

PORTLAND STATE UNIVERSITY

Microsoft Together™

Marketing Plan

ETMG 555-Technology Marketing - Team 3

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This paper is a marketing plan for a new mobile tablet device from Microsoft. Market data is used to demonstrate an opportunity and how Microsoft can take advantage of it.

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Executive Summary

Microsoft is looking to leverage its unique position of dominating the desktop to capture a significant market share of the wave of new mobile workers using smart phones and tablets. Supporting technologies such as the ubiquity of broadband wireless and cloud services are driving the growth in the mobile sector. Historically Microsoft has struggled to gain a foothold in the mobile space; Google and Apple are the companies who have been able to gain ground with the Android and the iPhone. A weakness with Google and Apple is the lack of business oriented mobile devices so Microsoft has an opportunity to build a device using the integrated productivity software, cloud services with a hyper-connected device to establish a beachhead.

Microsoft Together is a seven-inch touch tablet device with a front facing telecommunications camera. The device is a thin-client connected to the "cloud" displaying your virtual desktop. The cloud service provides collaborative workspaces and meetings rooms. This proposal will demonstrate how Microsoft will generate a substantial new business.

Situation Analysis

Company Analysis

Microsoft is a computer technology company that develops, supports, and licenses software for consumer and commercial computing devices. These products consist of operating systems (i.e. Windows 7, CE), server applications (i.e. Windows Server, SQL Server), productivity applications (i.e. Office and OneNote), business solutions (i.e. SharePoint) and software development products (i.e. Visual Studio). The company also develops the MSN and Sky-drive as a part of their Internet initiatives (i.e. Bing search). Microsoft has hardware success with our X-Box offering.

At the end of the financial year June 2010, the company recorded revenues of \$62 billion. Its operation profit was \$24 billion and its net profit was \$18 billion, which was an increase of 18.3% and 28.8% over the previous year, respectively (DATAMONITOR, 2010).

Assets

Tangible assets are “physical assets [that] include[s]...: manufacturing plants, information systems, distribution facilities, and products (Mohr, Sengupta, and Slater, 2010, pp.48).”

The company’s tangible assets include:

- Office buildings and other real estate
- Computer hardware
- Office supplies and furniture

Intangible assets include “brand equity, customer loyalty, distribution channels, market knowledge, and the firm's beliefs about customer needs or their responsiveness to pricing, promotional, or distribution changes (Mohr, Sengupta, and Slater, 2010, pp.48).” These are defined as either external structures or knowledge capital.

The company’s *external* intangible assets include:

- Customer loyalty and brand trust: Since the customer is investing in the “Windows” operating system and other company products, they are more likely to purchase other company products in the future.
- Distribution channels
- Partnerships

The company’s *knowledge capital* intangible assets include:

- Patents and trade secrets
- Marketing knowledge (responsiveness to change)
- Employees and contractors

SWOT Analysis

Table 1 shows internal and external factors that influence marketing decisions for Microsoft. While there are many factors of strengths, there are an equal number of weaknesses. In order for Microsoft to hold a strong market position and gain competitive advantage, the opportunities need to be converted into strengths.

Table 1 SWOT Analysis for Microsoft

Internal Factors	Strengths	Weaknesses
Financial	Robust balance sheet for inorganic growth opportunities and investments	Low investors' confidence, may impact future position and image
R&D	Strong R&D focus which creates continuous product launches, and provides competitive advantage	Low search engine (Internet) market share, may impact future revenue through online services
Marketing	Strong brand image. Strong Desktop OS market share	Low mobile space market share
Personnel	Employee loyalty	Big gap if too many contractors
Offerings	Priority software products and services; Windows 7 OS	Compliance with open standards

External Factors	Opportunities	Threats
Technological	Increased adoption of cloud computing services	Intense competition
Consumer/Social	Increased adoption of social networks	Missed the Internet innovation
Marketing	Leverage strong brand image	Low mobile space market share
Legal/Regulatory	Leverage sophisticated encryption	Patent lawsuits, anti-trust, piracy
Economic	Medium to Large business income is high, globalization	Globalization
Competitive	Leverage brand name for new software product opportunities; Competitors have fragmented products and services	Stronger brand names, not a hardware company
Strategic Alliances	Leverage mobile hardware expertise of partners for development and production	Reliance on partners reduces control of process

Given the company's strong financial reports and focus on R&D, they have the infrastructure and assets to deliver on this opportunity and its related services.

Leveraging our Strengths

Using our strong R&D focus will allow this offering to create continuous product launches, which align with a direct market desire of ROI. Additionally our strong brand image is an opportunity because our target market demands security and privacy, which is a core competency.

Weakness as a Risk

A current weakness for Microsoft is in our mobile space, converting this to strength may be difficult. Microsoft has historically failed to capitalize in this space (i.e. Sharp/Kin launch) (i.e. HP/Slate) and failure to execute this time could damage valuable brand equity.

Market Analysis

In this section, the overall market environment and potential is shown with major device, cloud service and application selling trends. These trends are supported by a confluence of supporting networking and cloud technologies. Customers are beginning to understand and trust cloud services as shown by the accelerating growth in the market (i.e. Amazon, Google, Azure).

Growth of Mobile Worker market

Major market force in mobile growth is the rapid rise in worker mobility. This trend is shown the overtaking of desktops by mobile devices that are expected by the year 2014E (Figure 1). As smaller devices such as mobile phones and tablets gain performance and capabilities, customers are demanding more productivity type features. It is in this nexus that we wish to position the company's product and services. Microsoft is uniquely positioned to take advantage of this because of the market penetration of our Office products and the growth of our cloud services.

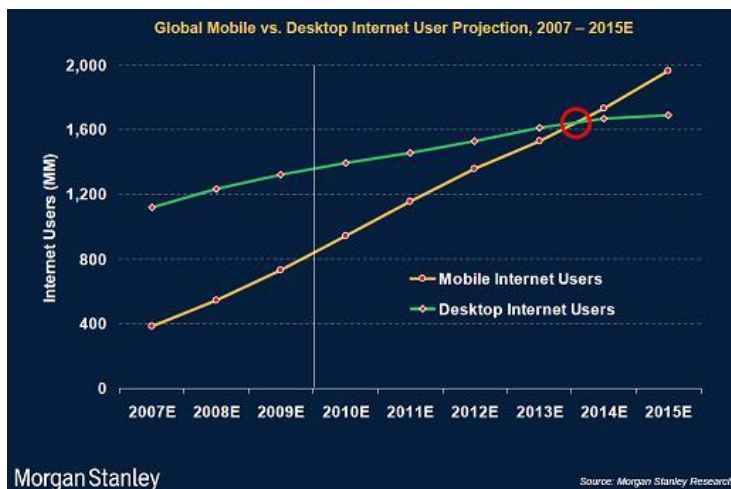


Figure 1: Global Mobile vs. Desktop Internet User Projection

The number of smart mobile devices being sold is growing. These devices are new or *substituting* existing phone-only or feature phone devices. Nomura predicts that there will be a growth of an additional hundred million units per year. IDC claims that a mobile device, the iPad, has surpassed all other vendors PC offerings and grabbing 25% of the PC market share (Figure 10).

Growth of “Cloud Services” market

IDC projects that the market for cloud services will balloon from 17.4 billion dollars in 2011 to 44.2 billion by 2013E. Apple has used cloud services to create a compelling eco-system and significant revenue stream with their iTunes service (Figure 8).

Growth of Mobile Applications market

Chetan Sharma Consulting speculates that mobile application downloads will grow from ~28 million to ~50 million worldwide (Figure 12). Additionally, Apple has generated a growth rate of 124% percent year over year, equalling 5.4 billion dollars which is 40% of their 13.5 billion in total revenue.

Enabling Technologies

Wireless Connectivity Speed/Ubiquity

What is enabling this mega-trend of mobile users is the confluence of technologies that are coming to bear. The first enabling technological force is the speed of broadband network technologies such as 4G and ‘WiGig’. While the telephonic capabilities of the phone were adequate for voice support, the data throughput has been historically lacking for any serious productivity usage. The current networking capabilities offered from our company’s partners (Verizon), is sufficient to support the downloading of documents, applications and other rich content. It has been projected that by the year 2015E, wireless technologies will be able to support up to roughly one gigabit per second speeds (Figure 5). Wireless carriers’ coverage now blanket most areas in the U.S. giving users ubiquitous networking service.

