



Platypus Products Inc. The In-Ear Platyphones

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Executive Summary

This document will cover the product launch and consumer behavior patterns as they pertain to Platypus Products Inc.'s brand new product the In-Ear Platyphones. These are state of the art Bluetooth headphones to carry the above-average user into a new age of technology. The document consists of the product industry and environmental analysis, our ideal consumers' purchasing behaviors, product segmentation analysis, and our product's marketing mix package. Within the industry analysis, the products biggest competitors, and the external environmental factors will be thoroughly discussed. Within the consumer behavioral report, we will cover the type of decision our consumers will make as well as the internal, external and situational items that will influence their decision process. Within the target market and segmentation portion of the report, we will identify our target market and how to correctly market to them. Within the marketing mix, we will break down into four strategies including product, promotion, pricing and distribution. The report will be wrapped up with our sources.

Chapter One: Product and Industry Analysis

Product Chosen:

Product Description:

Our product is Bluetooth headphones. These headphones will be compatible with all Bluetooth devices. Our headphones are made of the highest quality of wireless Bluetooth headphone pieces. Our product includes memory foam gel earpieces to fit every customer's ears. The headphones also include small magnets inside to make sure the customer never loses the headphones in their daily clutter.

NAICS:

Bluetooth headphones did not have their own section on the database, so we did our research based on the headphones section of the site. The database defines the headphone industry as "This industry sells headphones through traditional brick-and-mortar outlets, online and by mail-order catalog. The industry excludes hearing aids, headphones packaged with other electronic devices, headphone rental and used headphones" (IBIS World).

Industry Share:

2016 the annual revenue of the headphone industry is \$3.2 billion This is a 5.5% growth from the previous year. The industry is expecting to continue growing with a \$4.3 revenue in 2022.

External Industry Analysis:

Competitors:

The headphone industry concentration is low. The industry leaders like Beats and Bose do not manufacture domestically. The barriers to enter this industry are medium and increasing. The competition levels are high and the industry is in the growth life cycle stage.

Bose:

Market Share: 22%

Positioning Strategy: High quality products. This reputation gives Bose pricing power.

Distributors must sell at or above set price. Company's brand is valued by keeping prices high.

Marketing Mix: Product= high end headphones. Place= sells online and at major retailers like Best Buy and Wal-Mart. Promotion= internet ads, artsy commercials, no sales promos. Price= \$150-\$200 for the same type of product we are selling.

Strengths: Known as a high-quality headphone in an industry where quality is very important.

Weaknesses: Does not manufacture on US soil. Could prevent people from buying.

Competing Products: SoundSport Pulse (\$199.95), SoundSport (\$149.95)

Beats:

Market Share: 61%

Positioning Strategy: Made for the use of listening to music primarily hip hop music. Seen as cool with celebrity spokesperson/owner Dr. Dre. Trying to broaden image to others, more of a younger crowd.

Marketing Mix: Product= Headphones made for hip-hop music. Promotion= runs Black Friday and Christmas shopping deals. Place= online sales and top retailers such as Best Buy and Wal-Mart.

Strengths: Well-known and popular among teenagers.

Weaknesses: Quality is not as good as it claims to be.

Competing Products: Powerbeats3 Wireless (\$199.95), BeatsX (\$149.95),

Political/Legal:

Some political and legal factors that will impact our brand will be the ethics behind creating a headphone jack less world, many believe this is unethical. This may close down other headphone companies as well. As far as legal issues we want to be Making sure our products are safe and are made safely as well is something very important. Some other legal issues may be copy writing our brand, making sure we are making a completely unique product to other companies with headphones. We also need to make sure we get the correct patents and other copywriting done correctly.

Sociocultural:

Consumer will need to have a reference group that is using our headphones or another high end brand. Once loyalty to our brand is established the user will show off this product to their friends and thus we will become a trend among higher spenders on staying up to date with new technology.

Technological:

The Bluetooth headphone is not an easy industry to enter. It usually requires ample manufacturing facilities, advanced machinery as well as a workforce with high skills.

