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Introduction

Growth and success that an organization attain is highly influenced by the integrated activities of different departments within the organisation. In the current era of globalisation, it is essential to have a collaborated actions to accomplish the goals set by the organisation. to attract customers and maintain a competitive value in the market, it is necessary from the side of the organisation to come up with effective and efficient strategies. In this study, that is intended in analysing the marketing activities of Sony, various aspects of marketing carried out by Sony will be evaluated. To have a better understanding of the marketing analysis of Sony, the report will include a background information that will discuss growth and success story of Sony. Additionally, a theoretical background will lay down a base for understanding the different marketing tools that are used for strategy analysis. In this report, the innovations and unique strategies and interventions adopted in its marketing and its impact in the customer segment and overall growth and success of Sony will be evaluated.

Background of Sony

Sony group of corporations, commonly known as Sony is a Japanese multinational corporation who is a technological giant. Sony corporations are one of the leading name in consumer electronics. Globally, Sony ranks second in the electronics sector. The company began as Tokyo Kogyo K.K ie, Tokyo Telecommunications engineering corporation in 1946, with a small capital amount of 1,90,000 yen and about 20 employees (McDermott et al., 2022). The purpose of setting up the company was identified to establish an ideal factory that stresses a spirit of freedom and an open mindedness that can contribute to the Japanese culture. The spirit of company to do what has never been done so far led to developing of Japan's first and worlds first products. Since Sony was established soon after the world war II there was a variety of goods developed by Sony. This included few of the goods such as transitor radio, CD player, VCD player, Trinitron television etc. later with the evolution of time, Sony was later focused on developing of products such as various audio and video products, television, personal computers, monitors and computer peripherals (Ollinyk et al., 2018). All these electronic segment brings about two thirds of the revenue generated by Sony. An evaluation of the overall revenue of the brand indicate that, 9% of the revenue is obtained through the sales of consoles and software. With the major investments and contribution to the field of games and music, the focus on music business is deriving 7 % of the overall revenue. Another major business segment of Sony is insurance, which generates 6% of the revenue (Sony and Aithal, 2020). Motion pictures and television business that includes Columbia TriStar studio is contributing to 7 % of total revenue generated by Sony. The overall operating revenue and sales share is given below