Cloud Services

As workers become more mobile and need to manage documents on a multitude of devices, having transfer space or sharing location has become necessary. Where we see this growth instantiate is in cloud services area. Google, Amazon and others have recognized this trend and have jump-started the cloud market. Gartner has predicted that cloud offerings will be the trend to watch for the foreseeable (~5 years) future (Figure 6).

Segmentation, Targeting, and Positioning/Value Proposition

Table 2 shows the first order segmentation for U.S. employed mobile workers. The goal is to show our addressable market for further market refinement.

Table 2 Addressable Market Data for U.S.

Name	Number of People
World Population	6,898,146,929
United States Population	307,006,550
U.S. Employment (2011)	115,074,924
U.S. Employed Mobile Workers	86,306,193
Window Mobile OS Market Penetration (5%)	4,315,309

86.3 Million Mobile Workers addressable market

Medium/Enterprise Business Class Companies

Our primary focus will target Medium and Enterprise business class companies. Since these customers will appreciate the 21st century productivity gains from the increased level of networking, we expect them to buy service contracts about one per tablet.

- Medium Sized Businesses
 - Target newly formed teams and new projects, which can be in any function R&D, marketing, production or supply chain focused
 - Claim that this will enhance the ability for collaboration
 - Identify need to enhance capability to support rapid innovation processes
 - Will purchase the hardware for team support in blocks of about 5-10 Microsoft tablets
 - Microsoft Together service contracts accumulate an annuity income stream for each Microsoft Tablet sold
- Large Enterprises
 - Enterprise customers will do the same general response to MB
 - Expect enterprises to buy Microsoft Tablet in blocks of 50-200 to support larger globally diverse project teams
- Support through Microsoft MB/Enterprise sales force and customer service on dedicated web portals
- Cultural
 - Builds on Microsoft services improving web enabled collaborative networking for productivity and virtual teams
 - Built-in support for Microsoft Live meeting coordination

Medium/ Enterprise - Customer Profiles

Within the Medium and Enterprise businesses we target a matrix of job types and functions. Our customer profile focuses on the needs of persons where mobility, connectivity and productivity are paramount activities.

Top Five Customer Priorities

The top five priorities of users in businesses (Figure 13):

- Increasing productivity
- Meeting customer/partner expectations
- Cost savings
- Improving process
- Gain competitive advantage

Top Five Barriers toward Adoption of Mobile Technologies

The top five barriers list (Figure 14):

- Cost of implementation
- Security
- ROI benefits are unclear

- Privacy concerns
- High “total cost of ownership”

Buyer Behavior



Within our target market, actual user behavior has shown that devices are still being mostly used as a communication device and not productivity or document-editing device. However, the top usage of the smart mobile device is email and editing or reviewing documents do not make the top seven uses (Figure 15). Our proposed product will take advantage of the top need of our target market and the misalignment of competitive products to service this need.





Personae

We abstracted six personae from our customer profile, using their priorities and demonstrated behaviors (Table 3). We made sure to be inclusive in terms of demographic characteristics such as gender, race and age. Additionally, we made sure to capture the strata of job responsibilities that differ between someone like an executive vs. a sales representative. We attributed a quotation from each persona, which expresses his/her business need for our product as recommended by Mulder (2006). We added a quotation from each of our personae to identify specific priorities.

For reference, the term “product” refers to the Microsoft Together tablet and cloud service.

Table 3 Personae

Name	Image	Profile
Hillary Senior executive, Board of Directors		<ul style="list-style-type: none"> • Highest level executive, world traveler, requires home office networking productivity in any location world wide • Required product should be able to give her same level of connectivity she expects in her base office without need for IT support. • Implies a level of ease-of-use to permit effortless use • Our cloud server supports here every need • Support highest level communications security data encryption <p>QUOTE: “<i>I can delegate, but I feel most comfortable when I can do it myself.</i>”</p>
Tom Project manager		<ul style="list-style-type: none"> • First level manager of 5-10 people project teams • Able to use product for meetings with team or with upper management • Mostly works within the firewalls of the company • Values ability to quickly assemble team meetings from anywhere in the office <p>QUOTE: “<i>The need to bring together a meeting on short notice is extremely important to me during the project crunch time.</i>”</p>

Katherine Engineer		<ul style="list-style-type: none"> • Individual contributor – engineer or software • Uses conferencing in the office or at home • Environmentally conscious appreciates improved productivity when telecommuting from home <p>QUOTE: <i>“As a single mother, it is very important to me to switch context from mom to worker, designer, quickly so that I can utilize the unpredictability of nap time.”</i></p>
George Supply chain worker/manager		<ul style="list-style-type: none"> • Supply chain management requires lots of connect time with suppliers and vendors • Uses product as a key connectivity tool • At work/home with the docking station to handle and log all calls • On the go, product supplies core collaboration capabilities • CRM – Contact relationship software, eg. Sales Force on the cloud <p>QUOTE: <i>“I need to visit alliance partners in person frequently and earn lots of frequent flyer miles. Any significant improvement in remote meeting productivity and collaboration support is very important to me.”</i></p>
Mary Market or Product Manager		<ul style="list-style-type: none"> • Travels extensively to meet within organization and with customers, allies and partners • Uses product as a key connectivity tool • At work/home with the docking station to handle and log all calls. • On the go, the product supplies core collaboration capabilities <p>QUOTE: <i>“As the product manager, most of my time is consumed by negotiations with a wide variety of functions over a globally diverse population. The ability to quickly engage my partners in meaningful collaboration is very important to resolve issues and make project progress.”</i></p>
Hodges Executive Assistant		<ul style="list-style-type: none"> • Supports the senior executives on their travels • He will do all the preparation and meeting organization from the executive suite in the corporate headquarters <p>QUOTE: <i>“My usefulness to the company is entirely dependent on how I can make my boss look good. Anything I can do to smooth the obstacles in his daily activities will improve his productivity. With this mobile product, I can create an event as a single contact point for planning meeting plan, time, place, and invitees. Attendees simply need to login and identify the event number to join in.”</i></p>

Competition Analysis

Microsoft has failed to capitalize on the growth of the mobile device market (Table 4). Gartner reports that for mobile OS sales to end users, Microsoft has shrunk from 8.7% in 2009 to a projected share of 3.9% for 2014E. Symbian currently leads the market with 34.2%, but is losing ground to the Google's Android OS which has grown from nothing to a predicted dominate share of ~30% by 2014E. The Android is the only mobile OS that is predicted to grow in market share at the expense of all others.

Table 4 Forecast: Mobile Communications Device Open Sales

Forecast: Mobile Communications Device Open OS Sales to End Users by OS (Thousands of Units)				
OS	2009	2010	2011	2014
Symbian	80,876.30	107,662.40	141,278.60	264,351.80
Market Share (%)	46.9	40.1	34.2	30.2
Android	6,798.40	47,462.10	91,937.70	259,306.40
Market Share (%)	3.9	17.7	22.2	29.6
Research In Motion	34,346.80	46,922.90	62,198.20	102,579.50
Market Share (%)	19.9	17.5	15	11.7
iOS	24,889.80	41,461.80	70,740.00	130,393.00
Market Share (%)	14.4	15.4	17.1	14.9
Windows Phone	15,031.10	12,686.50	21,308.80	34,490.20
Market Share (%)	8.7	4.7	5.2	3.9
Other Operating Systems	10,431.90	12,588.10	26,017.30	84,452.90
Market Share (%)	6.1	4.7	6.3	9.6
Total Market	172,374.30	268,783.70	413,480.50	875,573.80

Source: Gartner (August 2010)

Rise of the Tablets

Apple caught the industry flat-footed with their iPad launch. Google and hardware device manufacturers quickly countered with Android enabled tablets of all shapes and sizes along with supporting Android stores. Apple is enjoying their position of controlling the eco-system by developing the OS, hardware and cloud services while reinforcing their brand at Apple stores.

Fragmentation as an Opportunity

Android products are fragmented because they allow their OS to run on uncontrolled hardware and market places. For example, app developers can publish at the Android store or at a multitude of other non-Google app stores. This low barrier to entry leads to an analogy of the old Microsoft Windows vs. Apple battle where MS is open and Apple is closed.

