

Marketing Log

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I. Company Analysis

- Current company product offerings
 - <https://ring.com/products>
 - Ring Video Doorbell (flagship)
 - Ring Video Doorbell Pro
 - Stick Up Cam
 - Floodlight Cam
 - Solar Panel (for Stick Up Cam)
 - Chime (doorbell auditory indicator for Ring Doorbell)
 - Solar Security Sign (Self Illuminating)
 - Chime Pro
 - Various Installation Kits
 - <http://www.businessinsider.com/ring-doorbot-shark-tank-goldman-sachs-2017-1>
 - Focus on products to prevent crime as opposed to reporting it when it happens
- Employee profile
 - <https://www.crunchbase.com/organization/ring#/entity>
 - 101-250 Employees
 - <http://pitchbook.com/profiles/ring-profile-investors-funding-valuation-and-analysis>
 - 500-1000 Employees
- Company History
 - https://en.wikipedia.org/wiki/Ring_Video_Doorbell
 - Created by James Siminoff in 2012
 - <http://www.businessinsider.com/ring-from-shark-tank-to-richard-branson-2015-8>
 - Jamie Siminoff appeared on Shark Tank
 - Company original name is DoorBot.
 - Original self-valuation was \$7 million.
 - Sought \$700,000 from venture capitalists.
 - At this point, was making \$1 million in annual sales.
 - \$250,000 in sales month prior to Shark Tank appearance (online sales)
 - Was able to raise the \$700,000 requested at the \$7 Million valuation between the taping and the actual airing of the episode in Nov. 2013.
 - Products sold in world's top retailers in 93 countries worldwide.
 - <https://techcrunch.com/2014/09/29/doorbot-ring-home-security-doorbell/>
 - DoorBot (first generation) started by crowd funding \$250,000
 - <http://fortune.com/2015/08/19/ring-richard-branson/>
 - Aug 2015 Richard Branson funded \$28 million based on word of mouth and trialability.
 - Founded DoorBot in 2011, went on sale in 2013

- DoorBot had bad amazon reviews
 - Took too long to open video connection
 - Drained batteries too quickly
 - Great idea, poor user experience
- <http://www.businessinsider.com/ring-doorbot-shark-tank-goldman-sachs-2017-1>
 - As of January 2017, sold in over 100 countries at over 15,000 retail outlets
 - Goldman Sachs invested \$109 million
- <https://www.crunchbase.com/organization/ring#/entity>
 - Venture Capitalists fund Ring
 - December 2013: Raised \$1 Million at \$7 Million Valuation by (2) Investors
 - July 2014: Raised \$4.5 Million at Unknown Valuation by (2) Investors
 - March 2015: Raised \$5.5 Million at \$15.5 Million Valuation by (5) Investors
 - August 2015: Raised \$28 Million at Unknown Valuation by (3) Investors, led by Richard Branson
 - March 2016: Raised \$61.2 Million at Unknown Valuation by (5) Investors
 - January 2017: Raised \$109 Million at Unknown Valuation by (6) Investors, led by Goldman Sachs
- <http://pitchbook.com/profiles/ring-profile-investors-funding-valuation-and-analysis>
 - Founded 2012
 - Private Company
 - Venture-Capitalist Backed
 - Business to Customer Electronics Industry
 - \$209 Million Valuation
- Past and Current Marketing Efforts
 - <http://www.businessinsider.com/ring-from-shark-tank-to-richard-branson-2015-8>
 - Appearance on Shark Tank in Sept. 2013 to get exposure.
 - \$5 Million sales directly related to the airing of the episode
 - Changed company name from DoorBot to Ring for a more serious image.
- Current Knowledge About Customers
 - <https://techcrunch.com/2014/09/29/doorbot-ring-home-security-doorbell/>
 - Daytime crime prevention, 80% of those crimes start at the door
 - Pre-crime system, complements/supplements existing security systems
 - Customer interviews with the DoorBot product
 - Latent Need: Convenience of using tech to communicate with people you didn't want to communicate face-to-face with anyways.
 - Latent Need: Not allowing the UPS guy to leave right after ringing the doorbell.

II. Company Market Definition, Potential, & Demand

The Ring Video Doorbell is building upon the market for smart home connected devices. Smart home security is at the cusp of revolutionizing the way customers seek security within their home. As video doorbells become more affordable, average customers are seeking devices that meet a wide variety of demands. Ring offers the advantages of improved security, while also providing the convenience associated with virtual presence. Virtual presence entails being able to accept guests and packages at your front door while not physically being there. The mechanism of seeing who approaches the door also adds a supplementary sense of security.

