricing
- Value-based pricing

Generic Strategy (Porter's Model)

Sony Corporation uses differentiation as its generic strategy for competitive advantage. Differentiation involves products that are unique in comparison to other products in the market. In applying this generic strategy, Sony integrates features that make its products attractive and profitable. For example, novelty and uniqueness were among the factors that lead to the success of the PlayStation. In using the differentiation generic strategy, Sony must continue innovating novel product features to maintain competitive advantage against competitors like Nintendo.

Intensive Strategies (Intensive Growth Strategies)

Market Penetration (Primary). Sony Corporation's primary intensive growth strategy is market penetration. This intensive strategy aims to grow the business by increasing sales in markets where the company currently operates.

Product Development (Secondary). Product development is applied as a secondary intensive strategy to grow Sony's business. In this intensive growth strategy, the goal is to develop products better than the competition.

Market Development. Sony Corporation uses market development as a supporting intensive growth strategy. The company grows by entering new markets or market segments in implementing this intensive strategy.

Diversification. Diversification is the least significant among Sony's intensive growth strategies. Growth through new business development is the goal of this intensive strategy.

Indirect Place (Channel) Strategy

The following is the distribution strategy in the PlayStation marketing mix:

The PlayStation, being a Sony product, is available worldwide. Its products are sold mainly in regular Sony stores, which also serve as support and customer service centers. These stores also stock other Sony products that match the PlayStation brand. The PlayStation can also be purchased from online e-commerce platforms. In cooperation with the best e-commerce platforms, PlayStation products are sold on Amazon, eBay, Flipkart, etc. But, since the discount range of online stores and Sony stores does not differ much. Therefore, customers usually buy PlayStation in Sony stores. Electronics retail stores are also giving way to Sony products, especially the PlayStation.

As part of their PlayStation 5 marketing campaign, Sony have taken over some of London's most iconic Underground stops and transformed them into PlayStation symbols.

Sony have branched out with their marketing this year in an attempt to tap into all different sectors of society. Their collaboration with Travis Scott on a new set of Cactus Jack x PlayStation Nike Dunks probably wasn't what PlayStation fans quite expected the ad campaign for the newest console to look like, but it certainly generated a lot of hype.

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