

# Marketing Plan Project

## Part I

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## **1. Executive Summary**

This marketing plan is for dealing with Olympus's product Tough TG-820. The product's segmentation is waterproof compact digital camera. The goal for this plan is to make TG-820 a de facto standard for underwater photography, and create a stable brand image of tough, safe, and secure with its reliability technology. The targets are people who enjoy the outdoors especially for scuba diving and snorkeling from beginners to advanced photographers.

## **2. Company Description**

Olympus Corporation started in 1919 as Takachiho Seisakusho. "Olympus" was named after "Mt. Olympus" in Greece to reflect its strong aspiration to create high quality, world famous products ([www.olympus-global.com/en/corc/history/story/about/name/](http://www.olympus-global.com/en/corc/history/story/about/name/)). It is a worldwide company in the area of medical systems including endoscopes, life science and industrial including microscopes, and imaging systems including cameras and digital audio recorders. Although best known for its cameras, the company is a world leader in endoscopes and other medical equipment. It has more than 70 percent share of the market in gastrointestinal endoscopes originally developed by the company in 1950 ([www.olympus-global.com/en/corc/history/story/endo/gastro/index.html](http://www.olympus-global.com/en/corc/history/story/endo/gastro/index.html)).

In the area of cameras, it introduced Olympus AF-1 which was the world's first weatherproof fully automatic compact camera in 1986 ([www.olympus-global.com/en/corc/history/camera/auto/](http://www.olympus-global.com/en/corc/history/camera/auto/)). Developing this technology, it has been a leading company of waterproof cameras.

## **3. Product Review**

Tough TG-820 is a really tough waterproof compact digital camera, published in March 2012. It withstands crushproof of up to 100kg, and waterproof of up to 10 meter deep, and 45 meter deep when the camera covers up with its waterproof case.

For more specific information, please see the Table2 below.