Apple maintained a proprietary system with restrictive policies whereas the Microsoft platform was more open for hardware and software developers. Current Android developers and users are scrambling to make sense of the divergent offerings inherent in an open computer eco-system. While this is a boon for developers, it can lead to confusion and frustration from the customer perspective. Our strategy needs to reflect a balance of constraining some key concerns around user experience consistency and device proliferation resistance.

The Microsoft app store strategy will be similar to Apple's central repository for developer applications. It has been shown that Google's strategy of letting developers open their own app stores has caused confusion and the lack of quality is not appropriate to business environments. The Microsoft solution for app downloads will reflect the proprietary Apple model.

Market Strategy

Microsoft Together Five Year Goals

Financial Objectives

- To recapture up to 12% market share in the mobile office market by the year 2016E.
- To obtain return on equity of at least 20%

Non-Financial Objectives

Customer satisfaction

Ensuring a high level of satisfaction among our business customers is a cultural factor of business at Microsoft. Microsoft strategy is to increase customer satisfaction and enhance experiences with our products, services, and programs. From annual surveys and customer feedback we continue to listen very carefully and respond to our customer and partners to improve their experiences with Microsoft.

In addition, we need a direct feedback from the customer and a place where individuals can share and exchange ideas that improve our product. Microsoft provides four ways for people to engage: ask a question, share an idea, report a problem, and give praise. Microsoft dedicates a team that includes software engineers that engage with the customer on a daily basis by responding to questions, ideas, and problems.

Loyalty

Microsoft is considered one of the highest ranked brands with high brand equity. This image creates a strong level of intangible trust with the company's product and services.

Perceived quality

A study showed that more than 90% of all desktop operating systems are Microsoft. Although Microsoft reputation among customers decreased after the release of the criticized Windows Vista, but after the company launched the Windows 7, the software increased 4% market share within just the first three weeks. As a result, Microsoft's customer satisfaction score rose from 70 to 76 in 2010, an 8.6% increase (www.networkworld.com, 2010).

Product and Service Attributes

Microsoft Together

Microsoft Together is a seven-inch touch tablet device with a front facing telecommunications camera. The device is a thin-client connected to the "cloud" displaying your virtual desktop. The cloud service provides collaborative workspaces and meetings rooms.

With Microsoft Together customers can:

- Create or attend virtual meetings anywhere
- Create, edit and share files or videos
- Browse the internet/intranet

Horizontal Product Differentiation

Our product is horizontally differentiated because it will have a close price point to our competitors, but will have a more contributor vs. consumer type of experience.

- **User Experience:** Businesses use Microsoft products and are extremely familiar with how our tools look and function. We will continue to enforce and improve Microsoft look and feel standards to lower the friction for adoption.
- **Collaboration:** Built-in to the OS will be the Microsoft Live Suite of collaboration products with easy integration to the back-office products such as Exchange, SQL-Server, SharePoint, etc. Centralized deployment of applications: With applications that are running on a thin-client, there is more security for risk of intellectual property loss.
- **Microsoft Windows OS:** Integrate and use existed software and licenses. Additionally, developers can use our IDE's and SDK's for customization.
- **Security:** IE and other communication services can leverage built-in encryption and back up services that already pass military specification standards.
- **Mobility:** Users will have space carved out of the cloud to store and retrieve documents from anywhere. Having these shared documents with built-in collaboration utilities within the Office applications allows users to work/collaborate and communicates because of the tight integration between these tools and content.
- **Reduced hardware cost:** PC and laptops can be *substituted* with tablets

Positioning

Microsoft Together is more seamlessly connected to necessary business resources among all other mobile device tablets because our business software is integrated and built to work together from tools to content. Our customers are situated as mobile workers who wish to collaborate/interact with their medium/large business resources at anytime or anyplace.

In the perceptual map shown below, we illustrate how Microsoft Together contains attributes that tend toward this goal. (See Table 5 for a list of attributes)

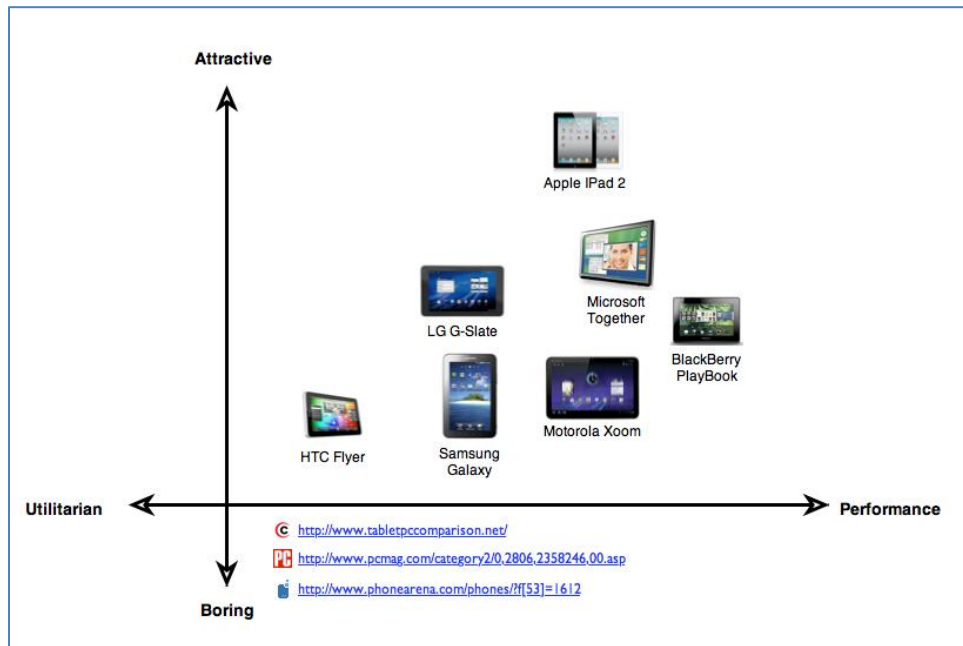


Figure 2 Microsoft Together perceptual map

Promotion

Promotions strategies will include: trade shows demonstrations, trial periods with selected partners, Internet and publication promotions.

Trades Show Demonstrations

Microsoft Together will be represented at the International Consumer Electronics Show and Mobile World Congress to drive public awareness. At the trade shows, Microsoft education services will create classes and seminars to help developers/users gain rapid insights on how to best integrate devices using best practices.

Trial Periods and Demos and other Sales Promotions with Selected Partners

The company will offer three to six month trial periods to selected partners. In addition, demos will be conducted at selected conferences. Any relevant SDKs/APIs will be pre-released to allow developers to build applications prior to release.

Internet/Publication Promotions

To generate excitement, the company:

- Will release the initial keynote presentation about the product for public circulation through the Microsoft website and YouTube videos
- Will promote the product through online social networks, i.e. Facebook, Twitter or other popular blogging sites

- Will promote through printed publications on the targeted market segment, i.e. golf magazine
- Will publish white papers on technologies and strategies for integrating a tablet device into a business environment
- Will use in-house advertising on Bing searches to build customer demand and product recognition

Sales Evangelism

For very large customers, such as the U.S. government or large universities, our sales team will need to be actively engaged to justify purchases of what could be mischaracterized as a luxury device.