Although home security is not a radically new market, smart home connected security is bringing this once exhausted market mainstream. The traditional alarm and video security mechanisms attract customers that value security. Alarm systems are essentially barrier controlled security systems. The alarm system is activated if a barrier is breached, which entails a potential break in personal security. Conventional video security is a deterrent, meaning its simple presence may prevent a crime from occurring in the first place. The home security market is vast, but affordability and usability was a common deterrent to universal adoption.

In a market where customers demand multifaceted convenience - products must be easy to install, use, and maintain. Ring Video Doorbell is revolutionizing this market by transforming video home security to wifi enabled and smartphone connected single device. Ring aims at grasping the market potential presented by home security solutions. The market terrain for home security solutions is in flux as the internet of things (IoT) continues to expand. Internet connected devices are diversifying and expanding markets beyond its originally conceived customer base.

The global market potential for home security solutions is worth billions. In fact, the market is already nearly worth \$34 billion in 2017, with expected growth to \$47 billion by 2020 [S1] [S2].

Design - alarm systems turned inside out, pre-crime system

Market segment: current market size

Market potential

Video doorbells primarily target residential homeowners who seek a traditional doorbell design with new age technology. The added advantage for residential homeowners

Potential (\$\$)

Demand (\$\$)

Who is going to buy this product? Residential: homeowners (single and family homeowners)

Adjacent market segment - apartment, small businesses

Market segmentation (

<https://techcrunch.com/2014/09/29/doorbot-ring-home-security-doorbell/>

III. Competitor Analysis

Information about all major competitors or strategic groups is thoroughly and clearly reported. Source(s) of the information is provided. Any information that is considered to be important to know, but that has not been obtained with reasonable effort is identified.

Porter's model of five forces is used as the framework for the competitor analysis.

Bargaining Power of Suppliers

Ring purchases all manufactured parts, most of which do not have significant distinguishing features except for the camera.

Bargaining Power of Buyers

This is a retail product with only a total of 3 major players (Ring, August Home Inc, Skybell). With the limited number of competitors, the end consumer doesn't have significant buying power. With the product being a consumer product being sold in large box stores such as Home Depot and Best Buy, the retailers are in the buying chain and can have significant buying power. In addition, the retailer can provide the opportunity to feature the innovative new technology in a dedicated display and or demo. For this reason the retailer can also be a significant opportunity to increase sales.

Threat of new entrants

This is a significant threat. All the major players in the door camera business are relatively new start-ups, primary software based. The start-up costs are moderate and there is no extremely high tech portion of the product that would be a significant barrier to becoming a new market entrant.

Threat of substitute products

The door camera with mobile phone remote control and video recording is very good fit for door surveillance and door management. Besides current conventional door bell technology there are no significant substitute products.

Threat of Competitors

Primary competitors to Ring Doorbell Pro are Skybell HD and August Doorbell. The criteria for each of these competitors is to have a product that provides a live video feed to a mobile phone or other electronic device. Each of the products focus on the residential market. Below is a chart of rating for primary internet based doorbells.

August Home Inc

August Home Inc is a San Francisco based small start-up company incorporated in 2012 [hj1]. Employing between 50 - 200 [hj2] , it is a technology based start-up with currently offering the August video doorbell and the August remote door lock. It's first major product was the remote door lock.

It partnered with Comcast in 2015 to allow August Home Inc products remote functionality using the Comcast Xfinity platforms.

SkyBell Technologies Overview

Website www.skybell.com

Headquarters Irvine, CA

Size 1 to 50 employees

Founded Unknown

Type Company - Private

Industry Information Technology

Revenue Unknown / Non-Applicable

Competitors Unknown

SkyBell is quickly becoming a leading developer in home automation. Our goal is to make home security easy – with monitoring and “smart” home security products that help you feel secure and connected.

Mission: SkyBell was founded with the mission to improve our everyday lives by creating simple and useful products for the smart home, starting with the front door. We want to empower homeowner's with more convenience, control, safety and connection. We deliver elegant, easy to ... Read more

Overview

Update

Most Recent Funding

\$750k [Debt Financing](#) on July 8, 2015

Headquarters:

[Anaheim, California](#)

Description:

Video doorbell you can answer door from a mobile device

Founders:

[Andrew Thomas](#)

Categories:

[Hardware](#), [Software](#)

Website:

<http://www.skybell.com>

Social:

Company Details

Update

Founded:

2013

Contact:

+1 (844) 256-1826

Employees:

1 - 10 | [1 in Crunchbase](#)

SkyBell, the smart Wi-Fi video doorbell, allows you to see who is at your door from a smartphone. When a visitor presses the button, SkyBell sends you an alert and allows you to See, Hear and Speak to your visitor from select iOS® and Android® devices.

