Business Information Analysis

Management

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Background Overview

Sony VAIO is sub-brand for most of the computer products manufactured by Sony. Originally, it had been an acronym for Integrated Operation of Video and Audio (Storper and Venables 2014). However, since the year 2008, amendment was made towards Intelligence Organizer of Visual Audio for celebration of the 10th year anniversary of the brand. Creation of the brand was done by Timothy Hanley for distinguishing items that comprised of the utilization of consumer video and audio along with being conventional products of computers (Kawaguchi 2013). Even though Sony had been making computers in the years of 1980 for the market of Japan only, withdrawal was done from the business of computers by Sony taking a new turn in the decade. Sony re-entered the market of computers by the introduction of this new brand, VAIO, in the year 1996. This entry was made internationally.

Broad Problem Area

There has been a huge reduction in the level of sales of Sony VAIO. The problems of Sony are endemic towards the corporate structure and pattern. It has also been following the larger changes that affect the market of PC. This has not only affected other competitive organizations, but has also affected the marketing condition of Sony VAIO as well. The company of Japan is a Medusa. This refers to having a number of heads having connections to the similar body that are often independent and end up being in conflicts (Nonaka and Takeuchi 2010). The commands are given by the brand of Sony, but issues rise when the supporting products do not always work along together. They also end up straying from the adopted standards of industry towards user interfaces and proprietary formats.

List of Information

Following is the list of information that the Sony Vaio needs to know:

➢ Sales figure of Sony Vaio from 2010 to 2013

➢ Competitors' strategies and position

➢ Changing consumer behaviour and attitudes

➢ Technological trends

➢ Most profitable segment of customers and market place

- Current economic situation of market place

- Polices and regulations outlined by local government regarding the associated industry

- Past strategies adopted by company for product development

- Top ten laptop sales in the year of 2013

Research Objectives

- Discussing the functions and relevance of the organizational goals and objectives, in relation with decisions and the wide range of information categories important for a number of stakeholders

- Explaining how the research skills are important for collection, analyzing and presenting data

- Using the basic quantitative techniques that include statistical and probability inference

- Explaining the utilization of information technology and communications in the process to acquire, analyse and communicate information

- Describing the main tools and systems of information technology utilized within service industries to manage information

- Recognizing and analyzing the key reasons behind the decreasing sales of company through assessing the listed external and internal environment of Sony Vaio

- Developing efficient and effective actions and strategies to mitigate the challenges faced by company through researching the trends in consumer's buying behaviour and attitudes

Phase 2: Literature Review

Sales Figures of Sony Vaio between 2010 and 2014

Following is the sales figures for Sony Vaio solf in between the years of 2010 and 2013

2010	2011	2012	2013
8.7 Million Units	10.6 Million Units	7.5 Million Units	6.1 Million Units

(Source: Sony, 2013)

Competitive Analysis

Sony has been operating within a number of industries. Therefore, the company is known for facing several challenges along with high intensity of competition within all sectors. The main market segments of Sony involve Joint Ventures, Financial Services, Pictures, Games and Electronics. It is also known that there is no other business within the global market dealing with all of these five segments. This makes LG electronics, Microsoft, Canon, Samsung and Apple the main competitors of Sony and the sub-brand, Sony VAIO. Amongst major competitors of Sony, American organizations, Microsoft and Apple have resulted in demonstrating stronger financial results since the past five years.

Within the segment of electronics, Sony has lost a lot of market share within the division of audio. Along with this loss, there has been a huge expansion and growth within the global market of laptops. This has resulted in keeping Sony VAIO laptops more exposed towards risk as there has been an increase in the intensity of risk. However, the products being provided by Sony VAIO are with high level of technology that becomes a strong point for the competition of Sony. Even though consistent performance is being initiated by Sony in development of new and different innovative products, the performance has still been lagging behind from other competitors such as Apple and Samsung.

Acer C7 Chromebook

Acer is one of the most reputed and loved brand globally. With strong battery backups and affordable prices, Acer has emerged as one of the key competitors for Sony Vaio. Considering the C7 Chromebook of Acer, it seems to be much more user friendly and cheap in comparison to Sony Vaio. This product comes with a standard resolution of 1366 X 768 and the display is quite sharp (Arimura 2009). The product also has a touch screen, which

again adds to its merits. However, Sony Vaio is considered as a premium product and the business professionals would prefer Vaio over Ultrabook. But the Ultrabook seems to have a competitive advantage over Vaio, in the context of student segment of customers.