Price

Our tactic is based on a *competition-oriented strategy*, where we stress how ‘the market’ prices their offerings. As the market leader, the iPad has a watermark price of \$829.00 with Wi-Fi + 3G. Therefore, target price point for our hardware device will be \$899.00 (Table 5). The price is influenced by features such as:

- 64 GB of memory
- Wi-Fi+3G

The cloud services supporting the necessary high performance collaboration aspects for Microsoft Together are:

- Microsoft Live
- Microsoft Office
- Perpetual updates to products
- Microsoft Tele-presence systems
- File Storage (dynamic demand pricing) [i.e. Skydrive]

Comparable cloud service pricing

- Similar services from WebEx are \$69 month/per host
- Join Me is \$29 month/per user

Therefore, our target price for Microsoft Together service contract per tablet:

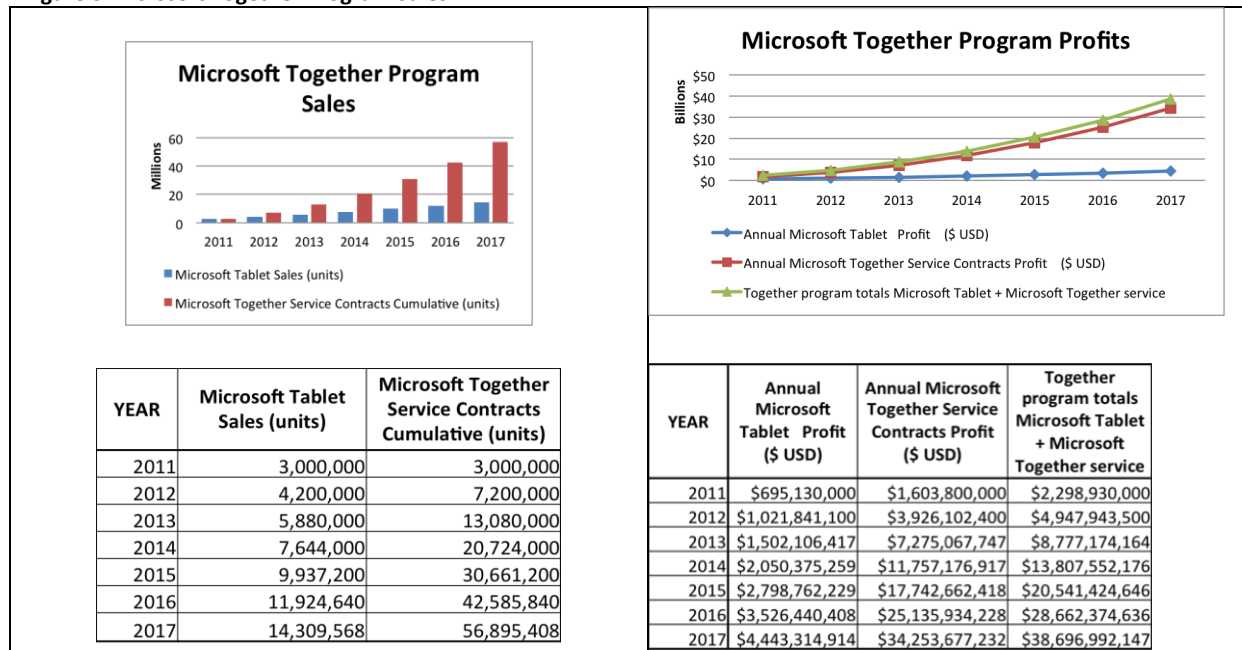
- Although a tiered service may be an option later we are going with an Enterprise per tablet per month of \$99

Five-Year Financial Projections

These are our financial projections for the next five years, reflecting growth in sales of hardware and service contracts (Figure 3). The target sales of the Microsoft Together hardware tablet was based on the fast start volumes observed for the iPad tablet. In three quarters after introduction, iPad sold 15 million units. We assumed a modest volume of 3 million Microsoft

Together tablets in the first year and a growth rate of 40%, approximately three times the current PC market growth of 13% (Gartner, 2011).

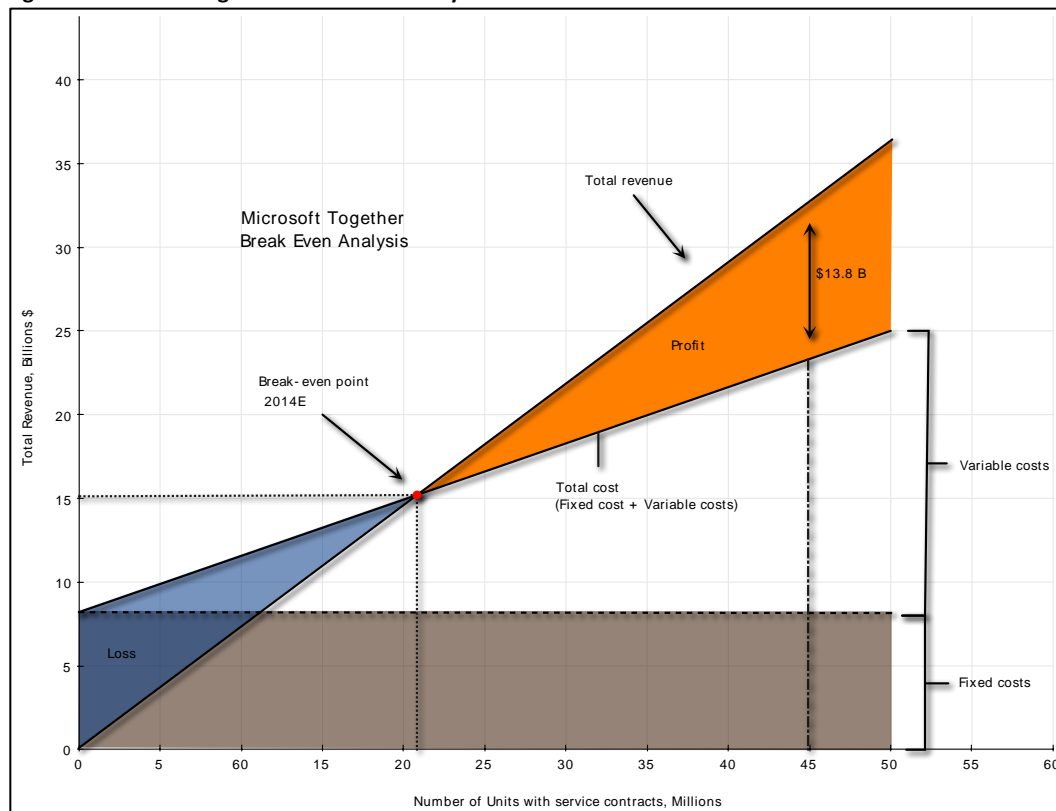
Figure 3 Microsoft Together Program Sales



Since each tablet will require a service contract, but has the annuity advantage that accumulates annual service contracts over time. This geometric growth represents the larger portion of income and profit. By the year 2014E, we should be at or near our expected breakeven point, with annual sales of 7.6 million devices and 20.7 million service contracts (Figure 4). The projected profit in 2014E of \$14 billion has a \$2.3 billion from hardware and \$11.8 billion from service contracts. An aggressive application of LEAN technologies should be able to continue our profit margins in the presence of market competition.

Note: Cumulative sales matter, since each unit continues to pay service fee.

Figure 4 Microsoft Together break-even analysis



Distribution

The company's strategy in distributing Microsoft Together is using direct sales and sales over the Microsoft website. Cloud services will be primarily sold using online services.

Direct Sales

Even though using a direct sales force as for distribution channels can be very expensive, many high-tech firms require higher bandwidth contact to build long-term relationships. In fact, high-tech firms use a live sales force to target the enterprise segment. This builds long-term customer equity, which is necessary when dealing with large professional organizations. Since many large enterprises require custom solutions, these deals are better suited for onsite or direct sales.

Sales over the Microsoft Website

Since the company website is currently selling products at an enterprise level, this can be used as a competitive advantage. It is expected Microsoft Together will be easy to install and maintain, therefore, selling the hardware using online services is possible.

