
**Integrated Marketing Communication
Plan for:**

Panasonic
The Viera Marathon Campaign

| Marketing Institute of Singapore - 63rd Intake |
| DSM 403 Strategic Marketing: Case Analysis & Decisions | 17 May 2010 |
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Company Overview

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Source: <http://panasonic.co.th/web/aboutpanasonic>

1.1 NATURE OF BUSINESS

Panasonic Corporation is one of the largest electronic product manufacturers in the world, it develops and manufactures a wide range of electronic products for consumer, business, and industrial needs. (1)

1.2 PANASONIC'S ORIGIN & BACKGROUND

Based in Osaka, Japan Panasonic has expanded to the Asia Pacific region; a long standing presence beginning from its first factory in Thailand in 1961. Over the years, Panasonic's operation has rapidly expanded in the region. The company recorded consolidated net sales of approx. US\$77.3 billion for the year ended March 31, 2009.

In 2006, Panasonic Management has been established as a Country Headquarter in Thailand. The establishment of HQ company aims to enhance competitiveness in the country to be a sub-regional Hub in Asia / Oceania region.

Brand Slogan

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Brand Promise

Panasonic generates ideas for life ...today and tomorrow.
Through innovative thinking, we are committed
to enriching people's lives around the world.

This global brand slogan for Panasonic represents our commitment in providing products and services based on ideas that will enrich lifestyles and assist the advancement of society. Our focus isn't just on products, it's also on ideas. Ideas that will enhance your life and broaden your horizons. (2)

1.3 PANASONIC'S POPULARITY

Fiscal 2009 Segment Overview for Digital AVC Networks Solution such as Plasma and LCD TVs recorded higher year-on-year sales as compared to the decrease in sales due to sluggish sales of digital cameras, audio equipment, car AVC equipment, mobile phones and other products.

VIERA TVs and VIERA Link Evolve

The latest VIERA TVs are packed full of new features that contribute to an even more enjoyable, comfortable, and secure life. In addition to a video-on-demand function, the latest models can be linked to sensor cameras, so that people can see what is happening inside and outside of their houses on screen. Panasonic has added other features such as automatic powering off of connected devices based on VIERA TV usage.

Flat-panel TV Sales Increased 1.3 Times, Rising to 10.05 Million Units

Panasonic posted steady sales growth on the seamless and vigorous promotion of both plasma and LCD TVs. Flat-panel TV sales increased 1.3 times, recording 10.05 million units as compared to the previous fiscal year.

In plasma TVs, the Company strengthened sales by launching full HD 46-inch model. The affordable price of HD models also drove high demand for these sets. Consequently, Panasonic remained the market share leader in many countries, exceeding unit sales in the previous fiscal year by more than 1.32 million units to reach 5.57 million units.

In LCD TVs, the Company delivered high picture quality and performance by incorporating IPS alpha panels, which demonstrate superior breadth of viewing angle and other outstanding properties. As a result, LCD TV unit sales climbed in excess of 1.22 million units year on year, recording 4.47 million units.

In fiscal 2010, Panasonic will continue to strengthen products like the Z series, which employs newly developed Neo PDP technology to achieve ultra-compact TVs approximately one-inch thick and less power consumption. The Company will also work to expand its sales channels. The sales target for plasma and LCD TVs combined is 15.5 million units, representing 50% growth year on year. (3)

1.4 PANASONIC'S KEY MILESTONE

Panasonic has set aside a marketing budget of Bt300 million to promote its 12 new Viera plasma & LCD TV models

The Nation Business, Published on July 1, 2008 (4)

They come with an Eco Mode, an automatic adjustment of TV brightness to ambient room light for gentle viewing and energy saving. They are also mercury- and lead-free. To emphasise these special features, the Panasonic Viera Marathon: The World's Longest TV Watching campaign was set up at CentralWorld last week, Hirotaka Murakami, CEO of Panasonic Group in Thailand, said yesterday.



World Consumer products: The TV arms race

Industry Briefing, 18 February 2010 (5)

Panasonic said it was introducing the world's first full high-Definition, 3D, television in April – for a surprising modest price.



