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| ¡NNOVATE! |
| Marketing Plan |
| ¡NGENIOUS Designs! |
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# EXECUTIVE SUMMARY

The ¡NNOVATE! mission is to become *THE* name in computing services. We aim to provide the most advanced, versatile, and reliable computing solutions in the marketplace, and become the preferred choice for consumers. Our flagship brand, the *iNGENIOUS*, is designed to fill the needs of the Workhorse, our largest and most competitive market segment. The focus of the *iNGENIOUs* brand is to be feature rich yet competitively affordable, making it the most appealing product offering on the market.

Complementing *iNGENIOUS*, we present our mobile version: the *Blade*. This compact and highly portable brand is presented to provide a more versatile option to the always on-the-go consumer, and is primarily marketed to the Traveler as we look to build our international reach. And finally, for the power-users, we have presented the *iNNOVATION*. This brand will offer professional grade computing power and software, rounding out the ¡NNOVATE! product family and present attractive options for the Innovator and Mercedes markets.

To introduce our brands on a global scale, ¡NNOVATE! has opened sales offices in the largest international markets across North America and Europe, with addition expansion targeted for the Asian Pacific. Our North American sales team is anchored in Los Angeles, with regional sales offices in Chicago and Toronto, Canada. International sales are currently based out of our London, England, location due to the favorable sales market, with a supporting satellite office in Paris, France. With further expansion in international markets, Tokyo will be our first regional office in the Asian Pacific.

To support of our primary sales and marketing strategies, a North American location was the most ideal location for our manufacturing plant and distribution center. The Mexico City site offered an abundant and affordable labor pool, while also presenting lower shipping costs to our primary markets. Reducing production costs continues to be a heavy focus as we aim to increase profit margins and offset the increased labor costs as we expand our industry.

As our business and industry evolve, market research and sales data will continuously be reviewed and analyzed by the executive team on a quarterly basis. By staying up to date with the current market trends, our team will remain in a position to stay ahead of industry developments and fluctuations in consumer needs. Our goal is to become, and remain, the industry leader in sales and service by providing the most advanced and innovative products available.

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# 1 ANALYSIS OF CURRENT MARKETING SITUATION

# 1.1 Market Segments

1. *Costcutter*

a. **Needs and wants**

Costcutters are frugal consumers who are looking to purchase an easy to use, no hassle computer at the lowest price available. These thrifty shoppers are looking for bargains and know where to find them! They need competent salespeople who can easily guide them through the setup process and want a computer that is not difficult to learn how to use. What good is a computer that you turn on and have to read a 50 page instruction manual in order to use? Product reliability is also important. They want their computer to be secure enough to give them peace of mind. They don’t want to have to wonder every two seconds if the computer is going to get hacked or go up in flames!

b. **Preferences**

Costcutters are not asking for a lot when it comes to features offered. They are looking for a computer that offers basic office applications. They wish to use this product to send and receive emails as well as take care of their business needs, all at a low cost. Over-priced, high tech computers will be sure to scare them away.

c. **Differences from other segments**

This segment is comprised of a combination of different markets. It is a large group of consumers who differ from other segments because they are extremely price sensitive. Costcutters are those who may be first-time users or those who may be computer literate but whose job may require them to use the product at a beginner level. Costcutters are on the low paying end of the market.

d. **Size of segment**

The costcutter segment is a large segment. In the fourth quarter, the costcutter segment accounted for 23 percent of sales done by Innovate! In the fifth quarter, we took a leap, gaining 28 percent of the market but fell a bit from then on. Since we decided to invest in new products and upgrades, the frugal costcutters were unable to keep up with our advances and price hikes.

e. **Trends**

Because they are so price sensitive, we may see a decrease in costcutter sales. Our firm believes in risk taking and want to invest in the best technology the market has to offer. This unfortunately does not fit with the costcutter way of thinking.