Appendix A: Figures and Tables

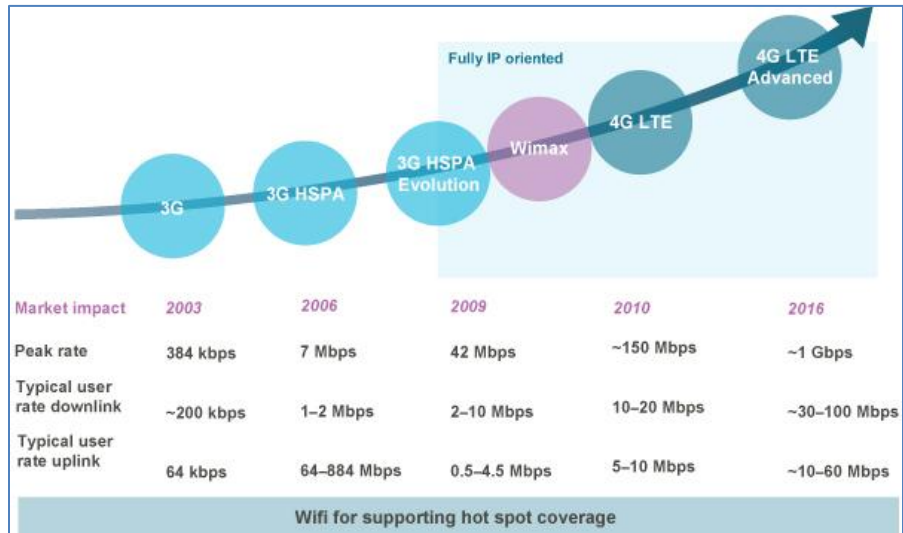


Figure 5 Wifi for supporting hot spot coverage

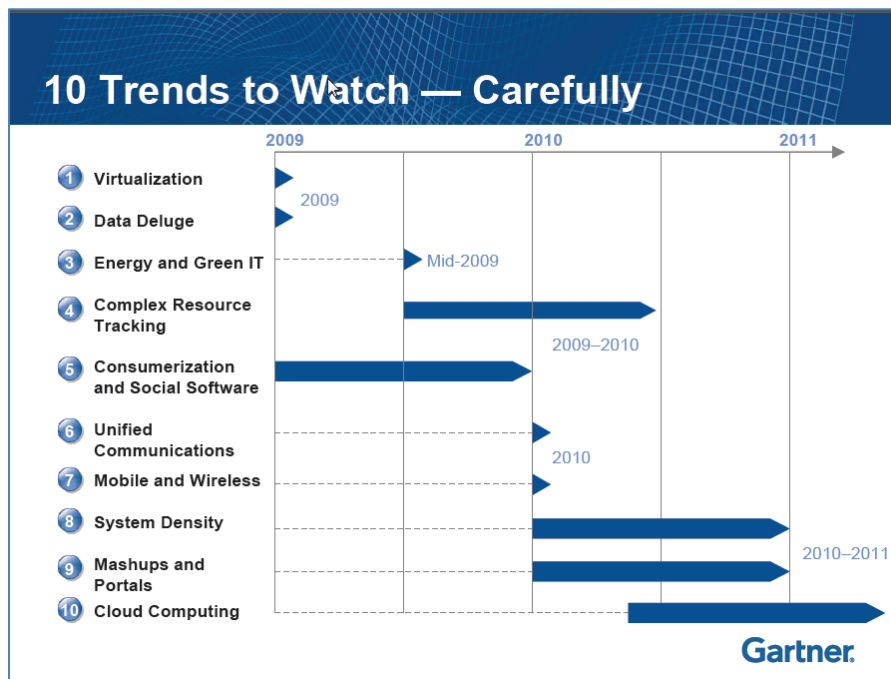


Figure 6 10 Trends to Watch - Carefully

Figure 12

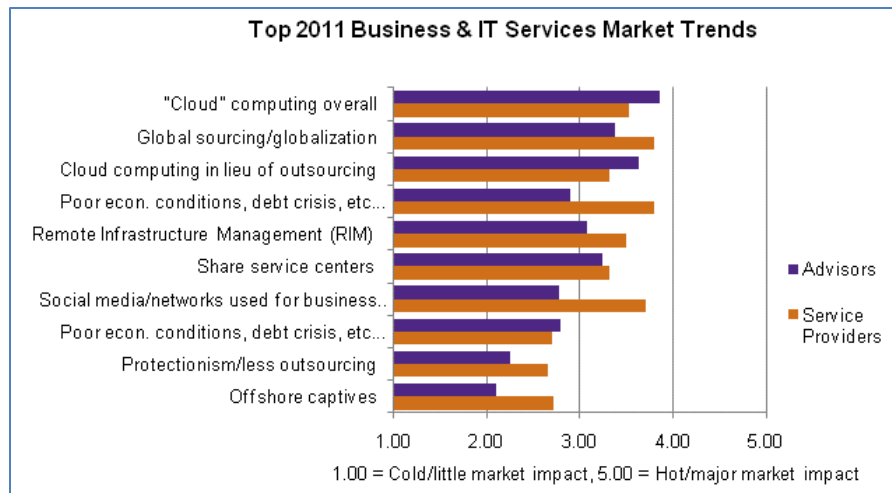


Figure 7 Top 2011 Business & IT Services Market Trends

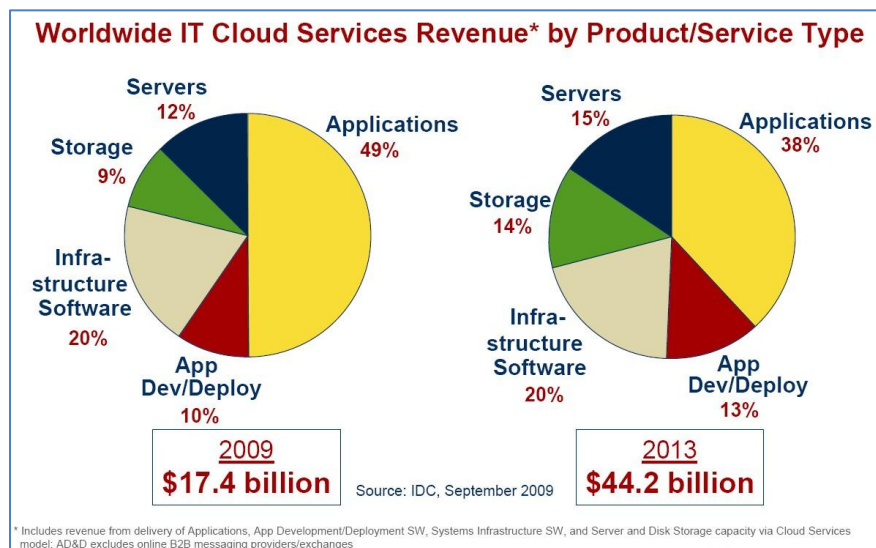


Figure 8 World IT Cloud Services Revenue by Product/Service Type

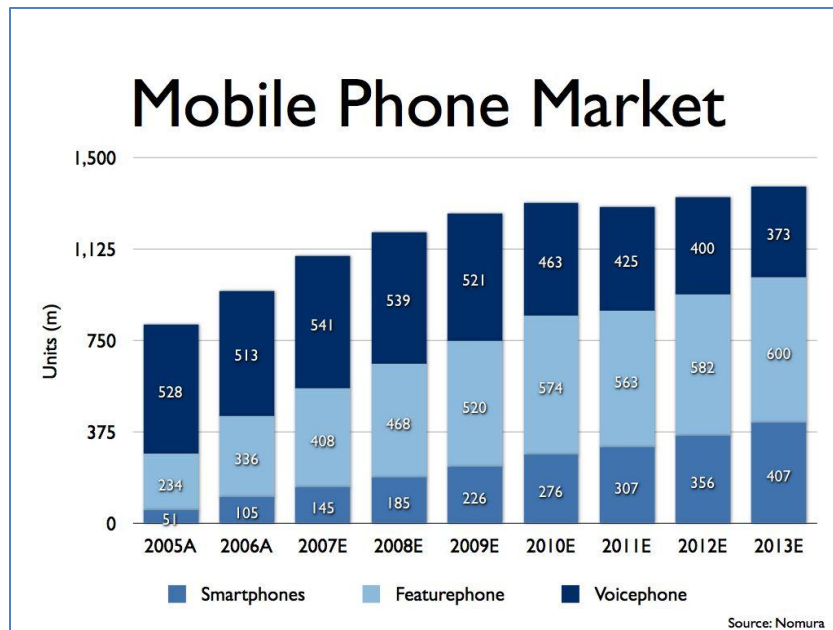


Figure 9 Mobile Phone Market

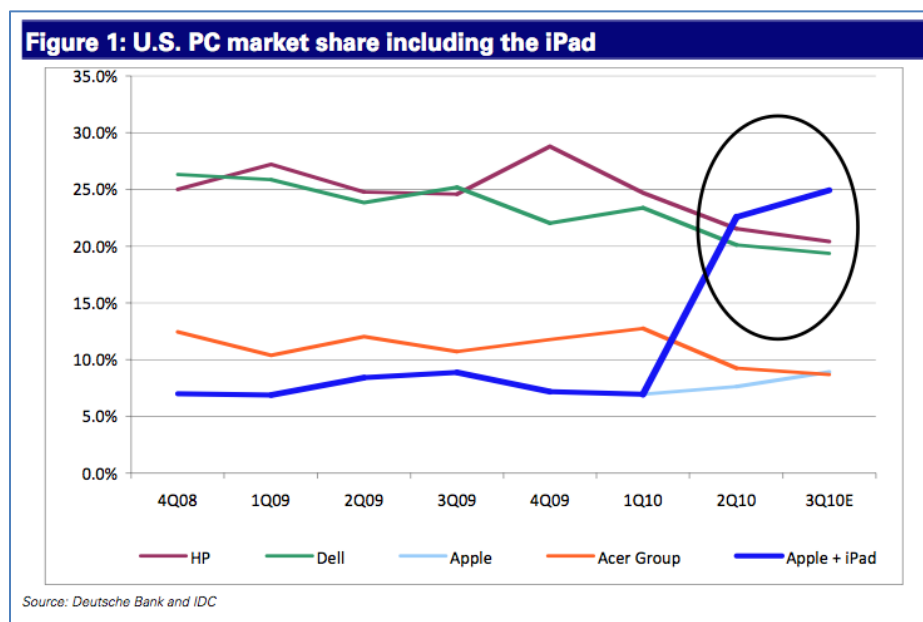