Panasonic Plasma TVs now feature no-lead display panels, improved Phosphor performance, 7 November 2006 (6)

"Panasonic is committed to achieving a sustainable future through the development of environmentally conscious products," said David Thompson, Panasonic Corporation of North America's director of environmental affairs. "Now with this achievement, we believe that Panasonic plasma displays have outpaced our flat panel TV competitors in an important area of environmental performance."

Panasonic to Bring 103-Inch Diagonal Plasma TV to U.S. Market , 20 Jul 2006 (7)

"With the debut of our 103-inch model, Panasonic now offers customers the most robust and diverse range of High Definition Plasma displays," said Nelkin. "Panasonic's 103-inch display represents the pinnacle of our achievement to date and truly redefines the level of ultimate home entertainment available for the most demanding video connoisseur."

Panasonic to Sell 103-Inch Plasma TV, 20 April 2006 (8)




Panasonic will sell a flat-panel TV with a 103-inch screen by the end of the year, the company said Wednesday. Based on currently announced screens, the new television stands to be the world's largest flat-panel set.

Competitor's Analysis

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Competitor's Analysis

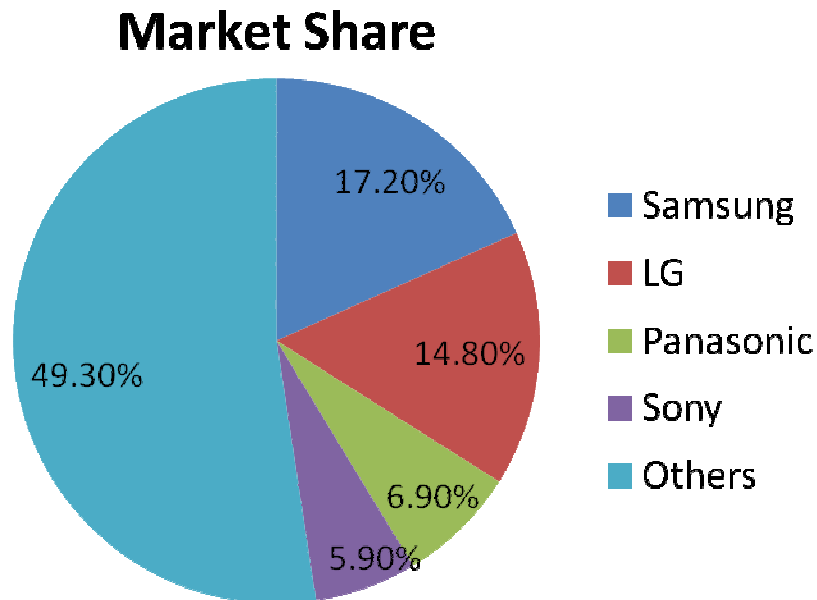
2.0 COMPETITIVE'S ANALYSIS (9)

Competitor	List of Products	Strengths	Weaknesses
	<ul style="list-style-type: none"> - Samsung LN-26A330 LCD HDTV \$315 - Samsung LN-40B550 40" LCD HDTV \$969 - Samsung LN-46B550 46" LCD HDTV \$1350 - Samsung UN55B8000AFXA 55" LED TV \$2999 	<ul style="list-style-type: none"> - Recognized as one of the fastest growing global brands. Today Samsung Group is the number one business group in South Korea edging out Hyundai Group. It is Samsung's electronics' arm that is perhaps most visible to the public with consumer products like flat-screen TVs, mobile phone. - Regarding plans for 2010, Samsung is committed to providing even more technologically-advanced products to the local market ranging from audio-visual to IT products. Additionally, the aim is to increase the brand awareness and strength as well as local product adoption. 	<ul style="list-style-type: none"> - Samsung does not use genuine Samsung panels in their TV's below the 600 series. Getting a quality Samsung panel is a crap shoot and noticeable. - Needs improvement in the audio
	<ul style="list-style-type: none"> - LG 32LH30 32-Inch 1080p LCD HDTV \$499 - LG PG20C 42 inch Plasma TV \$700-\$1034 - LG PG20C 50 inch Plasma TV \$1405 	<ul style="list-style-type: none"> - LG Electronics (LG) is spending £8m to reposition itself as a consumer friendly brand to secure a dominant 25% market share in the 3D market place in 2010 by using Twitter as social media strategy. - LGE has 36 research labs throughout the world. The company's strong focus on R&D has enabled the company to come out with innovative products. - Low Price. The company transformed itself from a maker of cheap home appliances and private label products to one of the world's leading premium electronics brands renowned for its cutting-edge technology. 	<ul style="list-style-type: none"> - Full HD image lacks a little sharpness - Contrast is also less impressive than on some rival sets
	<ul style="list-style-type: none"> - Sony Bravia KDL-40S5100/9 40" LCD HDTV \$900 - Sony Bravia W Series KDL46W5100 46" LCD HDTV \$1090 - Sony Bravia KDL-52XBR9 52" LCD HDTV \$2609 	<ul style="list-style-type: none"> - The phenomenal strength of the Sony brand worldwide is surely a testament to the company's reputation for producing innovative products of exceptional quality and value. - Sony's diverse range of businesses extends from electronics hardware including professional and consumer products to entertainment such as movies, music, and games, as well as network services such as PlayStation Network. 	<ul style="list-style-type: none"> - Sony is lagging behind some rivals - No built in amplifiers - Limited input selection - High price - Limited Availability