#### 4. Current Market Size and Share

Chart1: Market Share in Global Digital Camera Shipments in 2011

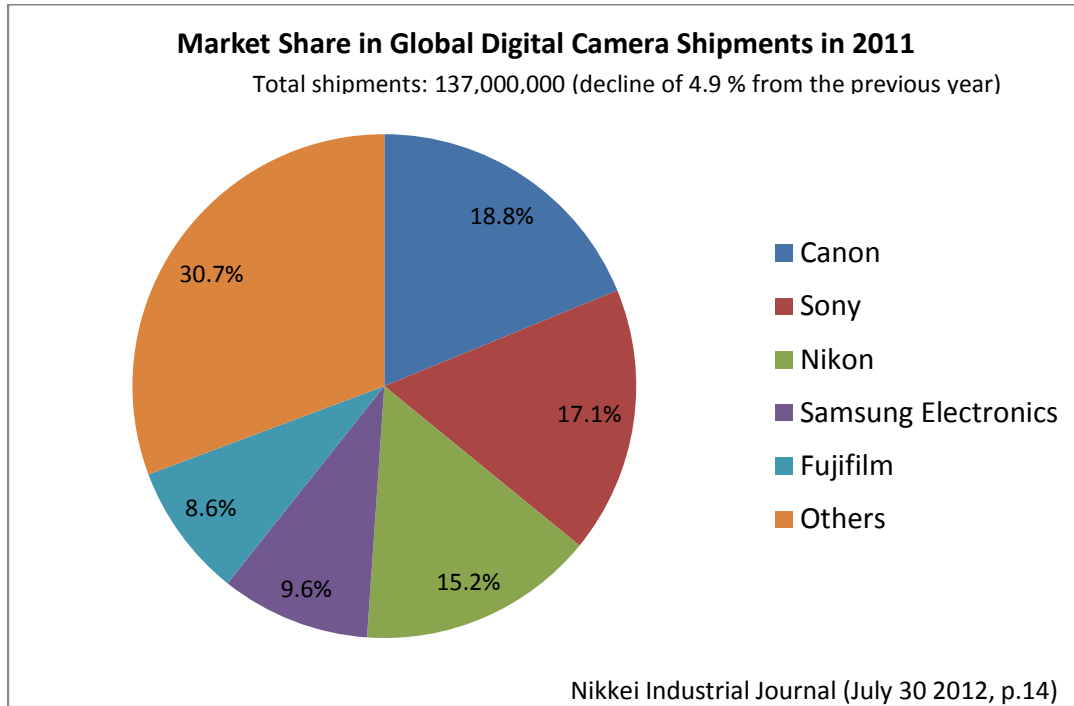


Chart2: Market Share in Japanese Digital Camera Shipments in 2011

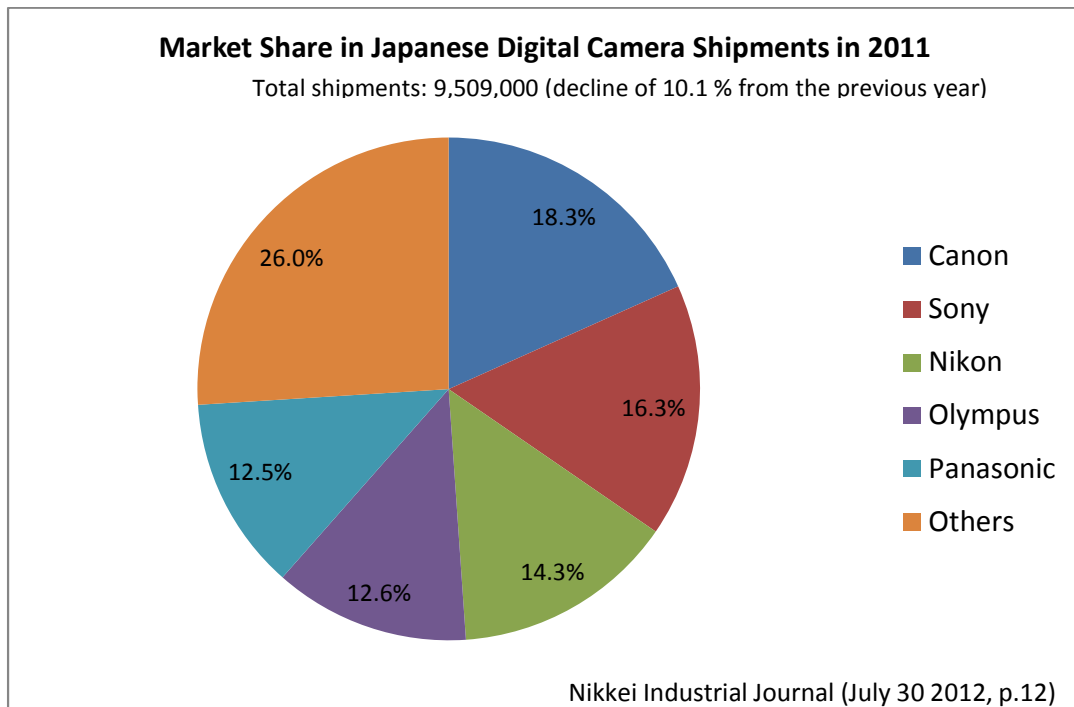
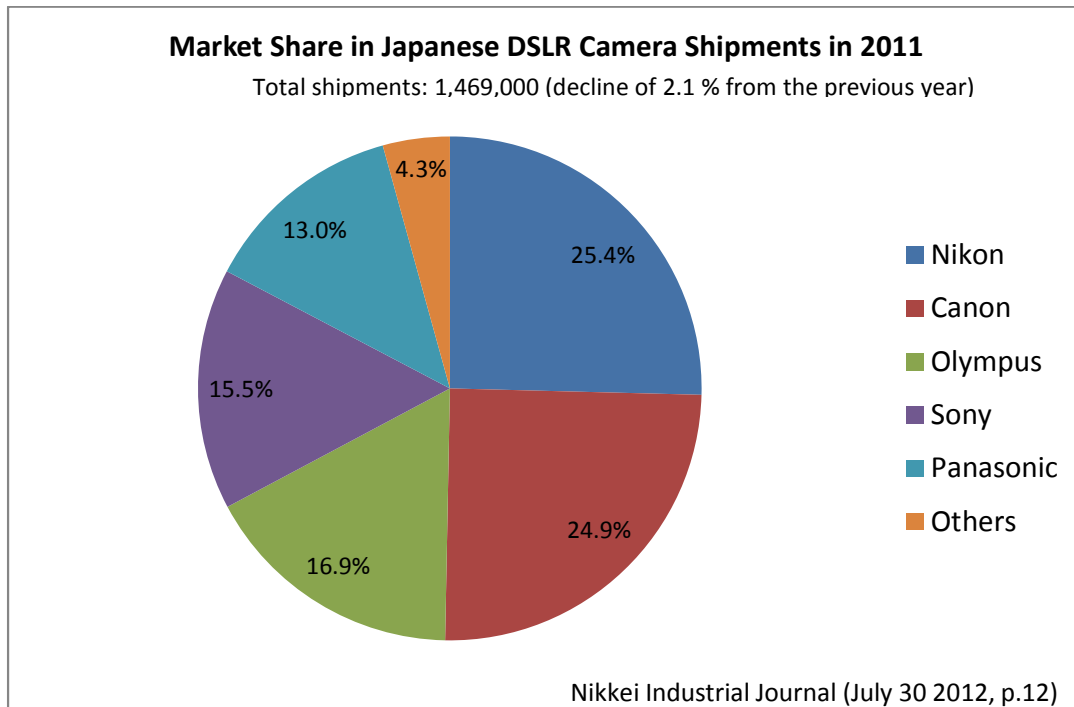