Figure 10 U.S. PC market share including the iPad



Figure 11 Consumer Market: Future Smart Phone Buying

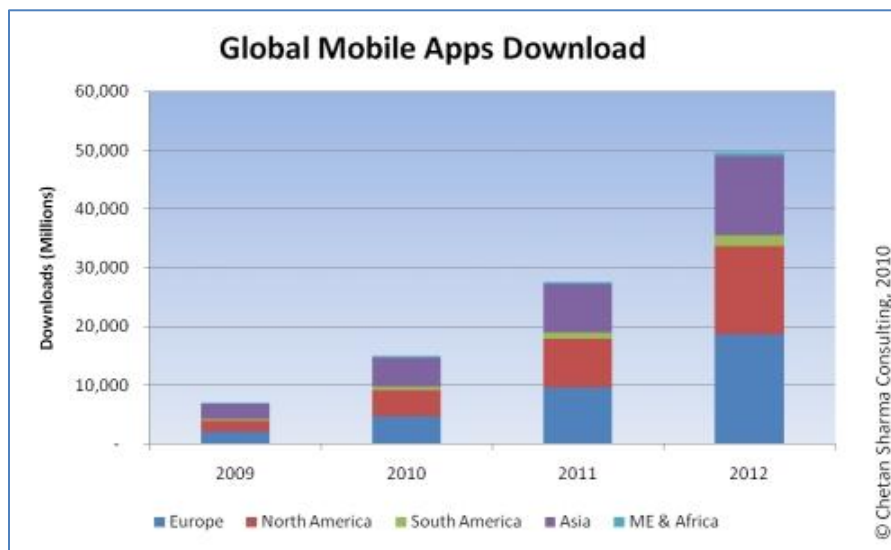


Figure 12 Global Mobile Apps Download

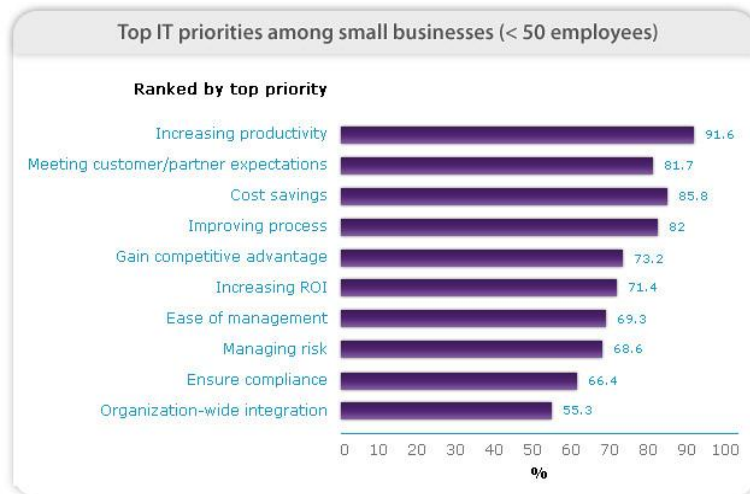


Figure 13 Top IT Priorities among small businesses

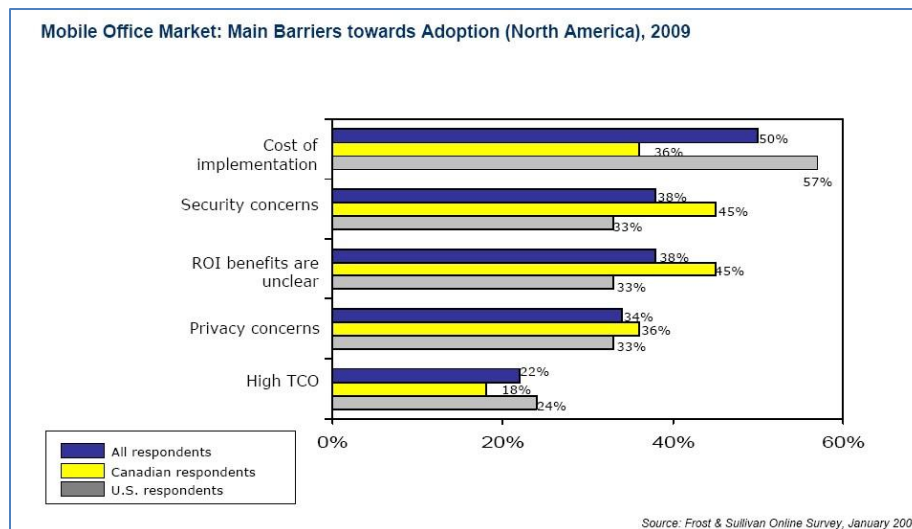


Figure 14 Mobile Office Market: Main Barrier toward Adoption

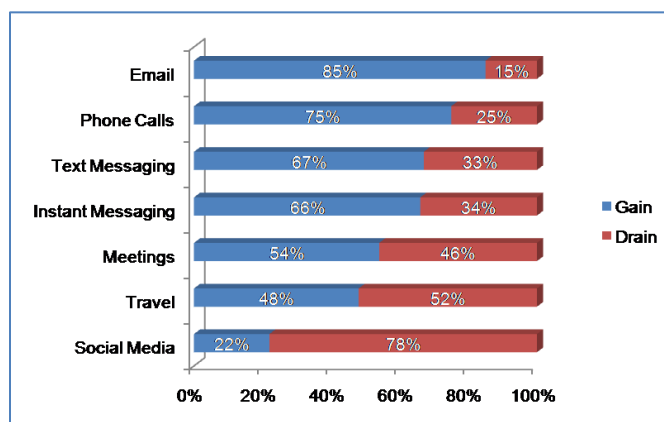


Figure 15 Mobile Device Actual Usage

[<http://www3.ipass.com/wp-content/uploads/2010/05/Image-MWR-0520103.png>]