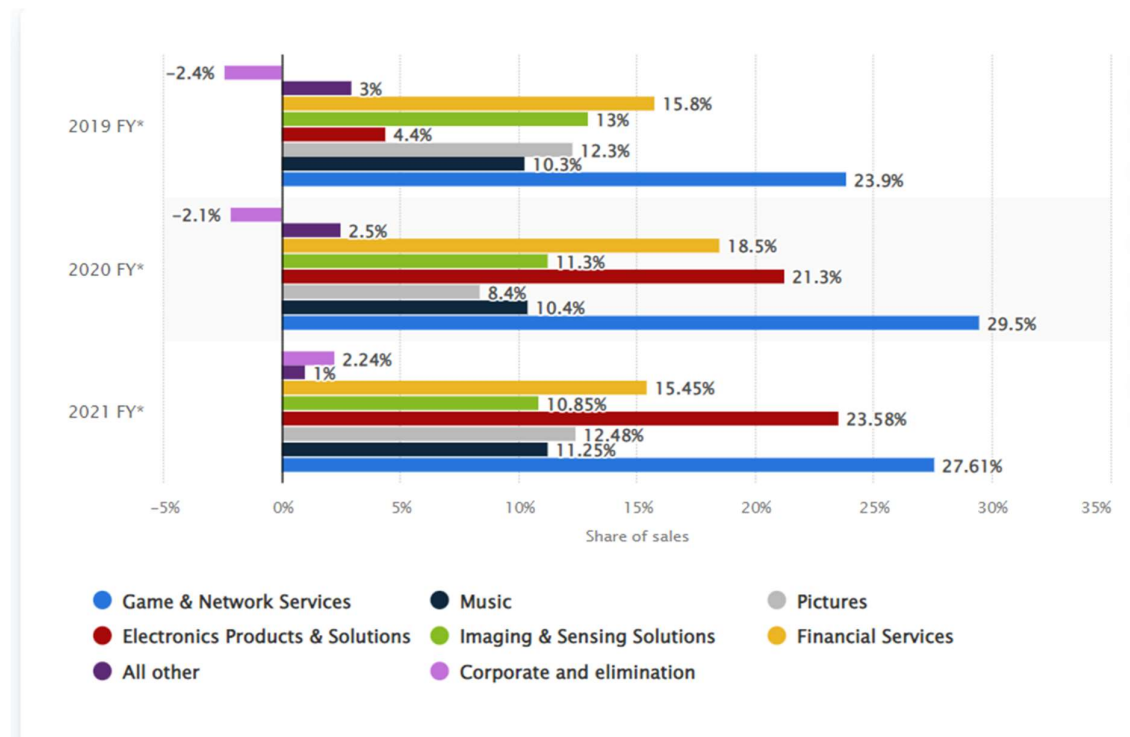


Figure 1: Sales share and operating revenue of Sony (Adopted from Statista, 2021)

The brand Sony was found by a defence contractor Masaru Ibuka and a former lieutenant Akio Morita. In 1946, they established a partnership that began with a borrowed capital of \$500. Their first consumer product developed was a rice cooker, which did not meet the expectations in the market (Lantano et al., 2022). But still, in the first year, Sony was able to generate a profit of \$300 through sales. There are various services and activities provided by Sony for its customers. The major sectors that are focused by Sony to attract its customers include gaming and network services, music, pictures, entertainment and technology services, new initiatives, imaging & sensing solutions and financial services. In the gaming section, major emphasis is provided for developing of official PlayStation websites. The latest ones available from the brand are PlayStation 5 console, which delivers a new generation PlayStation game. The music segment comprises of Sony music entertainment with incorporation of digital music technologies, and Sony music publishing (Sony and Naik, 2019).

The consumer electronics, and professional gadgets falls under the category of entertainment and technology services. This segment also includes Sony Olympus medical solutions and Sony network communications. Semiconductor solutions makes the imaging and sensing solutions brought forward by Sony. With the innovative ideas and new technologies, the new initiatives are developed based on artificial intelligence and robotics. The new initiatives developed by Sony are Airpeak, Sony VISION-S, Sony AI Inc, aibo, Sony global education services and small optic link for international space station (SOLISS). As per the reports of

2021, the total revenue of Sony is estimated to be \$81.38 billion (Sony and Baduri, 2018). Sony's overall revenue by segments is as follows

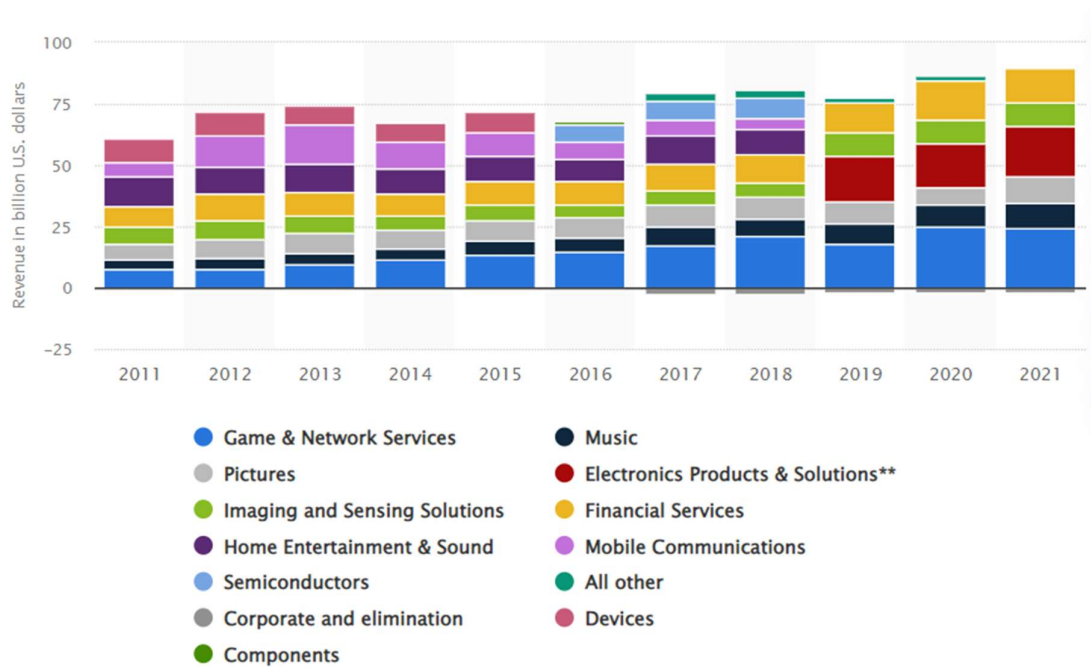


Figure 2: Sony's revenue by segments (Adopted from Statista, 2022)