Chart3: Market Share in Japanese Digital Single Lens Reflex Camera Shipments in 2011



## 5. Competitive Analysis

Table1: Comparison with competitors

	Olympus	Canon	Sony	Nikon
<b>Market Position</b>	Strongest in global endoscope and digital audio recorder markets. Third strongest in Japanese DSLR market.	Strongest in global digital camera market. Second strongest in global bubble jet printer market.	Second strongest in global digital camera market. Strongest in global camcorder market.	Strongest in Japanese DSLR market. Second strongest in digital camera market.
<b>Capitals</b>	48,332 million yen (as of March 31 in 2012)	174,762 million yen (as of December in 2011)	630,921 million yen (as of March 31 in 2011)	65,475 million yen

Table2: Comparison with competitors' products (waterproof compact digital cameras)

	Olympus Tough TG-820	Canon PowerShot D20	Sony Cyber-shot DSC-TX20	Nikon COOLPIX AW100
<b>Performances</b>	12 megapixels 5x optical zoom 28 mm wide-angle lens	12.1 megapixels 5x optical zoom 28 mm wide-angle lens	16.2 megapixels 4x optical zoom 25 mm ultra wide-angle lens	16 megapixels 5x optical zoom 28 mm wide-angle lens
<b>Designs</b>	95x63x23 mm in size 206 grams 4 simple color variations; black, blue, red, and silver	112.3x70.8x28.0 mm in size 228 grams One featured design associated with the sea	95.9x56.2x17.9 mm in size 133 grams 5 stylish color variations; blue, green, pink, and orange	110.1x64.9x22.8 mm in size 178 grams 5 color variations; orange, black, camouflage, white, and blue
<b>Functions</b>	Crushproof to withstand 100kg Many shooting modes for underwater photography 3D image capture	Built-in GPS Many accessories for outdoors	3D still image and 3D sweep panorama Touch screen High quality video shooting function	Built-in GPS geotagging, electronic compass, world map Enabling one-hand gloved control No housing provided
<b>Prices</b>	\$299.99	\$349.99	\$329.99	\$299.45
<b>Compatibilities</b>	SD/SDHC/SDXC , Eye-Fi, USB, and Micro HDMI	SD/SDHC/SDXC, USB, and Mini HDMI	MS Duo, SD/SDHC/SDXC, Mini HDMI, and USB	SD/SDHC/SDXC and USB
<b>Guarantees (only in US)</b>	1 year limited warranty Support: email and telephone from 8:30 am to 7:00 pm	1 year limited warranty Support: email and telephone during regular business hours	1 year limited warranty Support: telephone and live chat	1 year limited warranty Additional 2 year warranty Support: online, email, and telephone from 8:00 am to 12:00 am for 7 days a week