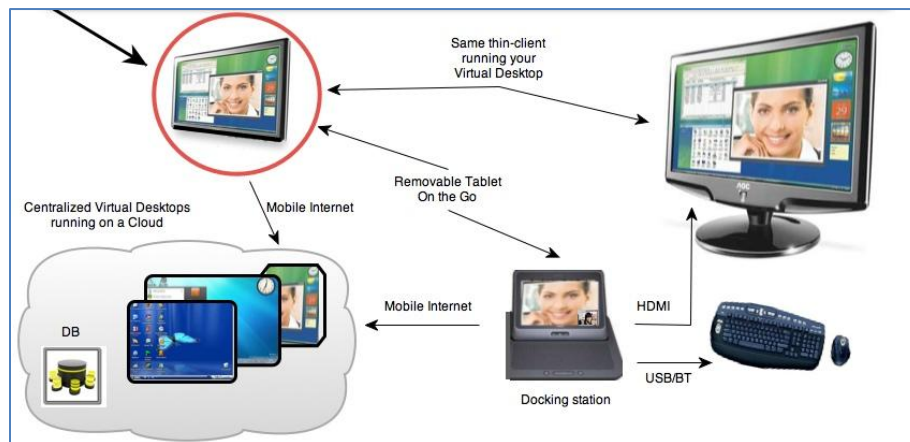


Figure 16 Microsoft Together product diagram concept

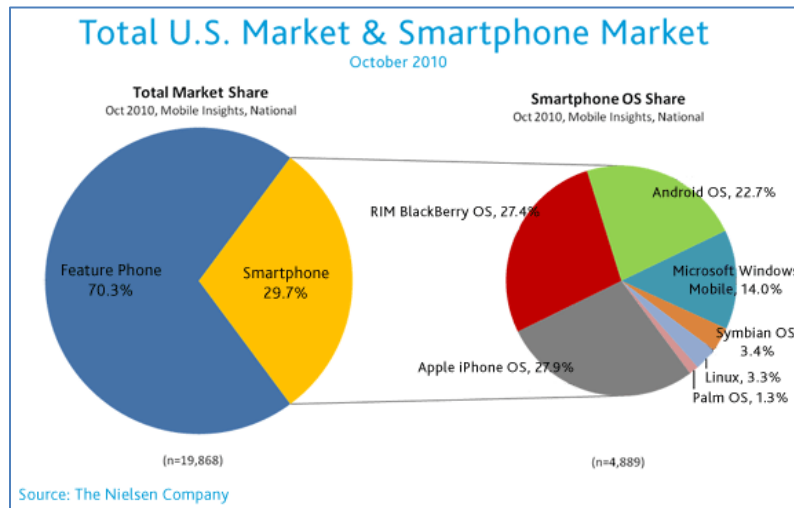


Figure 17 Total U.S. Market & Smartphone Market

Table 5 Competitors for tablet market

	Microsoft Together	Apple iPad 2	Motorola Xoom	BlackBerry Playbook	LG G-Slate	HTC Flyer	Samsung Galaxy
Price	\$899	\$829	\$999	???	\$700	???	\$550
Memory	64 GB	64 GB	32 GB	64 GB	32 GB	32 GB	32 GB
OS	Windows 7	iOS	Honeycomb	BlackBerry OS	Honeycomb	Android	Honeycomb
CPU	1 GHz dual-core	1 GHz dual-core	1 GHz dual-core	1 GHz dual-core	1 GHz dual-core	1 GHz single core	1 GHz dual-core
Lbs	??	1.33 lbs	1.61 lbs	1 lbs	??	1 lbs	??
Reviews		4.5/5	3.5/5	4/5			3.5/5

Appendix B: Team Journal

ETM 555—Winter 2011 Team Membership

Greg Bourque	Gbourque09@gmail.com	360.609.1127
Opinderjit Bhella	bhellao@yahoo.com	360.521.7023
Mohamed Burgan	mohamedburgan@gmail.com	503.999.6562
Neil Runde	neiljrunde@gmail.com	360.624.7490

Group Email Addresses

Yahoo Group: ETM555-W2011-Y@yahoogroups.com

Team member list initials:

- Neil (N)
- Opinderjit (O)
- Greg (G)
- Mohamed (M)

* **Opinderjit is the author of this document.**

January 9, 2011
10:30 am @QFC

Attendees: N O G M

This was our first meeting. We discussed our logistics for meeting place and times. We did a quick round table to talk about our selves and present project ideas. Initially we came up with several design ideas.

Marketing project candidates:

1. Secure Mobile ID-Passport
 - a. Create a mobile device enabled personal identity utility.
 - i. Goal- this should be equivalent to a national passport.
 - ii. Success would be that is it is used in conjunction with Valid Passports as border crossing identification and Visa verification
 - iii. This will improve the security of personal identification at boarder crossings to the benefit of national
 - iv. Eg. US TSA – at airports
 - b. Company
 - i. Facebook (BEST)
 - ii. Google (Wants to become more mobile)
2. Mobile project Keyboard

Microsoft Together™ – Marketing Plan

- a. Device as smart phone which includes a projector and keyboard to support group collaboration
- b. Company – Microsoft
- 3. Mobile server support for “Virtual Team”
 - a. Provides the base stations to supply local “Wi-Fi” and or cellular support for a virtual team physical meeting, at any location.
 - i. Aimed at remote or off grid/net locations
 - ii. Support Secure communications
 - b. Company – Amazon
- 4. Disaster recovery POD
 - a. A super version of (3) mobile server support
 - b. Drop in the pre-configured POD with self-contained generators, batteries.
 - i. In short time supplies central communications hub for a disaster area or other “dead” zone
 - ii. Supplies cellular, wireless and basic server node for relief applications, medical and general command, communications and control.
 - iii. Can be interlinked through direct line of sight microwave or through satellite technology
 - iv. A large area, like the 2011 Queensland, Australia, flood could have dozens of PODS
 - c. Company
 - i. Comcast
 - ii. Google

January 23, 2011
10:30 am @QFC

Attendees: O G M

We discussed the SWOT analysis and an initial project design. After examine the assignment requirements for "full market understanding," we decided to complete the 5C's of marketing.

On January 26, I send the following e-mail to assign our team work.

Hi,

For this presentation, I think he is asking about the 5C of marketing. Here is the outline:

- 1. Company: our competence, i.e. SWOT and other company related insights and strengths (Opinderjit)
- 2. Customer: who our customers are, segmentation, product positioning (Neil)
- 3. Competition, who competes with us (Mohamed)
- 4. Collaborators, who we can enlist to help and how can we motivate them (Mohamed)
- 5. Context: technology and cultural factors, product idea/concept (Greg)

I realize the workload is not quite balanced and some of the topics might seem like they are overlapping. Don't worry, collect data on what ever you can. We will put the final presentation together as a team.

*All of us needs to hold on to any raw research material.

Also, lets meet this Sunday at QFC to go over what we have collected so far. If the location changes, I will send an e-mail update.

Any thoughts or changes?

Take care,
Opinderjit

January 30, 2011
10:30 am @QFC

Attendees: O G

Greg and I talked about competitive solutions. For example, HP has a virtual room and Halo. Create an initial outline of all the data that we wanted to capture. Below are the OneNote page that Greg captured.

EMGT-555 Technology Marketing - Week 5 - Team Project
Sunday, January 30, 2011
10:55 AM

1. Three Key product features
 - a. Filing sharing - LIVE VIEWING/Saving
 - i. Skydrive
 - ii. Application support CLOUD
 - iii. Silverlight
 - b. NEED VIDEO Streaming
 - i. FLASH vs Silverlight
 - c. NEED AUDIO
 - i. Skype - like feature
2. Core capabilities
 - a. Connectivity
 - i. Wireless
 - ii. Hard wire LAN
 - iii. Cellular 4G
 - iv. Bluetooth for local appliances, keyboard, printers, etc
 - v. USB - Hard connect
3. CLOUD FEATURES: requires Cloud server stuff
 - a. SkyDrive - for file sharing
 - i. Windows Live for applications
 - ii. One note
 - iii. Word, Powerpoint, Excel,
 - iv. Adobe PDF's

- b. HP Virtual Rooms - Cloud server support
 - i. HP Halo experience - as the premium level service
 - ii. HP Halo desktop - modest
 - iii. HP Microsoft Together -
- 4. Additional -- Premium
 - a. Fancy feature
 - i. Kinetic interface - XBOX Kinect
 - b. More powerful projector

5. SWOT

- a. Sharepoint replaced by Skydrive for collaborative tool
- b. Google, must have a solution
 - i. Google - file information share for all data
- c. Oracle -Open office
- d. Adobe - sharing

GOAL:

Journal for each project event

Week 2 Sunday 1/9, 1/16, 1/23, 1/30

1/30 Opinder Greg : meet at QFC - discuss Features, context and preliminary presentation planning

For Preliminary presentation suggestions

5C of marketing

- 1. Company: our competence, i.e. SWOT and other company related insights and strengths (Opinderjit)
- 2. Customer: who our customers are, segmentation, product positioning (Neil)
- 3. Competition, who competes with us (Mohamed)
- 4. Collaborators, who we can enlist to help and how can we motivate them (Mohamed)
- 5. Context: technology and cultural factors, product idea/concept (Greg)

3 minutes each "C" section

1-3 Slides for your area

1 Really good slide

2 support

Create a few paragraphs clarifying your thoughts to help build the report.

February 5, 2011

10:30 am @SHARP

Attendees: N O G M

We brought our initial research and discussed details out the product idea. I have to admit that, it seemed difficult to get a complete consensus on the topics that we discussed. Fortunately, we narrowed

down to at least a tangible idea.

February 6, 2011
10:30 am @SHARP

Attendees: N O G M

Our team worked together to complete the presentation. Our customer value statement was the following:

Microsoft Together
An engaging experience, anytime anywhere

Your mobile workers need new ways to perform business operations while on the move, but it's difficult to achieve flexibility and performance with the current tools and services.