Apple Macbook

Apple Inc. has been dominating the global software and hardware market from so many years and thus, is a key competitor of Sony Vaio in the laptop section as well. The very known and highly reputed Macbook of Apple stands much taller than the concerned product Vaio. Macbook comes with full HD resolution and thus is highly appreciated by the people belonging to different professions, especially the people from video editing, graphic designing, and photo editing field. The laptop's fan does not make any sound like Vaio's and the flash storage of the laptop makes it the fastest machine. However, the only aspect where Sony Vaio seems to have an advantage over Apple Macbook is price.
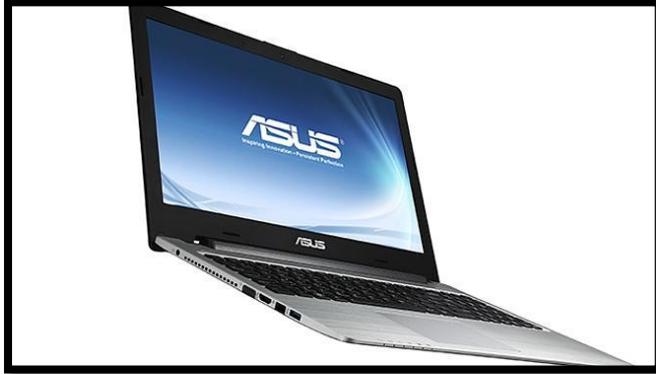
Fujitsu Life book U772

Fujitsu is not much known at a global level, but when it comes to affordability, Sony Vaio seems to have another competitor. The features of Sony Vaio are much attractive than the

Fujitsu's Life Book but similar to the Acer laptops, Fujitsu is string enough to attract the student and young people towards itself.

Asus S56

Asus is another reputed laptop brand is very much preferred by the business professionals because of its fast boot times and slim design. Sony Vaio consumes 25W of power whereas S56 of Asus consumes just 17W of power. However, the graphics and display quality of Vaio is much better than the Asus S56's.

It is evident from the above made arguments that the Sony Vaio is facing a lot of competition from different brands and need to develop a unique or diverse product line. No aspect or feature is left without competition and the Sony Vaio must heavily invest in the R & D. This high level of competition has been the key reason behind the decreasing sales of Sony Vaio.

Trends in technology and Consumer Behaviour

With so many alternative options available to the people, it is essential that the Sony VAIO keep track of the ever changing consumer behaviour, while incorporating the advanced and modern technology within all its products. It is a well known fact that the customers feel more attractive towards the companies that offer the mist unique and advanced gadgets (Aoki and Dore 2014). Thus, through monitoring the technological trends, and utilizing the same within production processes, Sony VAIO can eventually increase its sales. Today, most of the people prefer i7 or iOS as the operating system of computer systems, thus the company needs to manufacture the products that are compatible and work smoothly with the i7 OS as iOS is under the copyright of Apple.

Profitable Customer Segment

The analysis of Sony VAIO's key features demonstrates that it is capable of meeting the needs of two different customer segments. First segment is that of students or young persons,

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whereas the second one is that of business professionals. However, the product also lack in certain aspects. One of those aspects is high resolution graphics, which is preferred by the students (Aoki 2010). Thus, the left customer segment of business professionals seems to be the most profitable one for Sony VAIO. But still, the company needs to develop and refine the product's storage and processor, so that the business professionals can work on VAIO for long hours.

Government Policies and Regulations

Government has been monitoring and assessing the activities of each companies belonging to PC and laptop industry to ensure ethicality in business. In consideration with the governmental policies and regulations, the company has been trying to develop those products that are in the best interests of government (Fruin 2012). The company tries to comply with both legal and ethical obligation so that there is no scope of conflict or criticism. Sony tries to provide adequate information to its customers regarding the product specifications and price of the products, so that the customers feel satisfied and each sale is made with complete customer satisfaction. Similarly, in case of stakeholders, Sony provides required information adequately regarding the profit earned by them and share of all shareholders. Further, in case of government, Sony reaches the respective governmental agencies with its annual reports and financial statements along with receipt of payment of tax (Morgan 2010). The company is also well aware of its obligations towards employees, thus Sony provides detailed information to the employees regarding their salary, monetary as well as non-monetary benefits.

Thus, it is evident that the company has been complying with each of the governmental and legal provisions and policies, so that the company can reflect an image of ethical company and develop a stronger base of customers at a global level. However, there are certain areas and policies that are not being complies with, especially by the customer end employees (Markusen 2014). So, it is essential that the company provides each of its employees with adequate training and coaching, so that each of them contributes maximally to the achievement of company's overall objectives which is to gain maximal profits with increase in sales.

Past Strategies

Sony had been focusing on selling off its lacklustre division of PC and focused to spin off the business of TV within the standalone enterprise. Plans had been made by the Industrial

partners of Japan for purchasing the sub-brand of Sony, which is VAIO. The deal that had been evaluated was accounted as 490 million dollars. The deal had been finalized in the end of March in the year 2014 (Storper 2010). It was stated that Sony will be cutting off 5000 posts of job within the company across the globe. However, the new partners have been planning for hiring almost 250 to 500 employees of Sony and continued for filling warranties of aftercare (Antonelli 2009). Sony will be initially investing 5 per cent of the new capital of the company for supporting this particular launch. However, for several researchers, VAIO being sold has not been a major surprise. This is because the PC business of Sony has been underperforming in several other divisions since a long duration of time. As per certain researchers along with the CEO of Sony, future of Sony relies upon other segments, that are mobile, gaming and imaging (Feldman and Florida 2014). Even though consistent performance is being initiated by Sony in development of new and different innovative products, the performance has still been lagging behind from other competitors such as Apple and Samsung.

