

Marketing plan

Executive summary

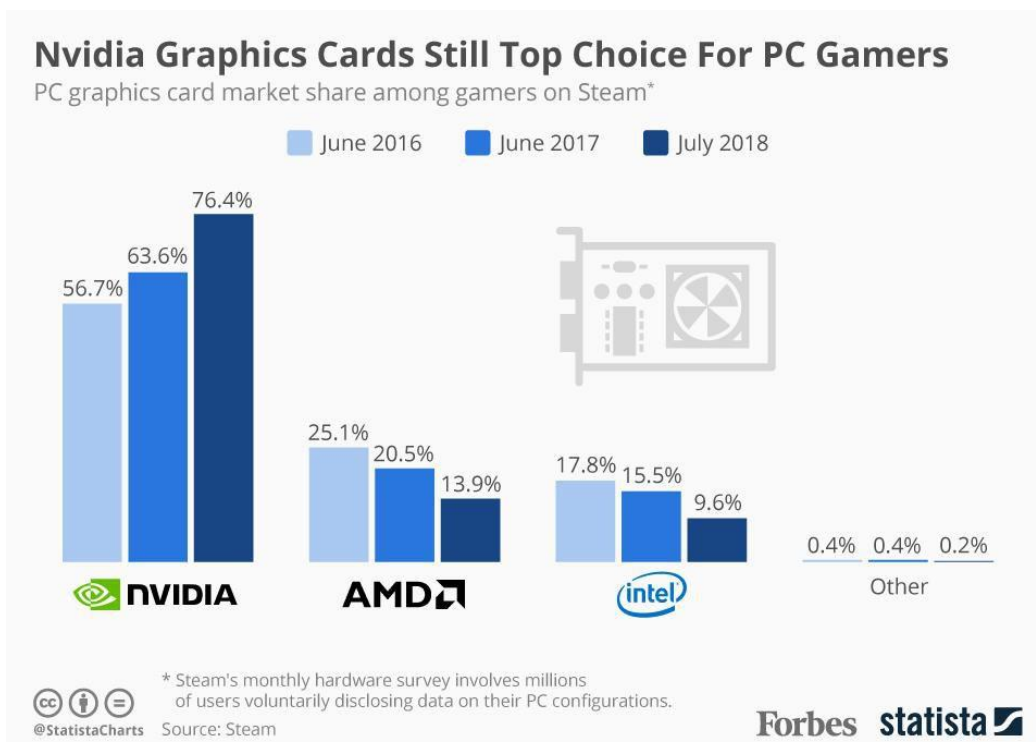
Ever since Nvidia created the world's first graphics processing unit, GPU, their main objectives have always stayed the same. They want to provide their customers with the best value for their money regarding computer graphics for a variety of tasks, playing games or using programs for photo editing or video editing, the list keeps going. One other main goal is also to satisfy customers by listening and developing their products according to customer wants and needs. Lastly, the biggest objective is to provide everyone with new innovative technology above all the competitors with the highest possible value for customers. This marketing plan has the same exact objectives so that Nvidia could reach their customers as fast and effectively as they can, it also includes everything needed in a short but very impactful document.

Current marketing situation

Currently the target market of the company is in computer graphics for four main very large markets, gaming, enterprise graphics, datacenter and auto. Nvidia is in one of the highest positions in said market where the most valued matter is visual computing. Nvidia's products are the best performing ones with most advanced technology, making the competition only occur amongst the mid-range priced GPUs. Nvidia has only one major competitor, AMD. AMD's position in the market isn't that high compared to Nvidia because of the value of the products Nvidia makes is much higher. Pricing-wise AMD is winning because it offers cheaper and better performing low- and mid-range products plus the distribution and promotion of AMD's products was a lot more diverse and better than Nvidia's due to a large crypto-currency mining phase that impacted the supply and the price of Nvidia's products.

5C analysis & SWOT

- Climate
 - Overall good climate in every single sector (political, economical, legal etc.)
 - Main issues consist of trying to reduce pollution, trying to keep product prices as low as they can to be appealing for the mass consumers and all the trade
 - Regulations and tariffs regarding the products. Also preserving cultural values and being ethical has been an issue in the past.
 - Paris climate agreement (2017)
 - Positive issues are mainly focused on the location of their factories and warehouses so that they can access the customers quickly.
- Competitors
 - Opportunities are mainly result of market development causing competitor's advantages to go down, after a competitor releases a product Nvidia usually responds with their own one which is at least more than twice the value of the competitors and lastly, Nvidia has a lot to gain from new trends set by competitors as well because of their developed technology in their GPUs.
 - Main threat because of competitors is that the competitors make products almost identical in value in low- and mid-range GPUs with much lower prices.
 - Market share



- Customers
 - Customers are one of Nvidia's base values and satisfying their needs is why their products exist, to be of the highest value for every category of consumers/customers.
 - Nvidia also values customer feedback to improve their products and keep being the leading force in the GPU market.

- Company
 - Strengths include a strong community of dealers, workforce that is very highly skilled, being the dominant force of new markets and having a superb distribution network.
 - Weaknesses of the company are mainly based on their own technology that may be too advanced to be used right away, having gaps in their product range and causing lack of choice, having a very high inventory, pricing their products sometimes too high and sometimes there have been troubles with challenges that are present and brought in the market by newer companies.
 - Company objectives: Drive operational efficiency and excellence, strengthen hiring and retention and lastly, manage corporate responsibility risks and opportunities (<https://www.nvidia.com/object/fy15-strategy.html>).
 - Technology inside the company is very advanced, for instance this year the launch of the new RTX features mentioned earlier was only expected to happen years later so Nvidia has the advantage.