Economic:

In most cases, wireless headphones are used as a set with automobile electronic products. Therefore, the economics of automobile electronic manufacturing industry is highly related with wireless headphones industry. The Automobile Electronics Manufacturing industry has swiftly recovered from the financial crisis since 2011 till this year. The industry was heavily devastated by the financial crisis, which has caused a large decrease demand of automobiles products. Additionally, the automobile electronics used inside them was influenced as well. On the other hand, the recovery of the industry's downstream markets has driven industry growth in the following years. As a result, industry revenue is expected to grow at an annualized rate of 9.7% over the five years to 2016. In 2016, industry revenue is forecast to grow 2.7% to \$26.5 billion.

Physical:

In the wake of strong industrial growth in China as well as India, a global surge in demand for commodities sent steel, copper, aluminum and oil prices to record highs in 2008. While the financial crisis led to a collapse in global demand for commodities, leading to a large drop in world prices in 2009, commodity prices rose again the following year and continued to remain high through most of the past five years. As a result, the headphone industry is highly affected by this because of the rising price of raw materials including steel, copper, aluminum... Therefore, the margin of headphones will increase along with the increasing price of raw materials. The final price of the headphone is affected as well.

Chapter Two: Consumer Behavior Theory

Consumer Decision Making Process for Headphones:

The consumer decision process here will be a limited decision. This means that the problem recognition will be generic, there will be a limited external search, there will be few attributes, alternatives, and rules when evaluating the alternative products, and after the purchase there will likely be no dissonance and a limited evaluation.

Potential Problems: Consumer's current headphones broke, bought an iPhone 7 or another electronic that does not have a headphone jack, not satisfied with current headphones due to lack of comfort, lack of style or lack of quality.

Information Search: Consumers search online to find closest to what the consumer needs, try out products in store to hear differences in quality, search online to see what different types offer you, ask peers what headphones they use and how they like them. Consumers will spend more time here as this will be a bigger purchase decision. This decision will involve a limited search.

Evaluation and Selection: Consumer will come to a conclusion based on the information gathered.

Outlet Selection and Purchase: Consumer will likely go online or to a known electronics retailer like Best Buy. They would not purchase these high end headphones at Wal-Mart or Target.

External Consumer Influences:

Culture: Consumers who will purchase these headphones will come from an average American culture. Culture will not influence our product, as we will have actors from all nationalities.

Sub-culture: Buyers must belong to a sub-culture that new technology is important to.

Demographics: Demographics will come into play as to who will be buying. The largest purchasers of headphone are aged 35-54. These individuals are employed with a steady income and are staying up to date with technological changes.

Socioeconomic Status: Buyers of our headphones will be upper-middle class and up since these will be price positioned higher.

Reference Groups: Reference groups will influence consumers greatly since headphones are very widely seen in public use and can help show status if they are a high end product like ours.

Family: Family will come into play as our main purchasing age group are 35-54 year olds. These consumers are likely to have children and teenagers in their family purchasing unit. And children will more likely want to be seen as cool by their reference groups.

Marketing Activities: Marketing activities will have an effect on sales of our headphones, sales during holiday shopping and eye catching feature centered ads will drive people to try out our hot new product technologically advanced product.

Internal Consumer Influences:

Perception: Consumer will have to have their attention caught in order to interpret our product. To gain attention, PPI will have to cut through clutter with their ads and brand image.

Learning: Consumer will need a high involvement to learn about our product as it is brand new. Once the brand is established, consumers can also learn using low-involvement learning.

Memory: As long as we get a positive reaction to our product launch we will have a positive brand image in the minds of consumers and we won't need to reposition our product in their memories.

Motives: Purchasing our headphone will likely be a manifest purchase motive, consumers will be aware of why they want our product because it will be brand new. Our headphones will also likely be an approach based motive as they don't help to avoid anything.

Personality: Our brand's personality will be cutting edge technology, comfortable and high end. Our persona would enjoy driving expensive cars, black coffee and working out.

Emotions: The stylish way we portray our products features will emotionally arouse our consumers need to be cool and have the best before others.

Attitudes: We will influence our consumers' attitudes by using value expressive and utilitarian ads. We will use our CEO as the spokesperson for the brand as she developed the headphones and has a vast knowledge of the technology and care that goes into every pair. These will set us with a positive attitude toward our product within our target market.

Situational Influences:

Communications: We will have to provide clear communications to our consumers in a very direct way in order for them to have their attention grabbed by our new product. A good communications situation would include them talking about it with their friends, and less clutter where ads are shown.