Theories and frameworks

To analyse and evaluate the significance and effectiveness of marketing technologies and interventions adopted by an organisation, there are various frameworks and strategic analysis tools generated. These tools are developed in order to analyse the various strengths and weaknesses of marketing strategies adopted by an organisation and to undertake necessary measures to cope up with the identified weaknesses (Kanagarjan and Sony, 2022). Depending on the type of activities an organisation is involved in, the analysis also differs. In the digital world of marketing, it is necessary for brands to continuously monitor their marketing activities and to correct if there are any mistakes and drawbacks in the adopted methods.

These marketing tools are aimed at addressing the environmental analysis of an organisation. this involves both internal and external market analysis. Each of these tools have got different components that frames the overall result that the brand is reflecting on. Hence as a marketing analysis tool, the studies can focus on PESTLE analysis, SWOT analysis, Porters five forces, STP analysis, VRIO analysis, 4Ps of marketing mix etc (Sony, 2019). a PESTLE analysis is the external market analysis tool that is generally adopted by the organisations to assess the environmental elements of the organisation. this comprises of various elements such as

political factors, economic factors, social factors, technological factors, legal factors and environmental factor. An analysis of all these components in the organisational context are capable of delivering the influence of these components in the market (Sony et al., 2020). the results of PESTLE analysis are generally employed in a SWOT analysis which focuses on identifying the strengths and weaknesses of an organisation. this strategic tool can deliver information about strengths, weaknesses, opportunities and threats faced by an organisation. a 4Ps of marketing mix, on the other hand are explanation of different marketing mix strategies adopted by an organisation. this includes basic strategies such as pricing, promotional and advertising strategies, product strategy and place and distribution strategy (Sony et al., 2020). A STP analysis is another marketing evaluation tool that can represent key information about the market selection of an organisation (Rai et al., 2018). The constituents in this tool stands for segment which indicate the customer group, target, which represents the major market that is targeted and positioning, which reflects the positioning that is offered by the organisation to each segment.

Analysis of these factor that frames these in an organisational background can deliver important information about the various methods and strategies adopted by the organisation and its effectiveness in the organisation (Steinert et al., 2018). This study, however will analyse the the marketing strategies of Sony through SWOT analysis, 4Ps of marketing mix, and STP analysis.

Analysis of marketing activities of Sony

STP analysis

STP analysis of an organisation is the representation of its different focuses. The components in the STP analysis stands for Segmentation, Target and Positioning. The STP analysis of Sony is as follows

Segmentation

Since the major part of Sony's business evolve around the consumer electronics, people looking for these sort of facilities are regarded as the segments of Sony. This includes people looking for services such as electronics, mobile and music (Vallejo et al., 2020). An identification of the suitable segment helps Sony to develop goods and services that can fulfil the demands of the customers. The segmentation stratgeis of Sony will help them to segment the total market into smaller groups depending upon the buying behvaiuor, socio economic background etc. in segmentation of their customers, Sony is making use of different segmentation strategies such as geographic segmentation, demographic segmentation, behavioural segmentation, and cross market segmentation.

Target market

Target of Sony is identified to be the young demographic or people involved with technological jobs, or people with high disposable income (Chebet and Muturi, 2018). The choice of target in Sony is based on various components such as competition in the target segment, regulatory barriers, mission, vision and consumer fit of organisation, financial return potential, life cycle stage of product, and technical capabilities of the organisation.

Positioning

Brand positioning and value positioning plays an important role in determining the competitive value of the organisation in the competitive market. Hence Sony has followed the strategies in maintaining a position that can reflect on the brand's distinct image and provides a specific identity to the customers. In case of Sony, the positioning is maintained as a premium brand which positioned itself as a high-quality electronics and manufacturer.

SWOT analysis

SWOT analysis as mentioned above are a representation of the various strengths, weaknesses, opportunities and threats faced by Sony. A detailed explanation is provided in this section.

Strengths of Sony

Sony is a global player in gaming, electronics and consumer electronics. Sony has held its position in the market share for decades in these three segments. Widest variety of goods that ranges from home appliances to entertainment is a strength of Sony (Sony, 2020). Sony offers a wide range of consumer products and services. Quality of products and high investments in R&D also makes a good value for Sony. These researches are aimed at enhancing customer interest in their goods (Kaukuni et al., 2018). A loyal customer base is another strength of Sony. Sony is one of the innovative companies because of the inventions towards revolutionary products. The product range is also a strength factor that includes products such as Walkman, VCR, Blue Ray disc etc.