2. *Innovator*

a. **Needs and wants**

The innovator segment is looking for a computer to handle large computational problems (such as accounting, engineering and inventory management) that comes equipped with top notch technical graphics. They want the latest technology and, unlike the costcutter segment, are willing to pay for higher performance computers. They want to be able to work on multiple programs without having to worry about slow processing speeds. Our firm refuses to build the “little engine that can’t!” Speed, performance and reliability seem to be the key to pleasing this small segment.

b. **Preferences**

They are willing to pay a small premium for high performance. In looking at innovator sales, they are the second highest ranked segment when it comes to price they are willing to pay. If there’s a cheaply made product available on the market, they will have no problem looking the other way.

c. **Differences from other segments**

This segment is comprised of a small group of consumers. They differ from other segments because they are not afraid to pay more for what they want. Innovators are those whose job may require them to use the product at an intermediate to advanced level.

d. **Size of segment**

The innovator segment is a fairly small segment. In the fourth quarter, the innovator segment accounted for only 2 percent of sales done by Innovate! Since then, we have revamped our products, hoping to reel in the innovator segment. As of quarter 6, we gained 22 percent by doing so. More R&D is under wraps so we are in the process of creating even better products that appeal to their senses.

e. **Trends**

Because this segment is comprised of consumers who want the latest technology, we will have to focus on constantly improving our products in order to meet and exceed the segment’s expectations.

3. *Mercedes*

a. **Needs and wants**

The mercedes segment is looking for a top of the line computer to operate in a sophisticated workplace environment. These folks are not messing around when it comes to quality! They are interested in having a high performance computer that is able to handle large tasks such as engineering and manufacturing applications. Just like the Innovator segment, they want the latest technology and are willing to pay for it. When it comes to computing, the faster the better. This segment is considered to be the upper echelon and are willing to pay substantially more for a good quality computer.

b. **Preferences**

This group of experts is willing to pay a hefty premium for high performance technology. These customers mean business and have the cash to flash for the best products available.

c. **Differences from other segments**

This group of experts is not price sensitive and is in the high end of the market. They are willing to pay the most for a computer. These consumers carry platinum and the prestigious black cards and aren’t afraid to use them!

d. **Size of segment**

In the sixth quarter Innovate! took the mercedes segment by the hand in order to offer them a taste of the good life. We captured an average of 20 percent of the market without breaking a sweat.

e. **Trends**

Functionality as well as speed and high performance is extremely important. Much growth is expected once this segment is focused on more in the market. Our extensive R&D is sure to open their eyes to see what they have been missing.

4. *Workhorse*

a. **Needs and wants**

The workhorse segment is looking for a no hassle, easy to use computer that is offered at a moderate price. They want a computer for a variety of office workers to use. It should have substantial capability and flexibility, but does not have to be top of the line like the mercedes segment. This stylish group of individuals is looking for a machine that not only looks good but is easy to use. Style,to them, is more important than high performance.

b. **Preferences**

This group of savvy office workers is partial to the product’s ease of use. All they are asking for is a sleek design and protection from potential threats.

c. **Differences from other segments**

This group is more focused on having a stylish computer than the other segments. Although they are searching for a computer that looks good on their desk, they are also looking for a machine that is hassle and worry free.

d. **Size of segment**

The workhorse segment is the largest group of customers. In the fourth quarter, workhorse accounted for fifteen percent of sales by Innovate! Our numbers nearly doubled in the following quarter but declined a bit since then.

e. **Trends**

It seems as though this market segment has been the most competitive thus far. Each of its competitors has been out for a piece of the pie. With competition increasing, growth of sales are expected to skyrocket in future quarters.