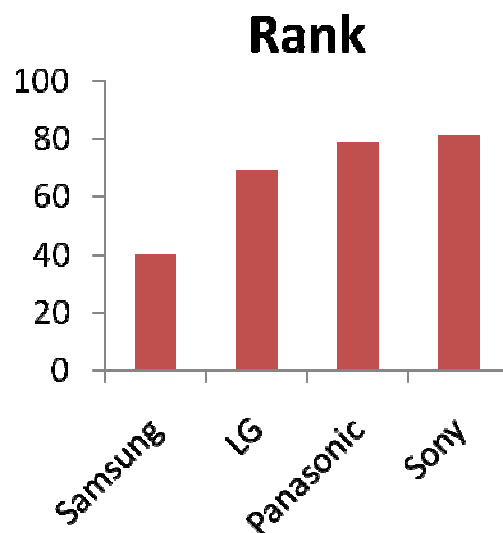
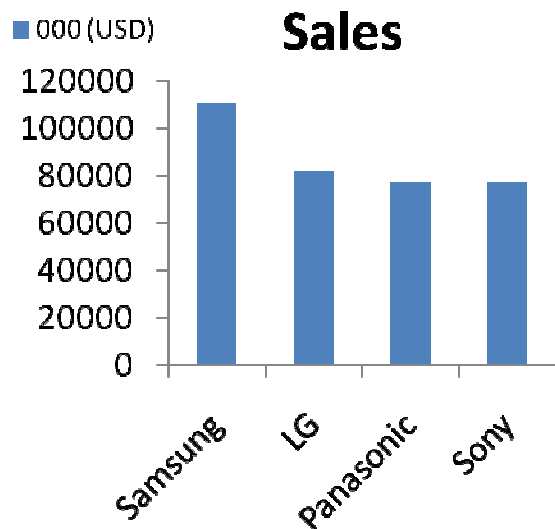
Competitor's Analysis

2.0 COMPETITIVE'S ANALYSIS

MARKET SHARE OF LCD/PLASMA TV IN 2009



RANKING OF THE THESE TOP FOUR COMPANIES IN THE TOP 100 COMPANIES IN TERM OF GROSS SALES OF IN 2009



Consumer's Analysis

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3.0 Consumer's Analysis

3.0 CONSUMER'S ANALYSIS

Buyer Behaviours	Description
Age	From 18-32 which fall under the Generation Y which are people born between 1977-1994
Gender	Male
Income bracket	Annual income between USD20,000 – USD30,000
Occupation	Holding executive/junior managerial position in both private and public sector
Consumer Vales	<ul style="list-style-type: none">▪ Pragmatic and hard working, with emphasis placed on independence and individuality▪ Ethnically more diverse than any previous generation, displaying a high degree of tolerance towards different cultures, lifestyles and behaviours▪ Economically more optimistic than previous generations, holding a positive outlook on their lives and their future as a result of growing up in a time of prosperity▪ Remarkably sophisticated consumers with a high level of brand awareness. Unlikely to be brand loyal as they are always looking for novel and innovative products.▪ Healthy spenders with significant discretionary income and important agents of purchasing influence▪ Comfortable operating in the world of fragmented media, particularly when it comes to latest technologies. Expected to be responsible for integrating the Net into everyday life. Also known as AORTA-always online and real-time available.▪ Understand that advertising exists to sell goods and services and are unlikely to response to “marketing hype”.