Weaknesses of Sony

Similar to the strengths identified earlier, there are various weaknesses that are recognisable. The major weakness of the brand is because of the overdependence on the electronics range. The major revenue of Sony is derived from electronic division that includes TVs, cameras, smartphones etc. There was a decline in the revenue of Sony with the decrease in demand for electronics (Antony et al., 2021). The negative publicity about the brand is another weakness of the brand. The hacking of Sony in 2014 led to exposing of the sensitive trading secrets and other information which adversely affected the brand. This leaking of data also led to straining of relationship with other companies. Sony has been tagged as a brand with Poor

marketing. poor strategies and promotional activities when compared to the competitors resulted in a poor customer base. Price is another aspect that makes many of the customers to push back when they think about Sony. Availability of premium products with a high price range is a discouraging factor.

Opportunities of Sony

Besides all these strengths and weaknesses, there are many opportunities for the brand to develop and improve the customer base. Since they already have a strong market position and value in the consumer electronics, they can focus on other areas of marketing. Focus on the developing and emerging markets than in developed markets is a strategy that could be adopted. The brand can make use of increasing purchasing behaviour in the developing economies in the upcoming years (Hossain et al., 2018). Since Sony is engaged in medical imaging and other health care services, they can further focus on strengthening of this division for the development of organisation. Expansion through acquisitions is a method that is adopted by most of the organisations. Sony can make use of this business acquisitions through its vast financial resources in sectors such as software development.

Threats of Sony

Oversaturation of market is a major threat faced by many of the brands in the industry. Increase in the supply in certain markets have led to withdrawal of Sony's smartphones in Asian markets (Sony et al., 2021). The global pandemic also made a threat to the marketing of Sony's products. The stiff competition and devastation because of recession are threats in the market for promotion and marketing activities.

4Ps of marketing mix

The 4Ps of marketing mix of Sony is represented through the components such as

- Pricing strategy
- Promotional & advertising strategies
- Place & distribution strategies
- Product strategy

The product strategy of Sony is expressed through its various product range. The diversified portfolio includes a different range of products such as android TV, LCD, LED, tablets and smartphones. This also includes other products released by digital audio players, MP3 players, wireless players, imaging & sensing solutions, play station etc. The new initiatives developed by Sony are Airspeakers, Sony VISION-S, Sony AI Inc, Aibo, Sony global education services and small optic link for international space station (SOLISS). Sony is the leading brand in the electronics industry and one of the largest manufacturers of television (Munir et

al., 2018). Sony's PlayStation is a very popular product among customers, which makes up a significant part of its revenue.

Sony is often identified among customers as a brand that offers high-quality products. The products of Sony are often priced at a high end. The premium pricing strategy adopted by Sony has a role in maintaining the premium brand image. The pricing strategy of Sony varies from one product to the other. It is visible when comparing the prices of some goods, where laptops are priced at an affordable rate, and PlayStation is costly (Aithal and Sony, 2020). These differences in pricing strategy help Sony to sell its products to different customer segments. The price skimming strategy is adopted by Sony under certain circumstances.

Availability of Sony's products is ensured globally. Purchasing Sony's products is possible through the online platform, Sony stores and authorised dealers. Sony stores only sell products that are manufactured in Sony units (Mutia and Sastika, 2020). Employing trained persons in the stores makes the brand to be aware of the customer needs and trends. Compared to the dealership stores, Sony's own stores were making more revenue and sales. Online stores also make a good platform for making effective sales and purchases of goods. Advertising through different types of media is performed by Sony. The various modes of communication with customers include television, newspaper, magazine, social media etc., among all these; Sony is highly dependent on television commercials to reach its customers (Antony et al., 2021). Every year, there is a huge investment made by Sony for its commercials. On average, Sony spends about 3.5 billion dollars on promotion activities. Some of the promotional activities conducted by Sony include telemarketing, promotional pricing, ads through emails and websites and leaflets.

Innovative marketing strategies of Sony

It is essential for the brands to maintain a position in the market to adapt to the changes and the market trends depending upon the needs and demands of the customers. Since customers come from different cultures and different backgrounds, it is essential for the brands to understand the everchanging trends and customer needs (Theseisa and Sony, 2022). Sony has been dominating the field of electronics since its earlier days. A few of the factors that led to their success journey of Sony are

Innovation: The creation of goods way before the competitor companies were always performed by Sony. The ability to sense and predict consumer preferences and develop these goods through innovative offerings was a strategy adopted by Sony.