5. *Traveler*

a. **Needs and wants**

The traveler segment wants a practical laptop that can be used on the road. This group is made up of customers who are executives and salespeople who travel often. They need to be able to connect to the office while on the road. A portable, lightweight computer that is easy on the eyes is ideal.

b. **Preferences**

This group of professionals is looking for moderate prices but may be willing to pay more for what they want. Portability is key. They do not want to carry around a heavy machine that is going to weight them down. They are always on the go and are looking to purchase from a firm who is willing to accommodate.

c. **Differences from other segments**

Travelers are the only consumers in the market looking to purchase a laptop as opposed to a desktop.

d. **Size of segment**

This segment seems to be fairly large and has been focused on by our firm as well as many of our competitors. With our ongoing R&D ventures and risk-taking, we are currently creating products to blow our competition out of the water!

e. **Trends**

The need for compact, lightweight computers is sure to increase in business as well as personal use. Since this is the only segment in search of laptops, the competition has been ruthless. The traveler segment is a hot target and our firm is locked and loaded!

# 1.2 Product Environment

In the third quarter, we introduced two brands into the market. iNGENIUS is a standard desktop with features that were created to appeal to the workhorse market segment. Blade is a multi-functional laptop that was designed with the traveler segment in mind. Because our advertising was more focused on the workhorse segment, we made more profit selling iNGENIUS than Blade. Needless to say these brands were not well received by our consumers in comparison to our competitors. Basically they were a bust! We decided the best thing to do is scrap these brands and create new ones to sell in the upcoming quarter.

We stepped it up a notch in the fourth quarter and created iNGENIUS TOO! and Blade !!. These products were upgraded versions of the ones that failed miserably. We paid more attention to what our target markets were saying they wanted and needed and worked them into our new design. Doing this seemed to increase our profits but still did not give us the outcome we wanted. In order to reach the penthouse in our office building, we need to not only create brands that appeal to our customers but also outsmart our competitors.

In the fifth quarter, we switched up our strategy and decided to not only focus on the workhorse and traveler segment but also on the innovator segment. We designed a bombshell and set it loose in the following quarter. That bombshell is named iNNOVATION! We finally blew the competition out of the water with our new and upgraded creations! All of our brands made headlines in the sixth quarter. But hold on, we can’t reach for the celebration drinks just yet. Our competition still upped the ante when R&D became available which means our work is never done. In the fifth quarter, we took a risk and invested in R&D in order to build the best machines on the market. This paid off nicely in the sixth quarter since our competition’s risk level isn’t as high as ours. We upgraded our three brands with the R&D we purchased and created monsters. iNNOVATION !!!, Blade !!! and iNGENIUS !!! all include upgraded Operating Systems. Blade !!! ,which is our laptop, received a long-life battery which is what was longed for by the traveler segment. More R&D investments in the hard drive is currently in the works.

We started selling our brands only in North America and then ventured off into Europe as well. Our brands are currently on the market in North America, Europe and Asia Pacific. According to the price judgment, all of our products prices fair well with what our consumers are willing to spend. Some of our competitors offer cheaper prices but with our extensive R&D I think our we have been putting our money where our mouth is.

The features both of our products contain are based on our target segments’ wants and needs. Our strategy was to compare their needs to their use patterns in order to design the ideal brand, while minimizing distribution costs at the same time. In order to take the marketplace by storm, we are forever investing in R&D in order to build the most desired machines available on the market. Look out world, here we come!

# 1.3 Competitive Environment

In manufacturing, we produce and supply product for the needs of consumers. In this step as we build a strong and durable house, it is necessary to create a blueprint that is specific to what we will do next. What does it mean to build a strong and durable house? It is to develop a strategy, a marketing strategy that allows us to steer our company activities in the right direction. We are now coping with many competitors, and the following analysis chart is provided to help identify which competitors affect most of our products:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | JARAS, Inc | Slim Tech. | Global Sys. Inc | Infinite ME |
| Strengths | --High capacity hard drive  --Security suit  --Expansion slot | --Professional operating system  --Ultra capacity hard drive  --Expansion slot  --Run fast | --High capacity hard drive  --Professional software | --Low Price |
| Weaknesses | --Basic edition  --Speed  --Small monitor  --Web design | --small monitor | --Speed  --No expansion slot  --No auto backup | --Hard drive  --Engineering  --Manufacturing |

**Figure 1.3 -- Strengths and Weaknesses**

This step is not only to assess the competitors’ strengths and weaknesses, but also valuable to recognize how threats and opportunities from competitors could affect on our company’s products.