## 6. Market Context Analysis

Chart4: Market Share in Global Cellphone Shipments in 2011

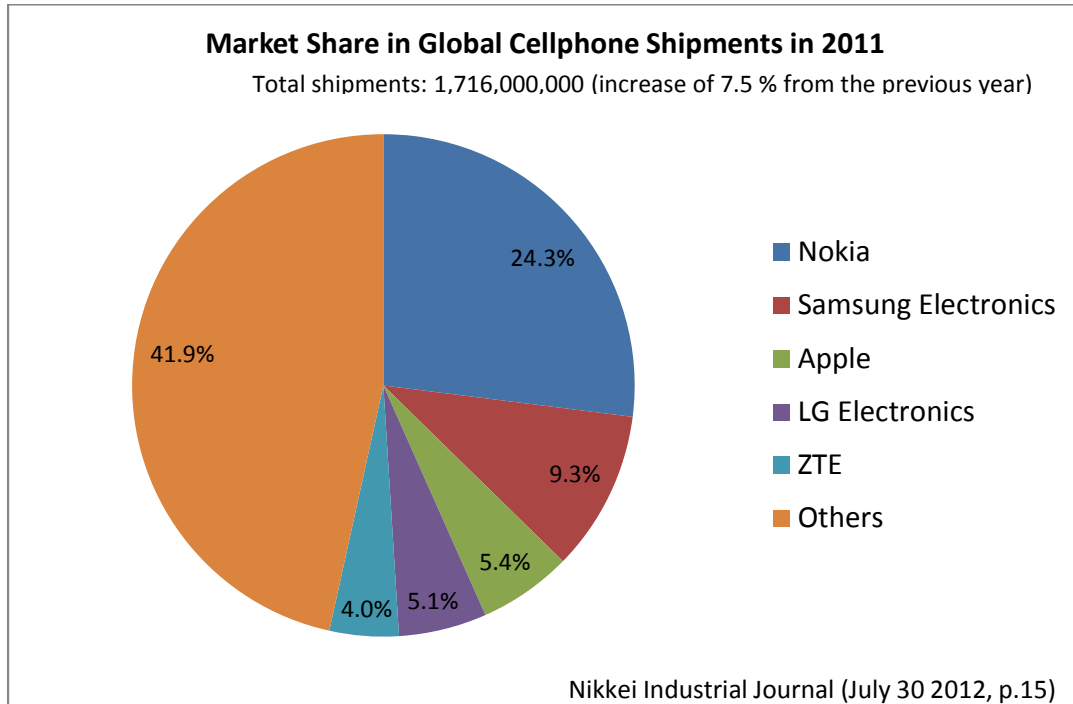
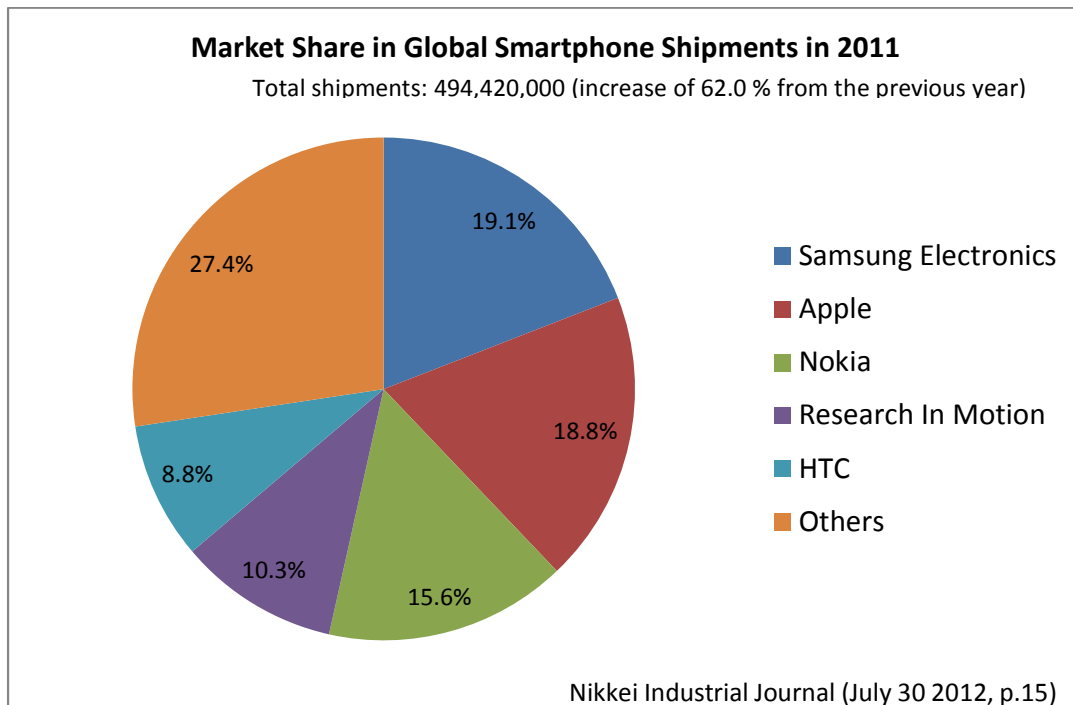
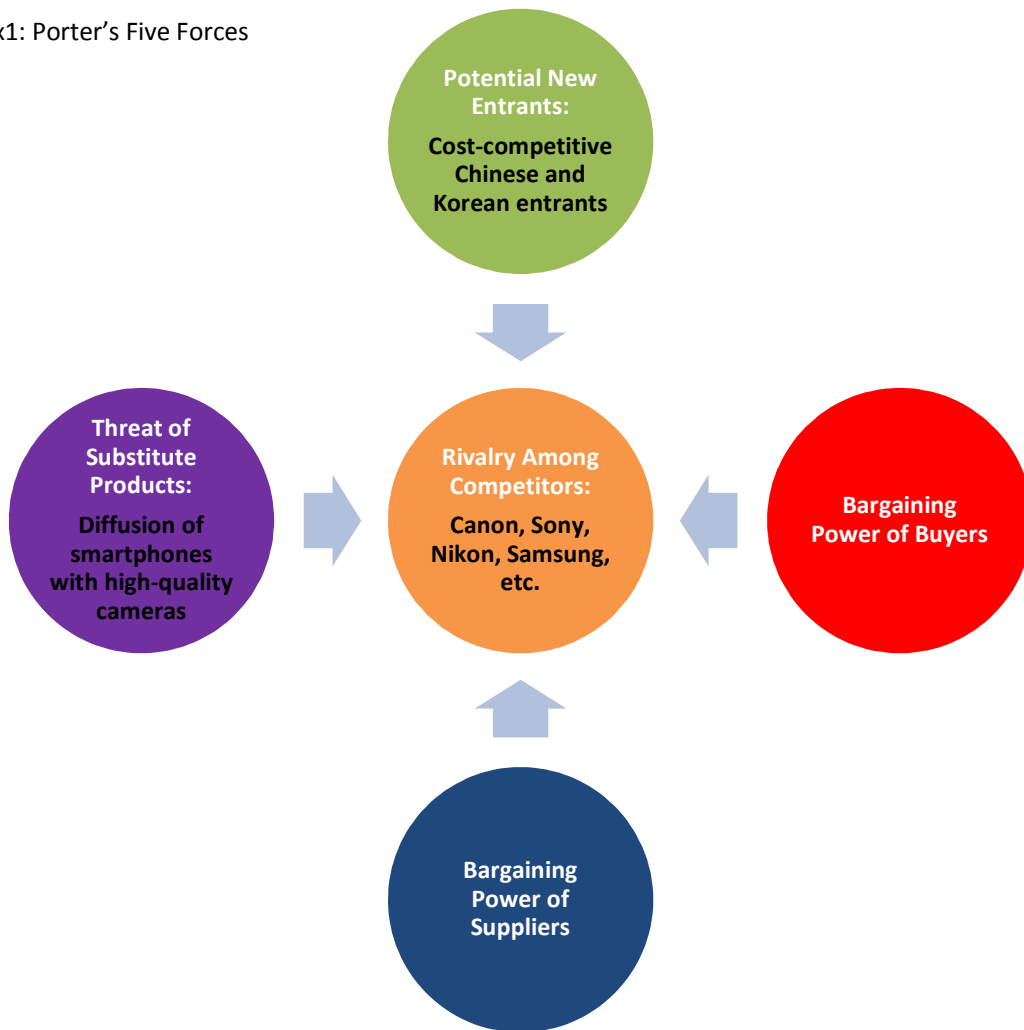