Functions and relevance of organizational objectives and goals

Sony Corporation is the unit of electronic business and the main parent organization of the Sony VAIO. It has been engaging itself in the business by eight segments of operations. These segments are networked products and services, financial services, pictures, disk manufacturing, music, consumer products and services and Sony Ericsson. Irrespective of the fact that Sony has been achieving success since a long duration of time, it is important to reconsider the goals and objectives set on timely basis. "If you are not aware of the final destination you are supposed to reach, any road will lead you there (Fransman 2009)." This phrase states the relevance of having organizational objectives and goals. Sony VAIO has been considering this phrase and moving ahead by setting its goals and objectives. The main goal should not be focused on just staying within the business.

Setting the goals has been identified the most important, basic and prominent tool used by Sony VAIO for obtaining assistance to set their directions and accomplishing these in an appropriate and effective manner. The goals set by Sony are both, long term as well as short term. The goals are not only in relation with the sales, products and development of services but also to bring improvements in the quality, focusing more on customers, initiating reduction of errors, and building improved public as well as internal relationships.

The goals of Sony are set on the basis of mission, objectives, strategies, goals and action plans. The mission of the organization helps in establishing an understanding regarding the facts as to what has to be done and what has to be produced. The objectives have been set on the basis of the mission. Objectives lay emphasis on the main mission set by Sony. The goals of Sony define the entire process of success, from starting to end.

Sony has always been focusing on striving for creation of value within the society and this particular idea has been serving as a main foundation and base for the Corporate Social Responsibility (CSR) of the organization (Howells 2012). Other goals and objectives of Sony involve creation of new businesses and acceleration of innovation within the production. This goal will basically help Sony in globalizing itself within the international market. However, all of the goals of Sony focus on emphasising achievement of success and going global (Goda 2009). This will result in improving the values of business within the global market. This will also result in bringing changes within the fundamental base of the organization.

Phase 3: Primary Research Proposal

Revised Research Objectives

The main objective of research proposal is to gather facts and information regarding the marketing issues being faced by the sub-brand of Sony, Sony VAIO. Further objectives involve discussing the functions and relevance of the organizational goals and objectives, in relation with decisions and the wide range of information categories important for a number of stakeholders. There are several other minor objectives as well.

Approach made towards the Problem

The research will be conducted with the help of a descriptive method. This method has been considered suitable for gathering facts and describing information regarding issues that the marketing environment of Sony VAIO has been facing along with an appropriate solution for the problem. The descriptive method being utilized particularly within this specific proposal involves survey and observation. This method will help in gathering all the relevant facts and information.

Research Methodology

Specific Technique of Research

The particular techniques utilized within this research are survey and observation. Survey has been identified to be extremely useful for finding out the main reasons behind the issue that has taken place within the market of Sony VAIO. On the other hand, observation has been considered extremely useful as a direct analysis will be initiated by the observer for considering the factors that have contributed in affecting the issue and that can have an influence on these issues. These will involve explaining how the research skills are important for collection, analyzing and presenting data; using the basic quantitative techniques that include statistical and probability inference; explaining the utilization of information technology and communications in the process to acquire, analyse and communicate information; and describing the main tools and systems of information technology utilized within service industries to manage information

Sample and Population

The population that has been targeted for serving the purpose of this survey will be the employees as well as customers of Sony VAIO that are spread across the globe. The Sony companies located in India, China and the United States has been chosen for this purpose. The employees will be chosen on random basis and 50 employees will be chosen from each company. The frame for the sample will basically be the database provided by higher departments of the organizations being chosen. This will result in involving 1500 employees apart from the higher authority departments of the companies. For drawing out the sample, the research will be using systematic method of sampling by making random selection of every 15th officer from higher authority department from the database of the survey collected.

Plan for Implementation

The observation will be done by going to all of the companies and approaching the officers of higher authority. The point of view regarding the marketing of the company will be obtained on the basis of a questionnaire. The questionnaire will be distributed through emails and answers will also be obtained by the same mode. The information shall be kept confidential and further analysis will be done on the basis of answers obtained.

Suggested Topics or Questions

Following is the draft of survey questions:

Behaviour in Purchasing Laptops or Tablets Survey

Name:	
Gender:	
Income:	
Employee Number:	

1. What do you consider while buying a laptop

2. What is an ideal laptop /. Tablet in your perception?

3. Which laptop or tablet brand will you consider the best? Why?

4. What features do you prefer the most in laptops or tablets? Please choose only one and give the reasons behind it.
   a. Price
   b. Connections
   c. Storage
   d. Processor, Graphics, and Memory
   e. Weight

5. How much will you pay for a laptop?

6. What is your perception in between the local and foreign brands of laptops?

7. What are the benefits associated with the purchasing of local brand laptops?

8. In our perception, to what extent does the local laptop industry contribute to national economy?

9. What are the benefits associated with the purchasing of foreign brand laptops?
10. What are your thoughts regarding Sony VAIO?
11. Is there any suggestion or recommendation for Sony VAIO in improving the product?

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