Most of competitors focus on the features of products such as hardware and chipsets which make computer run faster. But no one takes a look at the “graphic adapter,” it is a potential for most computer hardware right now; because people today demand more from work and entertainment, regular hardwares are not enough, and we should build stronger in “graphic features”. The graphic feature is known as VGA, or Video Graphic Adapter. A computer with built-in VGA will work efficiency in heavy gaming (Video Games), Photo Graphic Design, Master CAM, and AutoCAD. If our product contains this feature, plus a strong chipset (CPU), that will help us win over our competitors in the marketplace. Consumers will appreciate us when we add this particular feature on their computers.

# 1.4 Distribution Environment

Currently, distribution situation looks very good and we have worked together to reach reach our sales goals. We are now manufacturing at our plant in Mexico which can easy to supplement products for the North America area. We might need to consider building a plant in the European area for convenience and reduction of costs in transportation, meaning in future we can expand our sales to others cities in Europe, so building a plant in Europe will be necessary.

The number of units sold in each channel seem to be slow still, and we will need to introduce motivational incentives to our salespeople to sell more products to raise revenues. We currently increased the number of salespeople from 10 to 15 people because of new branch openings in Europe. The sales staff in the Europe market is higher than in North America, and we will need to pay more attention in this potential area as we continue to create new strategies.

All products are being distributed the same as last quarter; at the end of quarterly. If we still have items left in warehouse inventory, then we can sell these items at low price and allow us to cut back the loss of business. Products that left over in the warehouse will tie up our company’s capital.

# 1.5 Macro Economic Environment

Our opening five quarters of business saw a steady increase of cash from stock investments to our executive team, resulting in four million dollars of start-up capital, as well as an additional five million dollars in venture capital from our firm’s investors. These funds provided the economic means for all initial market research, product development, and all manufacturing and sales facility costs and staffing needs.

The first year of business provided valuable baseline data in all facets of our industry. Forecasts based all previous business and projected industry trends will become increasingly more important as all future cash investments will be supported solely on earned revenues. Majority of all revenues will then be reinvested into our brands as we continue our research and development in product development and manufacturing improvements, as we do not expect to generate substantial profits until our third year of operation.

One of our largest roadblocks to improved economic performance continues to be our production capacity and change-over rates. While overhead costs are projected to decrease as production volumes increase, providing better utilization of our operating capacity, changeover rates will continue to create challenges work toward maximizing productivity. Significant financial investments are continuously being made each quarter to expand and improve all aspects of manufacturing, resulting in increased capacity volumes and faster change-overs, ultimately leading larger revenue and capital returns for our investors.

# 2. MARKETING OBJECTIVES

iNNOVATE has entered the international microcomputer business with one primary goal, providing a top notch, state of the art product that will satisfy our customer’s needs and wants. Ultimately, our products and our brand will enable us to delve into the market with a strong competitive advantage, as well as leading us to be an independent company, earning a significant amount of profit in order to keep the business alive and growing.

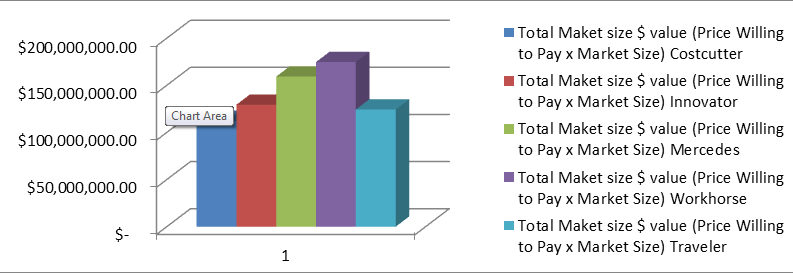
Within each business period, our team will be on track to accomplishing company goals by focusing greatly on our original top target markets, the workhorse and the traveler. In attempt for our additional products to appeal to the masses, Innovators were added to our target market in Quarter 7. The workhorse segment consists of the greatest amount of customers, office workers. The traveler segment consists of executives and salespeople, while the innovator segment is geared toward exactly that, innovators looking to expand their minds and come up with brand new ideas and products. Both markets are looking for a practical machine that meets their financial budget. iNNOVATE is currently focused on the larger and more competitive market segments, the largest and more expensive geographic markets, while minimizing distribution costs, and taking a more direct and aggressive competitive posture.