Microsoft's new Together solution offer's your organization the flexibility, performance and security to meet your changing workforce demands. Our integrated solution offers seamless, secure connectivity to people, assets and services.

As the world's leading IT and most trusted software company, Microsoft is dedicated to giving you superior and cutting-edge software and services.

Microsoft Together—Focusing on collaboration anytime anywhere.

February 7, 2011
In class

Our presentation did not go well. We miss understood the assignment and concentrated heavily on the 5C's. Both Neil and I felt this was a good approach, since both of our companies always do the opposite: Create a product idea first then try to find a market for it. Nevertheless, everyone in class asked the same question, "What is your product?" For this, we answered, "For this first part, we are defining the market environment. Then we will find products that fit this environment. Similar to what we did in User Centered Innovation class." However, the class didn't understand this approach. So, I created a PDF file of our product concept, which we will fit into a market environment.

February 11, 2011
e-mail conversation to our team.

e-mail 1
Hi Team,

Let me start by saying: The quality in our work falls short; we need to improve. You might or might not agree with this assumption, but in past projects we all have pushed ourselves to be at least in the top

half, if not the top. The problem, in my opinion, is that our team dynamics are rusty, probably in need of some well deserved snake oil.

Let's implement the following strategies:

1. No dominating the conversation, everyone gets 25% of the airtime.
 - a. Please, only one person should talk at a time, no talking over other people
 - b. Please keep strong opinions away
 - c. Please, no side conversations
2. We need to stay away from the technical implementation of details. We just need to discover, "what" and "why" it needs to be done and not "how" it is done. For example,
 - a. What: Item "A" connects with "B"
 - b. Why: Increases collaboration
3. We need to meet longer than 2hrs per week. Can most of us meet at least 4hrs a week?
4. Most important: We all need to have a simplified solid understanding of the product concept that we are proposing and the needs we are meeting. If an idea is being championed, it needs to adhere to the following questions:
 - a. Does it address an identified need:
 - i. If no, we need to stop talking about it, no matter how good the idea might seem.
 - ii. If yes, great!
 - b. Does it create a new need?

Agenda for Sunday, February 13, 2011

Meeting: 10:30am at Sharp

Topics

1. Discuss the strategy above
2. Understand the needs we are trying to fulfill
3. Generate a simplified and unified understand of the product concept that can address each need
4. Discuss the deliverables for the end-game
5. Your topic here...

Take care,
Opinderjit

Also, I sent Shimon an e-mail about our objectives going forward, here is my e-mail to the team:

e-mail 2

Hi Team,

I asked Shimon some questions regarding our objective for picking a product. Here is what his comments were: ***It is not your objective for the product to be perfect, but rather provide everyone a platform for going through the process of building a marketing plan.*** To help us get moving, Shimon recommend that we do the following:

- 1) Come up with one tweet (140 characters max.) that describes our product in a way that your wife or girlfriend will understand. Please test it on them.

2) Come up with one tweet (not two!) that will describe who our customers are and what is our value proposition to them. Test again with your wife or girlfriend or anyone else who is not an engineer and who has normal intelligence.

I like his idea. Please complete this assignment for our meeting on Sunday. From the four that are generated, we will vote on one. [Remember, after reading the tweets, if any idea needs to be explained or clarified further, then it's not a good idea.]

Sorry for the late notice. Have a good weekend.

Take care,
Opinderjit

This generated interesting ideas, see February 13, 2011.

February 13, 2011
10:30 am @SHARP

Attendees: N O G M

We finally created our product idea and sent it to Shimon. e-mail is below.

Hi Shimon,

We finally agreed on a product concept—attached is a PDF file.

It seems that you're recommending some plans in a few books or anything from the web. Could you give us an overall outline that you would like for us to follow? For example, our plan must include the following sections...(sections recommend here). With only a few weeks left and other assignments due, our team is feeling that with so many plans out there, we might get bogged and concentrate on the wrong type of details.

Thanks,
Opinder

What is it?

"Seven inch touch tablet device with front camera that's connected to the "Cloud" which displays your virtual desktop where all applications are installed and run (thin-client). It provides collaborative workspaces and meetings rooms, telepresence and social networking components. Customers can: Create or attend virtual meetings anywhere; Create, edit and share files or videos; Make voice calls; Interact with social networks; and Browse the internet/intranet."

Customer value proposition:

"Reduced hardware cost, PC and laptops can be replaced with tablets."

"Centralized deployment of applications: With applications that are running on a thin-client, there is more security for risk of intellectual property loss."

"Real-time access to shared document."

"With SDK/API's create customers can create components on the tablet that can access centralized database or other repositories."

"Display virtual desktop on any HDMI monitor/TV with docking station and wireless keyboard/mouse."

This was Shimon's response to the previous e-mail.

From: "Shimon Shmueli" <shimonpdx@gmail.com>
Date: February 13, 2011 4:07:04 PM PST
To: "Opinderjit Bhella" <bhellao@yahoo.com>
Subject: RE: Product Concept
Reply-To: <shimonpdx@gmail.com>

Hi Opinder,

The PDF looks fine. Looks like a well-defined/articulated product. I hope this was the product the team had in mind and you don't need to go back too far into the related internal/external analysis and strategy.

The book has an outline of the marketing plan. We will discuss tomorrow as well.

-- Shimon

February 17, 2011
No Meeting: e-mail conversation

We divided the work for the final paper. Here is the e-mail that I sent.

Hi Team,

Attached is the outline of our final market paper. Select a section that you are familiar with or worked on previously and create a rough draft. There is too much work to evenly split-up between 4 people. Let's do what we can and fill in missing sections together or whatever...

The final paper will be edited and proofed at Sharp on the big screen by all of us. When you are done with some of your stuff, pass them on to me; I'll add them to the master copy.

Neil had selected Market Analysis.
I'll select Company Analysis.

We have

- 1) Segmentation, Targeting and Positioning/Value Proposition
- 2) Market Strategy will be split up
 - a) Positioning/Product/Distribution
 - b) Promotion/Price/People
- 3) Objectives

Take care,
Opinderjit

--- On Tue, 2/15/11, Runde, Neil <nrunde@sharpplabs.com> wrote:
From: Runde, Neil <nrunde@sharpplabs.com>
Subject: MarketingPlan_Team3_d001

To: bhellao@yahoo.com

Date: Tuesday, February 15, 2011, 2:36 PM

Opinderjit:

Here is the outline using Appendix 1.B from page 43 in the book.

The style/outline and such are done, now it's just content.

I'll start filling in first section of Market Analysis up to the Competition part.

~Neil

Team Meeting at Sharp

Sunday, February 20, 2011

10:30 PM

Attendees: N O G M

Neil had created an outline using the Appendix 1.B on page 43 of our textbook. We took turns volunteering for sections that we would be interested in working on. After the sections were divided, we went through each section to make sure everyone agreed what type of content to place there. Finally, we agreed to the following rules:

1. If anything is copied word for word from another author, it needs to be changed to "red" font.
2. The reference style that we are planning to use will be the Harvard style
3. For the draft, the references text needs to be inline with the actual words in red or you paraphrased section. When we have completed the first draft of the paper; we will move these references to the end.
4. In each section, start with a brief paragraph of what that sections means to establish a context, then write the company specific details

We also considered the presentation and concluded that we will glean from the data that we collected for the final paper. Meeting was productive and adjourned.

Meeting at Sharp

Saturday, March 5, 2011

11:00 PM

Attendees: N O G M

After having pre-prepared the parts of our owned sections, we meet to discuss the details. Each one of took turns to present our parts.

During our discussion, we realized that we did not focus on the risks of this investment. We agreed, based on class discussion, we were converting Microsoft weaknesses to strengths: Which could be a risk? Microsoft's weaknesses are their weakness for a reason.

Meeting at Sharp
Sunday, March 6, 2011
10:44:04 PM

Attendees: N O G M

We went over our slides material and had engaging conversations over certain slides. We decided to add another slide that outlines potential risks for this investment.

Additionally, we tagged comments in the marketing plan document for things that still need to be done.

Meeting at Sharp
Sunday, March 13, 2011
10:44:04 PM

Attendees: N O G M

Our last meeting was a very productive meeting. We had agreement on our marketing plan outline and the changes that were discussed. During the end of the meeting, we decide to ask everyone to have a final look over before we submit the plan.

fin

References

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