There is an array of features for each of these products have. There are no major advantages of one product over the other. There are different features such as the video recording formats. Ring and August doorbell both save video to the cloud. Ring charges a monthly fee of \$3 and saves video files for 6 months, while Skybell saves videos for 7 days to the cloud at no cost to access. Size and operating environment capability vary.

All three products are sold in big box stores such as Walmart and Best Buy. In a mass consumer product market, where the customer generally performs their own installation, and there are no major distinguishing features, ease of installation and key feature functionality become a primary competitive advantage.

<https://www.linkedin.com/company/skybell-technologies-inc->

Skybell[hj4]

Specialties

Wi-Fi Doorbell, Connected Home, Home Automation, Internet of Things

- **Website**
- <http://www.skybell.com>

- **Industry**
- Consumer Electronics
- **Type**
- Privately Held
- **Company Size**
- 11-50 employees
- **Founded**
- 2013

Live streaming

Motion detection

Two way communication

	Video Door Bells			
	Ring	Ring Pro	August	Skybell
Video Quality	720p	1080p	960p	1080p
Field of View, degree	180°	160°	140°	180°
Live Video Feed	Yes	Yes	Yes	Yes
Video Recording	Paid	Paid	Yes	Free
Night Vision	Infrared LEDs	Infrared LEDs	No	Yes
Motion Detection	Control the sensitivity on predefined motion zones.	Draw and create custom shaped motion zones.	Yes	Yes
Battery	Yes	No	No	No
Connects to existing hardwired doorbell	Yes	Yes	Yes	Yes
Smart Lock Control	Works through other Apps	Works through other Apps	Yes	Works through other Apps

Multiple Users	Yes	Yes	Yes	Yes
Encryption	Bank-grade	Bank-grade	128-bit AES	Yes
Wi-Fi Connection	2.4GHz	2.4 + 5GHz	2.4 + 5GHz	2.4GHz
Bluetooth	No	No	v4.0	No
Two-way Audio	Yes	Yes	Yes	Yes
Works with iOS	Yes	Yes	Yes	Yes
Works with Android	Yes	Yes	Yes	Yes
Works with Windows Phone	No	No	No	No
Works with Windows 10	Yes	Yes	No	No
Warranty	1 year	1 year	1 year	1 year
Theif Protection	Lifetime	Lifetime	Lifetime	Lifetime
Operation Temperature, F	-5 to 120	-5 to 120	0 to 110	-40 to 140
Size, in	4.98 x 2.43 x .87	4.50 x 1.85 x .8	2.9 x 2.9 x .9	2.8 x 2.8 x .9
Weight, g	233	272	400	53.8
Design	3	4	5	3
Easy Installation	5	3	4	2
Video Quality	3	4	2	5
Livestream	N/A	4	3	5
Motion Detecting	4	5	4	3
Night Vision	3	4	2	5
Audio Quality	5	5	2	3
Apps	5	5	4	2
Cloud Storage	4	4	N/A	5

Integration	4	4	3	5
Approx Price	~ \$200	~ \$250	~ \$200	~ \$200

IV. Customer Analysis

The target market segment is residential dwellers, specifically residents with non-regulated access to their front door area. The needs and wants of the customer have been broken down to the following:

Increased security within the home environment, there are many instances where the individual(s) who is/are home when the doorbell rings may not want to or feel safe answering the door. This is where the RVD comes in handy,

- Children home alone

- Baby/house sitters

- Elderly

- Women who are home alone

- Sick people

Home delivery security

- When was the package dropped off

- Video evidence of theft

- Motion sensor to help prevent theft

Middle class

- Roughly \$200, not expensive but not cost feasible

- Prevention not reaction

- Smart neighborhoods

Adults to elderly

Tech savvy to the want to be tech savvy

- Smart home aspect

- Plug and play, smartphone apps

- Giftable

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Information about customers is thoroughly and clearly reported. The source of data is clearly reported (i.e., secondary or primary data, company information or new data collected for the development of this plan. If new data has been collected, the method of collection, including sample size, description of sample, and data collection instrument is provided.

Any information that is considered to be important to know, but that has not been obtained with reasonable effort is identified.