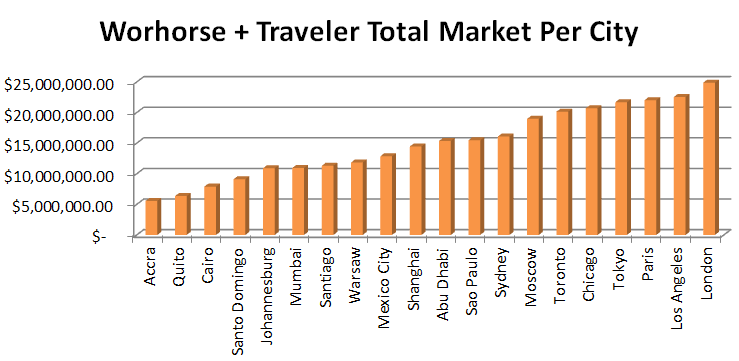
We are attentive to our customer's needs, as well as uses for our machines, but as a company we understand that needs and uses change. We consistently evaluate the global computer market and create and initiate ways to better our product offers to satisfy our users with the best technology to suit their work related and financial needs.

To strengthen the company itself, we have in place 5 knowledgeable, skilled salespeople, as well as 2 sales offices in Los Angeles, CA and overseas in London. We are also closely focused on our advertising campaigns in an effort to reach our target markets locally and globally.

# 3. MARKETING STRATEGIES

# 3.1 Target Market(s)

Selecting proper market took going through plenty of data quite a few graphs. Few of them will be shared momentarily. Within scope of our simulation, selecting proper target market really came down to a two-step process. First, we needed to select proper customer segment. Graph below clearly shows Workhorse as the leader.

Second step was to determine city with largest potential for selected customer segment.

Out of top 5 cities, 4 were located in 2 NORAM and EUROPE.

1) London

2) Los Angeles

3) Paris

4) Tokyo

5) Chicago

With that in mind we’ve targeted 2 of these geographical regions leaving APAC in mind for future expansions.

In fifth quarter when access to R&D became available, team set down and re-evaluated company strategy. At the time we felt like we understood and satisfied needs and wants of Workhorse and Traveler very well and it was time to move to other segments. Since no other segment had similar needs and wants of previously mentioned, we had to go back to the drawing board. Through evaluation of our strengths, weaknesses and current company standing, we felt that we could really succeed with Innovator segment. This segment required attention to details, ingenuity, great support and heavy investment in R&D. New products from R&D were necessary since there wasn’t a product on the market yet to really satisfy needs and wants of that segment.

# 3.2 Product Strategies

Our product strategies are focused on comparing the needs and wants of our target segments to their use patterns in order to design their ideal brand. Our goal is to do this while minimizing distribution costs at the same time. At the startup of our business, some of our brands were not well accepted by our target segments. Because of this, we opted to build new products that would appeal more to our customers. Upon creating these new brands, we compared, not only the customers wants and needs, but also the features offered by our competitors. Our firm also believes in taking risks. In order to make money, money must be spent. This has been seen by the extensive R&D investment risks we have been making throughout the simulation. Our product strategy relies heavily on this risk while never losing sight of what our customers really want and need.

# 3.3. Promotion Strategies

The key goals involved in promoting not only our products but our corporate image include presenting information to consumers in a way that will increase demand and differentiate iNNOVATE from our competition.