Purchase: The purchase of our product will take place online and in high end stores that the consumer will be in a comfortable setting ideally.

Usage: The product will be used over and over again, so there is many possibilities regarding a usage situation.

Disposition: The consumer will likely hold onto their old headphones if they still work, throw away if they don't or if they are really nice still the consumer may try to resell or donate them.

Chapter Three: Segmentation, Target Market, and Positioning Strategy

Possible Segmentations: We would divide our market to be geared toward an older demographic, based on our research the biggest portion that is buying headphones is the age group of 35-65. This is a great age group to target, because they are typically very well set in their careers at this point and making some of the best money of their life. They would be looking for a higher end electronic product based on that information. So we would segment it into those who are under 35 and those who are 35-55. We would want to serve a higher income group in addition to this, because our headphones will be a higher end product. So in the end we would divide our market by age and income to get the correct target market.

Given the resulting market segments, which will you choose to serve?:

Based on the data we collected we would aim some of our advertising to the older demographic being the age range of 35-65, but also do some marketing for the younger demographic, because a lot of the older generations spending is based on the younger generation. We would also serve a higher income community due to the higher price and higher quality of our product.

Chosen Target Market: We would aim our marketing more toward the older generation between the ages of 35 and 65, because they are the ones who spend the most amount on headphones, they are also who do the buying for younger generations as well. We would also aim our marketing and a higher income group that is in the annual household salary range of \$100,000-500,000.

Positioning Strategy Chosen for Target Market: A positioning strategy that makes the most sense would be to have our customers seeing us as a sort of designer brand of headphones. We want consumers to see our logo and instantly think of high quality material. Customers will connect with our brand and make it a part of their life when they know we are what we say we are and when they buy our product it is a high quality luxury brand. Over and above all we want to stand above our competition and be seen as the higher quality and overall better product.

Chapter Four: Marketing Mix Strategy

Product Strategy:

Detailed Product Description and Features:

Our product is a high end wireless headphone set that can be connected to their devices via Bluetooth technology that use only the highest and technically engineered products within. They will feature small magnets within so they will never be lost in your daily clutter and easily accessible at all times. The headphones will have a large range of Bluetooth; you can hook them up to your devices with ease. The ear pieces of the headphones will include a memory foam gel ear bud that helps the fit the headphones into the consumers' ears at the exact right spot. The gel foam ear pieces will also be water resistant in order to keep sweat out making our headphones great for working out. They will also be very stylish so they blend in with our consumers' day to day fashion.

Brand Name:

Platypus Products Inc.

Positioning Strategy:

We plan to position our headphones to be a higher end product that can withstand a lot of wear and tear. They will not only be very useful, but also stylish. This will make our product a little more expensive, but if a consumer wants a product that they can trust our product will be the best to fit their needs. This product will also be seen as a style icon for our consumers' contemporary style.

Product Design:

Our product will be designed with only the highest quality of wireless Bluetooth headphone pieces. All of the technology inside will be top of the line. In addition to the top shelf technology our product will include memory foam gel earpieces to fit every customer's ears. The headphones will also include small magnets inside to make sure the customer never loses the headphones in their daily clutter.

Sketches Product and Logo:



Promotion/Communications Strategy:

First Campaign Communications Mix:

Our product launch campaign will be heavily reliant (60%) on viral marketing in the form of social media video ads and teasers that will send consumers to our state of the art website. We will use large print ads (20%) that will paste around cities on buses and benches and other outdoor locations. These print ads will include QR codes to send consumers to the website again. We will also run modern-looking commercials on specialty channels (20%.) These commercials will feature the product's features in a trendy way.

Messages Conveyed:

The message we would like to convey is that our product has the best features and technology to put itself ahead of the competitors. By releasing this product at the same time as the iPhone 7, it shows that we understand the changing trends in headphones. Consumers are going to be going out of their way to find good Bluetooth headphones in the masses for the first time and we know with our specially crafted headphones they will want to give our first product a try and we will keep them coming back for more.

Creative Concept:

The creative plan for the Platyphones will be a cool color scheme utilizing a lot of blacks, grays, blues and purples with a few highlights of teal. The ads will be very product focused, using camera angles that enhance the attractiveness and useful qualities of the headphones. There will be internet images showing the CEO of PPI giving important specs and what sets them away from the competitors. Overall, the ads will be fresh and sleek.