Chart5: Market Share in Global Smartphone Shipments in 2011



Matrix1: Porter's Five Forces



## 7. Distribution Review

Currently, Olympus's main sales channels of digital cameras are its online store by country and retail stores. It doesn't seem to have strong sales channels in the international markets.

As reported in the media, if Olympus achieves the alliance with Sony, which is the second largest digital camera maker, it could strengthen its international sales channels. In unprofitable compact digital camera section, Olympus perhaps becomes a parts supplier for Sony. In addition, since Sony's subsidiary provides Xperia series smartphones, Olympus can make camera-related apps and provide via app markets to promote its brand awareness to consumers.

On the other hand, Sony can enhance in mirror less DSLR cameras which Olympus leads.

## 8. SWOT Analysis



## 9. Conclusions

As shown by Chart4, Chart5, and Matrix1, in recent years, by rise of cost-competitive new entrants from emerging countries and rapid diffusion of cellphones equipped with high-quality cameras, many old camera makers including Olympus are decreasing their market share especially in low-end compact digital cameras. Actually, the total shipments of Japanese digital cameras are dropped 10.1% from the previous year as shown by Chart2. Therefore, the makers need to have cutting edge differentiating strategies that focus on high-end models or products for particular scenes.

By an alliance with Sony, Olympus can focus on more profitable and niche business, so that it has a great opportunity to attain the supremacy in digital camera market.



## 10. References from the Text

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