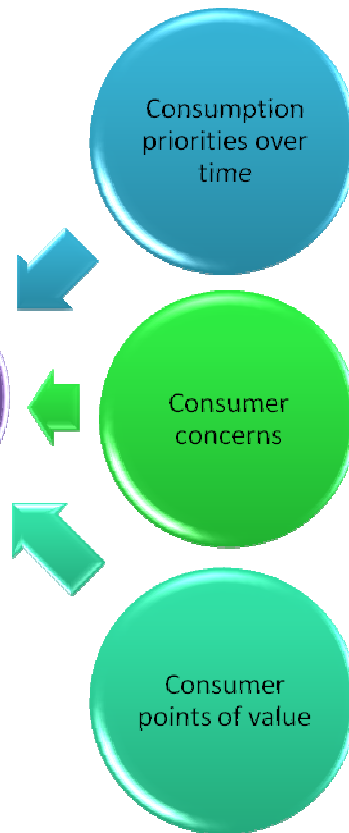
3.0 Consumer's Analysis

In order to define Generation Y as a group of consumers it is crucial to evaluate and understand the most important formative values and common experiences shaping Generation Y's beliefs and attitudes, and how the interplay between them translates into purchasing behaviour.

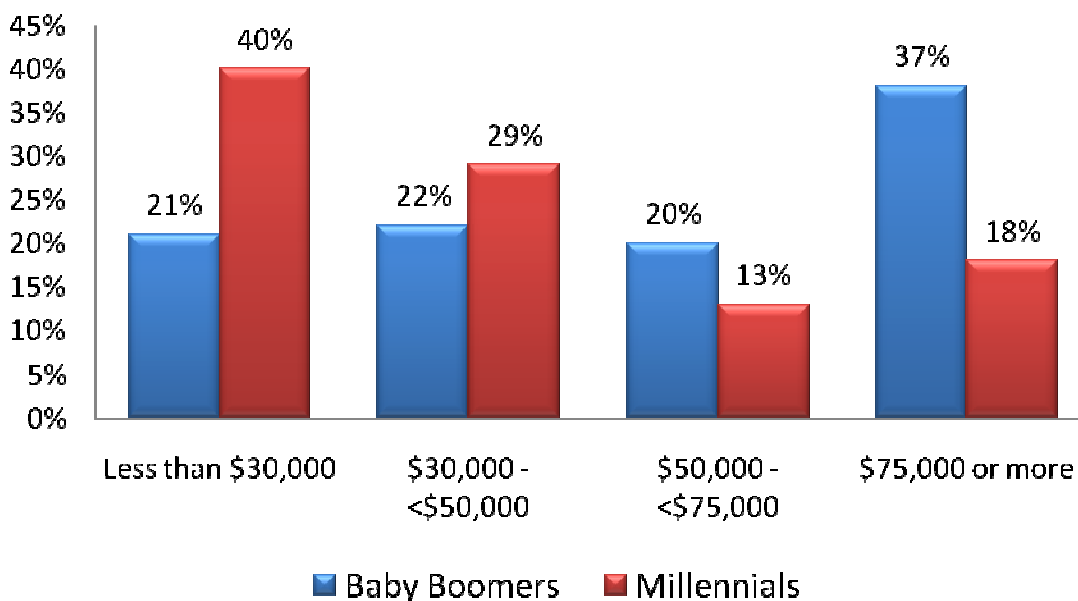
Formative Values



Consumer Experiences



Global Average Annual Incomes – Boomers vs. Generation Y



Product Background & Market Challenges

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4.0 Viera

Each high contrast and motion picture efficiency have been achieved with the Viera D Series.