As an incentive to increase sales, opportunity for a rebate was presented in the ads for our original products, iNGENIUS and BLADE. As of quarter 7, we have provided a total of $201, 500 in rebates. With the revamping of our first 2 product lines (BLADE, iNGENIUS) and the addition of our newest product line, iNNOVATION, rebates will be included as a means of still offering our customers a discounted rate.r

Our company decided to market in two regions, NORAM and EUROPE. Los Angeles was decided unanimously as it is the third largest market for the workhorse segment and second largest for the travelers. The team thought it would be worthwhile to also promote and market our products in Europe. We began in London and expanded into Paris, as they are the first and second largest potential markets for the workhorse segment, and third and fifth largest for travelers, respectively.

In the initial quarters, our local media placement ran advertisements in LA and London. The team did not chose to use regional ad placements because we did not have multiple sales offices open in either region, we only had 1 per region. As the game progressed, we decided to invest our money into local regions where we opened multiple sales offices. We also expanded our advertisements to LA, London and Paris, which has proven to be successful in our profit endeavours.

# 3.3.1. Customer Service

Here are ¡NNOVATE!, we view customer service as integral part of our overall company focus as we look to lead the industry into the future of micro-computing. Entering into a new industry, we feel it is imperative to build not only a strong and long lasting brand, but also strong and long lasting relationships with our customer base. The relationships we build now cement our company reputation with the public in the future, establishing a level trust and confidence in our overall brand designs as the industry evolves and new products emerge.

These thoughts and ideals translate into following. Our customer services starts all the way from the factory. To make sure that customers that purchase our product will get consistent performance, all major components are been tested for defects and consistent quality. Any defective items are pulled from the line and corrected without ever leaving the factory. Every location has at least one engineer per 5 sales people. We found that this ratio most accurately takes care of customer’s technical requests without burdening the budget.

# *3.3.2. Advertising*

Advertising plays a key role in how well you are able to promote your company’s products, as well as vision for company as a whole. A successful ad can jumpstart your company and products reputation and is one of the most successful promotional tools if done correctly.

iNNOVATE has currently kept its advertising campaigns very close to the suggested budget of the marketplace in the beginning. This money has gone toward the physical advertisements, the point of purchase displays, and local media cost.

Our ad campaign known as “Start iNGENIUS,” which was set to promote our desktop aimed at the workhorse segment was the only advertisement between each competitive company to receive a good rating from International Advertising Federation. Because the ad was targeted to office workers, an image of office workers was selected as the background of the ad, with 3 of the program features based on costumers needs. Because the market was somewhat price conscious, a rebate was provided. This ad was rated well, but it left our company in 4th standing compared to competitors in terms of product sales and the product itself was considered below the minimum standards for workhorse customers. The team decided to scrap the remaining products and start fresh with a new and improved product. The ad campaign, known as “iNGENIUS v.2” focused more on the needs of the customers rather than the graphics of the ad. Each of their needs was listed in order to showcase that iNNOVATE is listening to their customers demands. With the rebranding of iNGENIUS, along came the advertisement “iNGENIUS v.3.” As suggested, we kept our benefits listed to a minimum and focused on the most important aspects. Luckilly, the ad was deemed acceptable for the Workhorse and Costcutter segments.

At this point in the 7th quarter, advertising to the travelers market by iNNOVATE and all of our competitors has been given a poor rating. Our ad campaign for our laptop known as “Switch Blade” was set to appeal to travelers based on its portability and applications. Unfortunately, deceptive advertising was used, as the ad said our product contained the largest data storage on the market. This was taken out after being deemed false. Our sales for Blade were not up to the standard and left iNNOVATE in 3rd place compared to competition. After our remaining inventory was scrapped, the advertising team focused greatly on revamping the product and the ad, but has still not been given an acceptable rating.

The third product line iNNOVATE introduced is known as iNNOVATION. Oddly enough, this advertisement was deemed acceptable for the workhorse segment, but not our target which was, of course, the innovators.

Though our ads have been shaky, they are improving with each quarter. We must be doing something right because our products have all been rated acceptable for each segment, whether it was the target segment or not.