Media Plan:

Online: Viral videos on Facebook, twitter and snapchat showcasing how cool/unique/techy the product is. Image ads with spokesperson and facts. 3D interactive videos to see exactly what the product is made of and how it is beneficial to the consumer. Website with very detailed descriptions of the product as well as many professional photos.

Print: Minimal design large outdoor print ads. Also in technology based magazines and high end lifestyle magazines. Use color scheme mentioned. Could also be translated to digital billboards. Print will include QR codes to access more information. This allows consumers to actively seek information and have high involvement learning.

TV: Short 30 second or less commercials will be filmed with cutting edge style camera angles that enhance the headphones technical details. Smooth male voice to say any written dialogue.



Ad Concepts (2):

Ad Concept One: Print Ad- Half Page Magazine

Ad Concept Two: 30 Second Commercial:

A black background with headphones in middle of the screen. There is a glow around the headphones to highlight them. The camera zooms in each nook and cranny of product while smooth deep voiced authoritative man tells about features. There is subtle techno music playing in background.

Pricing Strategy:

Base Price and Relative Price to Competitors:

Platypus is defined as a high-end headphone brand; therefore, the base price of Platypus Bluetooth headphones would be \$249.95 a pair. It is a reasonable price for high-end wireless headphones. In addition to this, it is a more affordable price comparing to either Bose or Beats. The wireless headphone from Bose is \$349.95 a pair, and Beats is \$299.95 according to their official websites.

Price Promotions (Coupons) (2):

This coupon is used for holiday occasion such as Christmas and New Year. This coupon is applicable to people who buy gifts for family or friends, mostly the potential customers would be people around or above middle age based on our research results. Therefore, the more traditional the coupon looks like the more attractive to our target market. Festive color such as red is widely used in the design. Also, snowflakes and Christmas tree creates a holiday atmosphere. Additionally, a bold font captures customers' attention immediately.



This is the second coupon we created. This is specific target to families that has teenagers or younger generations. Parents could buy one for themselves and buy a second pair for their kids, who really wants to have a pair of high-end headphones but cannot actually afford one. This coupon saves a lot if they buy two pairs at one time.



Distribution Strategy:

Internet:

Website Traffic Generation: We promote our product by placing advertisements on different kinds of websites based on the market we target at. For example, social media websites such as Facebook users especially middle age groups. They are the main consumers of high-end headphones according to our research. Facebook is different than other social medias such as Instagram, Facebook has a wider age range of users. Therefore, advertising on Facebook may attract more potential customers. In addition to this, making a funny video based on our product could generate website traffic as well, so more people would be aware of our brand. Creating our own headphone cultures by doing so.

General Website Design: Our brand image is high-end, sophisticated. For aligning with our brand image, our website design will be chic and simple. Main color would be black, white and blue. The simpler of the design, the better, the more classic, the better. Too much unnecessary website design would distract people's attention easily. The website provides our introduction of our company including history of our company. In addition to this, very specific and detailed introduction of our product is given as well. Also, we have online stores provided on our official website, so it would be more convenient for people to shop. Contact information, online shopping policies, frequently asked questions can also be found on our website easily through navigation bar.

Shipment Method:

Shipment methods are available in two options:

1. Next Business Day \$20 (Order by 5:30pm EST, Mon-Fri) Delivery Next Business Day, 9am-8pm
2. Standard \$0.00 (Order by 5:30pm EST, Mon-Fri) Delivery: within 3 business days, 9am-8pm

Retail:

Stores Sold in: Since our product image is defined as high-end and sophisticated. Therefore, our product will be available in stores such as Best Buy, Target instead of Wal-Mart or Shopko... The reason is that people would not go to places to buy things are not designed for certain markets, for instance, people would not look for high-end headphones in grocery stores. Additionally, we do have our own Platypus stores opened in malls, so people could buy directly from stores.

Sales Support: We do offer some in-store promotions such as bundles sale with smart phones. Customers are able to get \$20 off or even more based on the phone they bought. In addition to this, in-store audio experience is available to every customer. We have the real headphones models for customers to try it on, so they could experience and feel the product in a livelier way. This helps us to promote our products as well.

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