4.1 PRODUCT BACKGROUND

Panasonic VIERA TVs combine high picture quality, smart networking, environmental friendliness, and stylish design. They also offer a wide product range and the ability to network with many other devices through features like VIERA Link, the VIERA Image Viewer, and VIERA CAST. (10)

PLASMA

- A new filter, improvements to the cell discharge area, and enhanced cell performance have greatly increased luminous efficiency to produce crisp blacks.
- 600Hz technology lets you view superb full-HD motion and still images.
- VIERA plasma TVs feature 1080 lines of moving picture resolution. You can enjoy clear, detailed images even in fast-moving scenes, with no blurring or afterimages.
- Plasma TVs are self-illuminating, images look beautiful from any angle. Black areas do not fade, and colours look virtually the same no matter where you sit.
- Enjoy naturally flowing 24p films and familiar TV-like quality. In plasma displays, increasing the number of frames creates smoother images. (11)



LCD

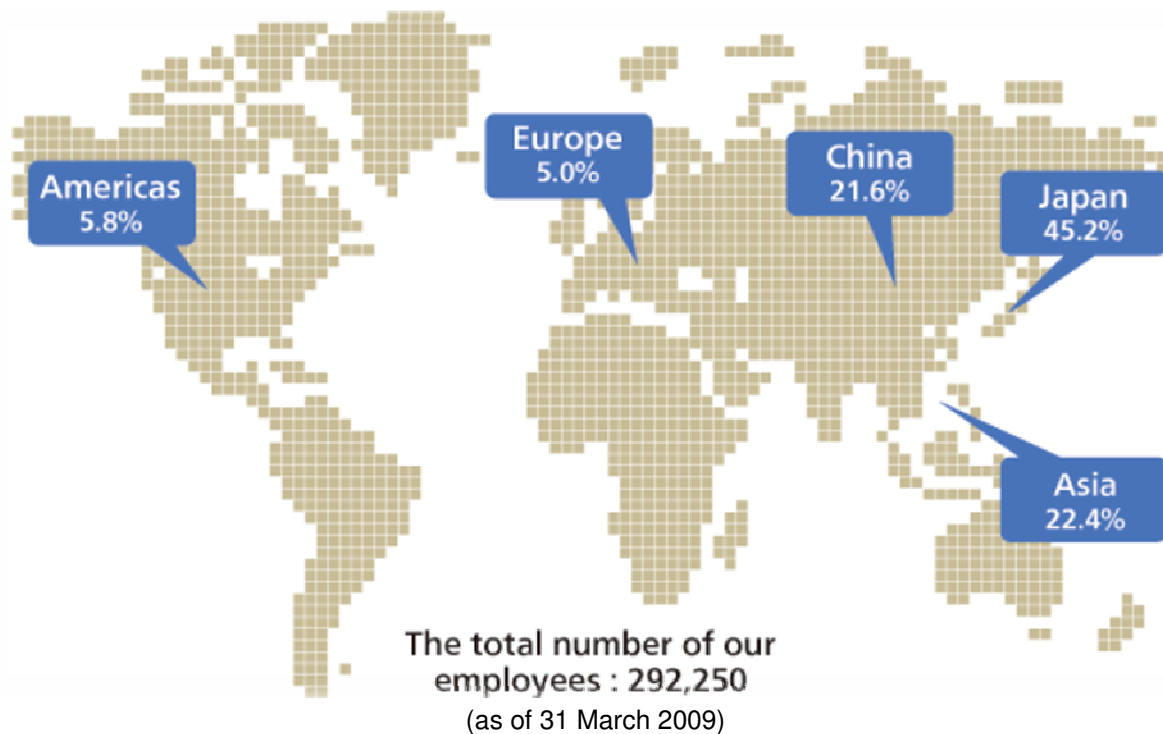


- Dynamic contrast 2,000,000:1 with IPS LED Technology.
- Even fast-moving scenes are displayed sharply and clearly. With a 50Hz video signal input, 100Hz Motion Picture Pro makes 100 frames/second from 50 frames/second.
- The wide 178°* viewing angle ensures clear images even when viewed from an angle.
- Naturally flowing 24p films and familiar TV-like quality produce smooth images that are faithful to the original.
- The speaker construction in the LCD D Series has been improved, resulting in the production of natural acoustics and rich bass sounds despite the slim design. (12)

Market Challenges

4.2 MARKET CHALLENGES

Percentage of Employees by region



Many Human Resources work together for production

The market for flat-screen televisions has become fiercely competitive. Certainly the market is a tough one at the moment. Philips has been struggling to make money out of its TV business for years, with continual rumours that it is preparing to exit the market entirely. Cost-cutting and a focus on margins finally nursed the TV business back into profit in 2009, but the scaling back continues as the company turns its attention to lighting and healthcare. Competition is also hurting well-established Japanese TV-makers like Panasonic and Sony. For years they have been losing out to cheaper, good quality competition from South Korea. Panasonic is now the world's third biggest TV-maker, with its compatriot Sony in fourth place. In the lead are two South Korean companies, Samsung and LG (Philips sold out of its LG joint ventures in 2008).