V. SWOT Analysis <Colette>

Strengths	Weakness
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Opportunities	Threats
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A thorough SWOT analysis is provided, based on the preceding analyses. Reasoning for each item in the SWOT is provided and logical. Strengths and weaknesses are clearly internal factors, and opportunities and threats are clearly external factors.

VI. Marketing Objectives & Goals <Sema>

- What are we trying to accomplish?
 - Grow market share
 - Become the **industry standard** in security IoT devices
 - Leader in the market category
- Improve sales of auxiliary products
 - Extra camera's

VII. Marketing Strategy <Sema>

- "Buzzword" - the ring of security
 - Marketing existing technology, guarantee that you will be notified if anyone breaches "ring of security"
 - I.e. The house bubble (synonymous with personal bubble)
- Partnerships / alliances or acquisitions
 - Short term: partnerships (ADT, comcast)
 - Get out marketing brand
 - Become the industry standard
 - Partner to get out of the chasm
 - Get flagship in the majority of homes
 - Long term:
 - Become self sustaining brand
 - Use partnerships to gain market majority

VIII. Target Market & Positioning <Colette>

- Residential: primary market
 - Middle Income
 - Opportunity to go into low income with lower price point
- Adjacent markets:
 - Small businesses
 - Apartment / condos

IX. Product & Brand Management <Rudy>

- Market a solution instead of a single product, expand to brand management (building the brand using the strong base)
- Active marketing of current product (create bubble around home)

- Product based market strategy -> transition to “customer centric” solution based marketing
- Full security solution on the premise of crime prevention
 - Stopping a crime before it even occurs (pre-barrier)
- Increase product diversity
 - Sustainability
 - Develop additional auxiliary products
 - This will all enhance the “ring of security”
- “Ring of protection”
 - Look at every entry way into house (august locks and RFID dog door)
 - Expanding beyond the front door
 - Control every entry/exit and know when anyone is within the “ring of security”
- W.M. Luther, “Brand Development,” in *The Marketing Plan: How to Prepare and Implement It*, 4th ed. New York, NY: AMACOM, 2011, ch. 5, pp. 67-72.
 - Positioning Statement
 - WHO: Ring Video Doorbell
 - WHAT: An internet-connected home security device OEM
 - FOR WHOM: Tech savvy, middle-class homeowners in 20s-40s
 - WHAT NEED: Security, 24-hour front door presence
 - AGAINST WHOM: Skybell, August
 - WHAT’S DIFFERENT?: Combination of features that provide a complete solution for customers (wifi connected, motion sensing, two-way communication,,,)
 - SO?: Security without the feeling of sacrifice.
- Why not Home Security Systems?
 - <http://lenpenzo.com/blog/id21210-reasons-why-monitored-home-security-systems-are-for-suckers.html>
 - Thousands of dollars to install
 - Monthly monitoring fees
 - Automatic auditory alarms are a nuisance to neighbors
 - High false-alarm rate (80%)
 - Security monitoring centers are overwhelmed
 - Causes disruption to day to day activities of residence
 - Theifs will most likely ignore them
 - Charges from city hall for false alarm responses
 - Response times are pretty slow from police
 - Susceptable to power outages
 - Easy to disable
 - Not effective against snatch-and-grab
 - <https://www.consumer.ftc.gov/articles/0195-some-home-security-systems-may-be-scams>
 - Security system companies are intermingled with scammers
 - <https://www.ksl.com/?sid=25506717>
 - Cops don't respond to burglar alarms

- https://household-tips.thefuntimesguide.com/security_systems_for_home/
 - Pros
 - Police are notified if someone breaks in
 - Auditory alarm can deter burglars
 - You will be alerted if anyone enters/exits home
 - Cons
 - False sense of security
 - Alarm must be set and disabled to work correctly
 - Charges for false alarms
- <http://www.nytimes.com/2010/05/01/your-money/household-budgeting/01wealth.html>
 - Police response times are slow
 - High false alarm rate 80%
 - Police charge for false alarms
 - Monthly fee (25-100)

X. Partnerships <Henry>

- Partnership:
 - Existing: ADT
 - insurance providers
- Alliance:
 - Cyber Security IBM security, etc. (develope)

XI. Pricing Management <Colette>

- Current:
 - Middle-high income
- How does Ring reach low income customers?
 -

XII. Distribution Management <Henry>

- Current strategy:
 - Major retailers
 - Direct website
 - ADT strategic partnership
 - Expand to other partnerships like BRINKS home security
 - Expand with Nest (active competition collaboration)
 - Online
- How will the product get out to masses?
 - Acquire “august”
 - Internet connected lock
- Grow market grasp in international markets
 - How do we want to gain international markets?