# *3.3.3. Personal Selling*

Understanding customer needs is a key to creating the right product mix and strategy for sale. Creating new brand involves a lot of research of customer feedback and creating cost effective way of getting customers what they are asking for. After product has been developed and delivered to a store, it is a sales person job to understand which product fits customer needs best. That goal is achieved through hiring of talented staff and sales training.

Sales team at each location reflects company priorities, goals and current customer demand. Since our company is focusing on Workhorse, Travelers and Innovators markets, most of demand is driven these customers. Every location has different demand in these markets and therefore is evaluated case-by-case to get proper mix of employees. Most of locations have strong Workhorse sales and therefore have at least 2 employees that are trained in targeting that segment. At least one sales person is dedicated to support Workhorse and most location has at least one employee supporting Innovators. Since Innovators segment is significantly larger than Travelers, it is expected that number of sales people for that segment will grow over time. We realize that there are more segments out there and therefore we normally have one employee that has not been trained in any particular segment that is dedicating same sales efforts towards all of them.

As an additional assistance to main sales team each office has at least one support engineer to help customers with any technical issues or questions. Each support engineer supports no more than five sales people to avoid overload.

# *3.3.4. Sales Promotion*

Rebates and promotions can be highly effective tools to introduce into the market or increase the market share in the existing one. To create and maintain sales we’ve introduced rebate program. Rebate had to be large enough to spark customer curiosity, however, not large enough to give impression of fire sale and potentially scare customer off. Eventually it was determined that most effective rebates were between $100 and $150. Rebates within that range have been maintained on all products produced by the company throughout the length of simulation.

# 3.4. Distribution Strategies

**Market size**

- Focus on large, highly competitive segments.

**Geographic market**

Focus on largest geographic markets, even if they are more expensive.

Focus on geographic markets which minimize distribution costs.

**Competitive posture**

Build a market position and defend it.

Take the lead and keep it.

Be first to market.

Be the leader in all things.

Attack the competition on their home ground.

**Distinctive competencies**

Be the market share leader.

Be the technology leader.

Be the high service provider in the market.

Provide the most reliable product on the market

We are able to deal with large market and demographics that will help us achieve our goal more easily, and of course we have invested pretty heavily on it. In competitive posture, we should be early to market to obtain better market-share; when we are stronger financially, then as more competitors enter into the market we still be able to compete with them. New competitors entering the market can decrease sales prices, and in this point we have enough capital to attack them. Lastly is the distinctive competencies, in this case, we are always up-to-date in our new technologies to supply for the needs of our consumers. Moreover, we will focus on our highest level in customer service to satisfy our clients demand.

# 3.5. Pricing Strategies

As we made our entrance to the marketplace, initial startup costs and low production levels kept our unit production costs artificially high, making it impossible to base our pricing structure strictly on a simple price mark-up percentage. Instead, pricing strategies have heavily relied on our extensive marketing research across all targeted consumer bases to identify the ideal equilibrium price of our customer’s ideal brand. Rebates were also introduced to bring the retail prices below these targeted price points and encourage early adoption or our brands and our company.

# 4. Controls

The ¡NNOVATE! Executive Team relies heavily on the expertise and personal ownership of each divisional Vice President in the overall performance and direction of our company. At the beginning of each new quarter of our fiscal year, the executive board thoroughly reviews in-depth industry analysis encompassing customer segment breakdowns, sales and marketing performance, product reviews, inventory and manufacturing projections and company financial performance in preparation of the quarterly board meeting. Performance and strategy is then openly discussed to ensure each division remains on track with our core goals and values. Meetings are also held at the close of each quarter on an as needed basis to ensure all marketing, sales and productions plans have are in place remain on target.

Executive level meetings were highly essential in the early development periods as we formed our strategic goals and strategies, and developed our initial production brands. As early test market reports began to come in during our fourth quarter we discovered deficiencies between our brands and targeted customer base. These development issues were able to be quickly addressed and remedied through a collaborative effort of the executive board as a direct result of our communication plan, resulting in one of the highest rated family of production brands offered in the industry.