However, the Koreans themselves are under pressure from budget brands from China and elsewhere. In the third quarter of last year, for example, the biggest television maker Samsung grew revenues 5% year on year, but saw its market share tumble from 23.1% in the second quarter to 21.9%. Panasonic's sales fell by 5% year on year, and

Sony, the largest Japanese TV-maker, saw sales crumble by a third. Instead it is cutting costs and selling off non-core activities to concentrate on core activities including TV and green energy. Panasonic is trying to position and differentiate itself by introducing new technology, effectively moving itself up-market away from the cheaper competition. Panasonic Viera TV is trying to acclaim the strong product advantage of long period TV viewing without straining the eyes.

Although technology may give them an edge over cheaper competitors, the question is which technology. 3D is not the only contender here: LED backlighting, which uses less power and allows for thinner sets, will be fitted to 32m sets this year, up from 6m last year. Internet-enabled TVs are taking off fast, too, as people discover the joys of downloading video content from Amazon and YouTube.

The ultimate challenge in this industry is to produce highly competitive, superior quality, eco-friendly and energy saving products with strong safety and security features in this fast moving technology era market. Panasonic with its strong financial strength is moving towards this challenge by investing substantially on product research and development and having its presence globally with a strong workforce of almost 300,000 so as to maintain sustainable growth in this industry.

Campaign Objectives & Selling Idea

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Campaign Objectives

5.0 CAMPAIGN OBJECTIVES

An objective is the desired end of an action-what one expects to accomplish. (13. Parente, D, 2004). It is an effectiveness standard, provides for accountability and is usually long term and specific in nature. Setting objective serves to communicate to all those charged with the responsibility of achieving the objectives exactly what is expected of them.

Panasonic is adopting a quantifiable, behavioral and perceptual approach so as to achieve the following campaign objectives:

- To create customer awareness (top-of- mind brand) with respect to its new product launch namely Panasonic Viera TV
- To stimulate trial use of the new product so as to further establish on the strong product attribute of “watching long hour of TV without stressing the eye”.
- To switch consumers from competing brand and to increase sales of Panasonic Viera TV by at least 150%
- To influence the purchase intention for a brand and to establish, build, reinforce and intensify brand loyalty which is the most important aspects of managing brand equity.

Campaign Selling Idea

6.0 CAMPAIGN SELLING IDEA

Panasonic Viera provide effective care for your eyes – **REST YOUR EYES**

IMC Tools

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IMC Tools

7.0 IMC TOOLS

The rise in prominence of Integrated Marketing Communication (IMC) makes it essential that this evolving perspective on communication be understood in relation to the promotional process.

IMC can be defined as a new way of looking at the whole, where once we only saw parts such as advertising, public relations, sales promotion, purchasing, employee communications and so forth. It is realigning communications to look at it the customer sees it- a flow of information from indistinguishable source. It is the strategic co-ordination of the multiple communication voices and aim to optimize the impact of persuasive communication on both the consumer and non-consumer audiences by using the 4 “P” of marketing mix. (14. Semenik, R, J, 2002,)