Differentiation: Differentiation makes Sony's TV cards different from others to make them unique in the global market. This is attained by Sony through adding additional features and more reliability to the products they are involved in. Sony's TV cards remain to be unique from

the existing ones in the market because of the enhanced quality of pictures from the TV stations.

Visionary leadership: the initial success of Sony was mainly because of the leadership they have been following. Visionary leadership is analysed to be significant in guiding organisations during difficult times (Hadi and Hafnidar, 2019).

Unrelated diversification: several Asian businesses are different from many western businesses because they are largely managed by Asian families. Many of the Asian organisations that reached a successful position are maintained by business families. This has been similar in the case of Sony as well (Schmidt et al., 2018).

Evaluation of marketing strategies of Sony

Analysing and evaluating the market condition is essential to determine the effectiveness of the market value of these goods. This analysis will aid the organisation in having a clear understanding of the market overview before expanding the market with innovative goods. The marketing team is involved in the market analysis that will help them to understand the market needs and demands from the customer side. In the case of Sony, the marketing objectives were aimed at developing innovative products that meet the demands of the customers (Chiang et al., 2019). Many companies are involved in setting prices above or below a particular level. In the context of Sony, the brand is aimed at setting the price of goods compared with the competitors in the field.

Thus, Sony has maintained its pricing in different categories to attract customers from all segments, which is essential for a brand to sustain itself in the competitive world. Additionally, product differentiation is another strategy that enhances the competitive advantage of the company (Hidayat, 2021). In the case of Sony, they are involved in research n to find out the alterations and differentiations in the product. Sony also utilises this product differentiation strategy to demonstrate the unique aspects of the products of the company.

Regarding promotional activities and organisational culture, Sony has expanded its marketing activities to enhance its competitive advantage. Sony has employed promotional activities to communicate their products with the customer segment. The various forms of advertisement forms such as the adoption of television, radio, internet media and radios, have been making significant differences in marketing activities and overall performance. Similar to any other business in the competitive era, Sony had also faced various successful scenarios and challenging situations. Sony has been implementing new strategies to cope with emerging competitors in the market (Burke et al., 2018). the various changes and innovations adopted depending on the market trends and customer demands. Sony is carrying out various marketing research to enable vital market information. It is also noted that there is an increase in the customer base of the organisation that has been resulting from the innovations adopted

by the company (Wan et al., 2022). The technological innovations and implementation of other services have been performed by Sony, which gathered customer attraction (Le et al., 2018). Similarly, the pioneer advantage, unrelated diversification and other interventions are having a significant impact on the overall performance of the company. The reports and recent studies indicated that Sony had lost its leadership and position in the global market for the time being, but the effective implementation of marketing strategies along with enhancing the customer experience in various customer segments are making Sony attain a top position in the global market.

The differentiation in the pricing strategy is also making Sony stand out from its competitors in the same field. When compared with tech giants such as Apple, which only has a premium pricing strategy, the pricing strategy of Sony is an attractive factor to the customers. The availability of good quality products within an affordable price range makes it possible for Sony to attract customers from different segments (Sridevi, 2019). Its market expansion and competitive value have been accomplished by Sony through its innovative and creative techniques. Focus on bringing forth and integrating with the latest technological intervention such as artificial intelligence, robotics, and machine learning is making Sony build innovative designs and products incorporated with technological advancements. These interventions are enhancing the marketing value of Sony and improving the customer base.

Summary

This marketing assessment has been an exploration of the various marketing activities and strategies of Sony. The multiple marketing interventions and unique strategies adopted by Sony to compete in the digital era of marketing have been analysed with the use of marketing strategy analytical tools. The theoretical aspects have made it easier to understand the different tools that have been explored in different sections of this study. Since Sony is involved in the technological and electronic sectors, it is mandatory to keep up with the latest updates in the market. This has been effectively carried out by Sony. The marketing activities, that are explored with the help of PESTLE analysis, SWOT analysis, and STP analysis have analysed the marketing values and strategic transformations through various component factors of these tools. The following sections of this report have carried out a critical analysis of marketing strategies of Sony along with their impact on the customer segment and targeted market. The innovations and technological advancements adopted by Sony are also explained in detail in this report.

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