XIII. Communications Management <TBD>

- Tactics for managing communication, how are you going to communicate with the market?
- Advertising and promotion mix
 - Sales promotion to attract low income customers
 - PR / publicity: test within another high crime neighborhood
- New Media
 - Web 2.0 technique: social networking (user stories)
- Target broad audience

XIV. Implementation & Control <TBD>

- Metrics?

XV. Conclusion

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XVI. Appendix / Reference Material

A1 - August Home Inc Timeline



1. Market Analysis
 - 1.1. Market Demographics
 - Internet of things (IoT)
 - Smart connected home market
 - 1.2. Market Needs
 - Security
 - Convenient
 - 1.3. Market Trends
 - Smart home security
 - Internet connected devices
 - 1.4. Market Growth
 - <https://www.statista.com/outlook/279/109/smart-home/united-states>

- 1.5. Buyer Behavior
 - Cost is ~\$200 depending on the site
 - As low as \$160 on amazon
- 1.6. Customer Segments
 - Residential (primary)
 - apartment , small business (adjacent)
- 1.7. Competition
 - August home inc.
 - skybell
- 1.8. Collaborators
 - Backed by venture capitalists
 - Venture Capitalists
 - Various - \$250,000 - 2012
 - Various - \$1 Million - Dec. 2013
 - Various - \$4.5 Million - July 2014
 - Various - \$5.5 Million - Mar. 2015
 - Richard Branson - \$28 Million - Aug. 2015
 - Various - \$61.2 Million - Mar. 2016
 - Goldman Sachs - \$109 Million - Jan. 2017
- 1.9. Macroeconomic Forces
- 2. Company Analysis
 - 2.1. Tangible Assets
 - Non-public company
 - 2.2. Intangible Assets
 - Personal security products
 - 2.3. Capabilities
 - Security
 - 2.4. Areas of Advantage
 - Internet connected
 - 2.5. Key Success Factors and Key Weaknesses
 - Becoming a market leader
- 3. Objectives
 - 3.1. Financial
 - 3.1.1. Revenues
 -
 - 3.1.2. Margins
 -
 - 3.1.3. Growth Rate
 -
 - 3.2. Nonfinancial
 - 3.2.1. Customer Satisfaction
 -

- 3.2.2. Perceived Quality
 -
 - 3.2.3. Loyalty
 -
 - 3.2.4. % of Sales from New Products
 -
 - 4. Segmentation, Targeting, and Positioning/Value Proposition
 - 4.1. Target Market
 -
 - 4.2. Functional, Emotional, and/or Self-Expressive Benefits
 -
 - 4.3. Price
 -
 - 5. Marketing Strategy
 - 5.1. Positioning: The process of designing the company's image and value offering so that customers in the target market understand and appreciate what the company stands for in relation to its competitors.
 -
 - 5.2. Product and/or Service Attributes: New product development process, decisions about what to sell and what features to include, branding strategies, packaging decisions, warranty, and ancillary services.
 -
 - 5.3. Distribution: Locations at which product or service is made available to customer, and the channel members that offer it.
 -
 - 5.4. Promotion:
 - 5.4.1. Advertising strategies, regarding both message content in ads and media used to communicate the message; may include direct media and new media.
 -
 - 5.4.2. Sales promotion strategies, regarding any short-term incentives for both trade members and consumers (coupons, rebates, premiums, etc.).
 -
 - 5.4.3. Public relations and publicity strategies, regarding the generation of news articles, community relations, event sponsorships, and goodwill.
 -
 - 5.4.4. Personal selling/trade shows.
 -
 - 5.5. Price: What to charge for specific products, features, or services, as well as discount structures and payment plans.
 -
 - 5.6. People: The marketing specialists who are required to execute the marketing strategy; includes systems for recruiting, motivating, and retaining them.
 -

6. Budgeting and Control

- 6.1. Financial resources required to execute the marketing strategy.
 -
- 6.2. System for comparing results to objectives.
 -
- 6.3. Process for taking corrective action.
 -

J. Mohr, *et al.*, “Introduction to the World of High-Technology Marketing,” in *Marketing of High-Technology Products and Innovation*, 3rd ed. Upper Saddle River, NJ: Prentice Hall, 2010, ch. 1, Appendix 1.B, pp. 43–44.