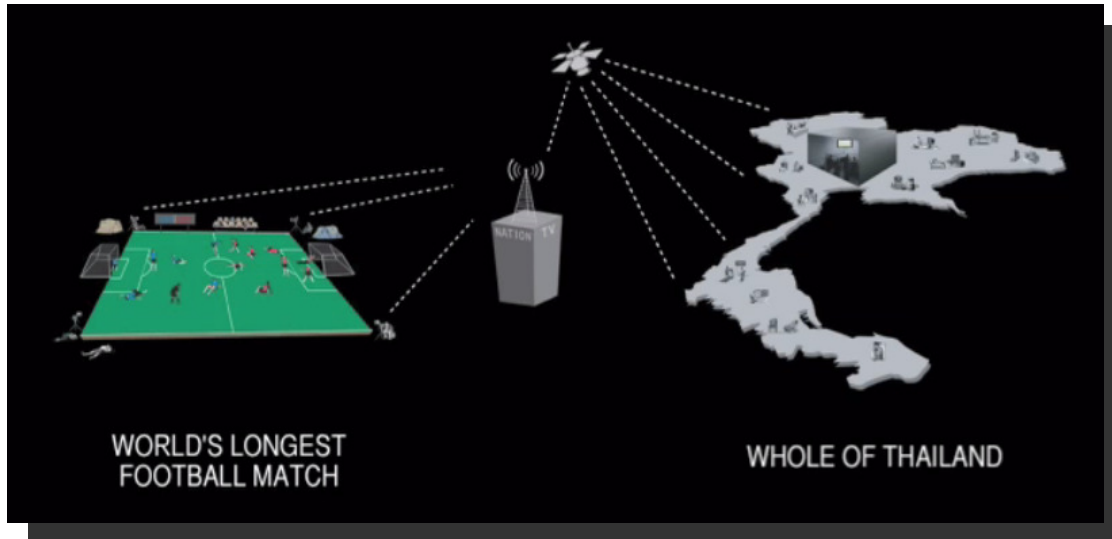
The Campaign

VIERA | MARATHON

The Campaign is to promote awareness that the new Panasonic Viera Television will be suitable for watching long hours without any strain or irritation for your eyes – **REST YOUR EYES.**

We have decided to use the following Integrated Communication Tools in its advertising and promotional tools, these include the following:





- **Television**

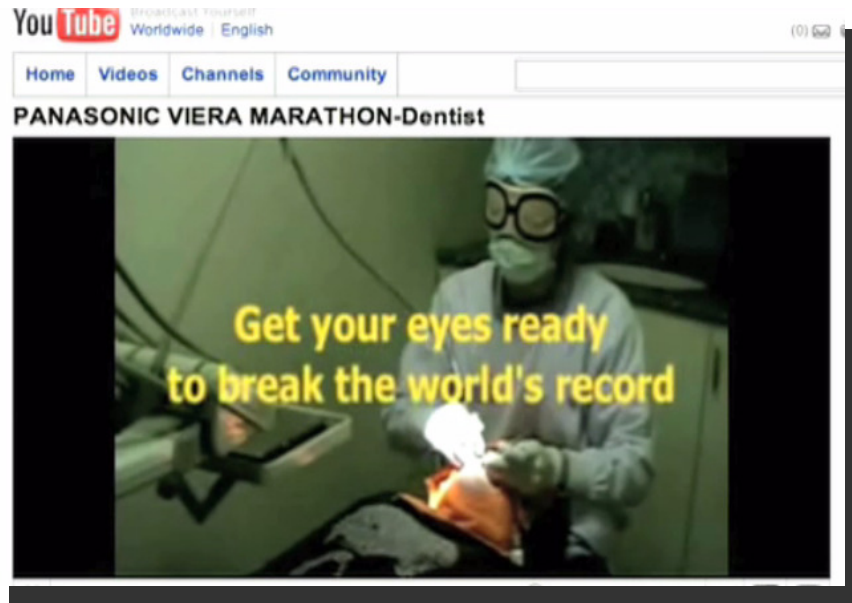
Broadcast media which include television and internet. Television still being ranked most popular in media selection with internet and social networking media coming in a strong second.

With the use of national television broadcasting, it will provide the most extensive coverage and the highest reach to the mass population. Television broadcasting will be the major advertisement in order to help us to announce to the mass population.

It provides an advantage of high intrusion value that will be able to capture a viewer's attention without intruding upon their voluntary attention. With the visual and sound incorporate in the TV programs, we can present persuasive messages to capture the attention of the viewers. We will use the help of the national news channels and talk shows to promote and create awareness of the event. The media message of "REST YOUR EYES" has been conveyed successfully using this IMC tool.

- **Newspapers, Posters, Websites, You Tube and Billboards**

Print Media like newspaper generally used as a supplement has reduced substantially on readership due to the influence of the internet and satellite TV. Its advantages are that the cost is low and advertising can be placed on very short notice.



Newspaper can be distributed daily, weekly or in advertising sections. It has a high level of credibility and readers rely on them for factual information. It will be easier for the people who might miss out the TV news programs or talk show. There will be stronger audience interest as newspaper readers usually take their time to read.

Outdoor Advertising which includes Billboard, Events and tradeshow is effective in product launch and specific promotional events. It offers simplicity, repetitiveness, retention and selective exposures.

Creativity is to put to use to achieve an objective or a desired response. The creative process may not be a scientific process, yet it aims at finding a solution to a problem.

Creativity is defined as the ability to produce useful ideas, originality, imagination, or the capacity of joining two or more elements to form a new unity or purpose. (15. Jain, J.N. 2007).

- **Event**

Panasonic in deciding on the new product launch of its Viera TV has been creative in using the television, internet and newspaper and events to bring to the consumers a marathon football game which could possibly last for more than 70 hours.

In conjunction with this football match, Panasonic also organizes an event to challenge the participants to break the world record time of viewing television with an attractive prize of 200,000 baht for the winner. With the use of satellite, the football match is to be broadcasted live in the whole of Thailand through one of the national TV stations which again capture the public perception of long periods of television viewing using the Panasonic Viera's technology is not straining for the eye.

The pre-event message is to be conveyed through internet, news broadcasting and newspapers to the public was to rest their eyes. This has created a strong message to the public that they are preparing to watch an important event on TV. The use of the game football in their advertising campaign is effective as it is one of the most popular sports in Thailand with strong viewership hence stimulates strong interest and participation from the public.

Football matches create enthusiasm, it is watched and enjoyed internationally. In order to demonstrate that Panasonic Viera will cause less irritation to the eyes, we will be organizing a Viera Marathon – A challenge to the whole of Thailand to break the World's Longest TV watching record. The challenge is for participants to watch football matches live continuously for 3 days (72 hours) non-stop using Panasonic Viera TV sets.

For the broadcasting of the 3 days live football matches, we will need to use TTV, which is the national TV station for Thailand.

IMC Tools

▪ Public Relations

We will have to set up a recruitment campaign to recruit footballers, referees, commentators and participants for the event. In order to do so, we will use the media like news channels, talk shows, mobile phone, posters, web videos (You Tube), websites, live stunts, microsites to TVCs to announce to the entire country to rest their eyes to get ready for the event.

- ✓ Launch Viera Eyecare Technology TV – Less eye irritation
- ✓ Events – World Longest Football Match in whole of Thailand : Viera marathon
- ✓ Challenge people to watch football match marathon for 3 days



Panasonic recognize the important product attribute so as to change the public's perception that watching long hour of television is not good for the eyes. Instead, it promote its product's unique selling point of caring for the eyes even with long hour television viewers through this campaign.

The overwhelming response and interest from the public lead to the successful organization and telecast of the football match and TV viewing contest simultaneously.

In using the concept of identifiable selling points, Panasonic is able to emphasize the quality of its TV in term of picture quality technology. The focus point of the advertisement is eye care technology and that the product protects the eye with less irritation even with long hour of watching TV.

Evaluation

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8.0 Evaluation

8.0 EVALUATION

Campaign Evaluation Methods

In an aggressively competitive market, an insightful evaluation can provide a company with an edge over its rival. It also gives business some means of control over the large sum of monies spent on marketing communications.

Panasonic used the metric method to evaluate the success of its campaign namely Metric Measurement which is defined as a unit of measurement can be used to evaluate the effectiveness of the campaign in the form what is the incremental impact on the sales, brand awareness level and product popularity in the market.

In this case the following results were achieved:

- ❖ **Reinforce strong consumers' brand awareness with 45 million viewership.**
- ❖ **Breaking 7 world records which further confirmed the effectiveness of eye care technology invented and used in Panasonic Viera TV.**
- ❖ **Media value achieved in terms of airtime - 4,320 minutes and \$20 million in value which have successfully transformed Panasonic's public image and brand name.**
- ❖ **The campaign expenditure incurred of USD57,000 has lead to the 250% increase in sales thus, revenue outweighing the cost. This has further proven the success of the campaign.**

8.0 Evaluation

THE RESULT :

45 million people watched the
World's Longest Football Match on TV

7 World Record breakers proved effectiveness of
Viera Eyecare Technology

Total spending = \$ 57,000 spent
Total media value = 4,320 mins airspace
= \$ 20 million

250% increase in sales,
causing Viera TVs to run out of stock.

Conclusion

The campaign objectives have been achieved successfully with excellent results and outweigh the cost invested in the campaign.

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