- Collaborators
 - Nvidia collaborates with a lot of different manufacturers and companies, but they all have at least one similar interest, which is visual computing and the best technology regarding it.
 - Nvidia also does all its upstream inside their own factories but downstream is usually purchased from collaborating companies, all the raw materials and such.

Strengths <ul style="list-style-type: none"> • Network of dealers • Skilled staff • Dominance on new markets • Innovative products & technology 	Weaknesses <ul style="list-style-type: none"> • Gaps in product range • Very high inventory • Problems with challenges brought to the market by new companies
Opportunities <ul style="list-style-type: none"> • Brand new trends by consumers → new streams of revenue • Increasing consumer spending • Market development → less advantages for competitors • Newer taxation policies and laws → business styles open new opportunities 	Threats <ul style="list-style-type: none"> • Paris climate agreement (2017) • Highly fluctuating currencies • Similar products in value for lower prices • Very few skilled workers in the industry • Non-regular supply

Marketing mix and strategy

- **Product**
 - Functionality of the products Nvidia offers is excellent, better than their competitors and they've broadened their product line up recently into streaming devices.
 - Products are branded as superior but more expensive, yet still more valuable than other's products
 - Packaging is very appealing and represents the power that Nvidia's products carry
 - Services that Nvidia offers aren't that various and usually on par with other's
- **Price**
 - Pricing of their products is a little bit of a downside, because they are already high in price because of the value they create for consumers but also due to the last fads the supply of some of the products has dropped and the prices increased even more.
 - Nvidia also offers many bundles that usually contain free games with their new products, making them seem more appealing.
- **Place**
 - During the last few years Nvidia has established even more connections with partners to increase their logistics, distribution network and marketing channels and is in a very high position for the target market.

- Inventory is a big problem for Nvidia like seen during the last crypto-currency mining fad.
- **Promotion**
 - Advertising their products needs no extra work, they have it already covered just like publicity and sales promotions, but sales force needs a little bit of an improvement because of the price of the products, they need to come up with different strategies to seem more appealing.

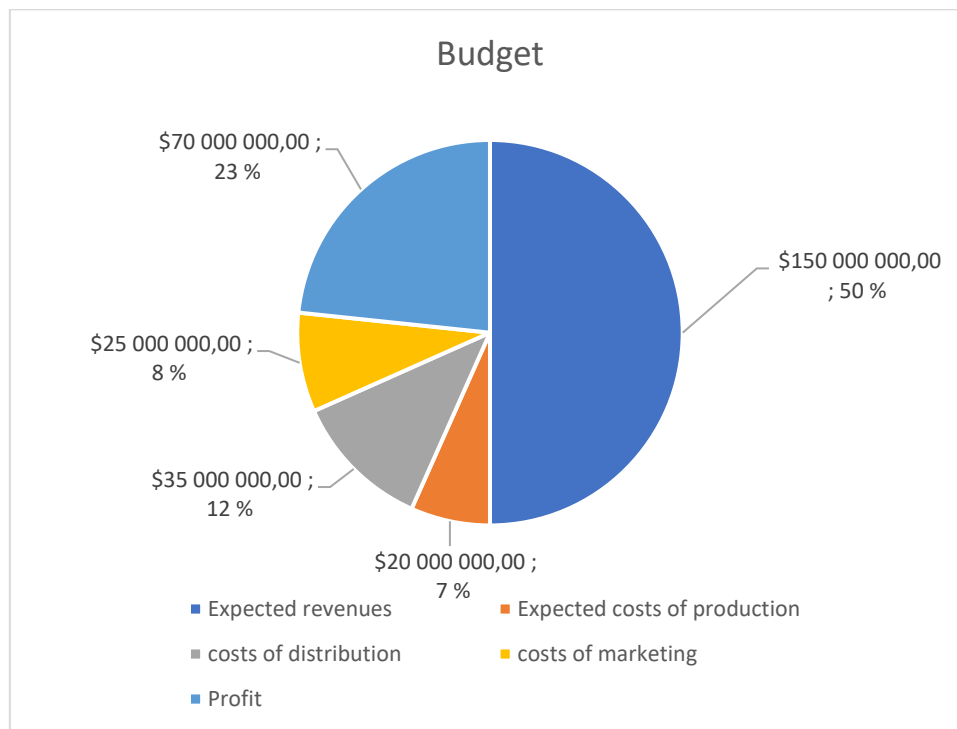
Action plan

The plan includes filling the gaps in their product line-up so that there is more to choose from instead of just few higher range products and lowering the lack of choice regarding their products. Developing their technology in collaboration with other companies so that the platform that Nvidia's products are used on are always on the same level. Lastly solving the present problems on the market that the new entering companies bring with them as this has been a problem for Nvidia in the past. This happens right after segmenting potential customers into four main groups, being gaming related consumers, consumers in need of enterprise graphics, consumers regarding datacenter market and in consumers in auto market. Targeting different people from each group and gathering information from them about how the new products should be and should the old ones be re-released with new technology and choosing some of the companies from the segmentation of the consumers to find new companies to collaborate with to increase their production and expanding their company to reach consumers better. Lastly positioning the older and newer products into a more appealing position regarding the price and getting information from that as well for future purposes. The main purpose is to lower costs to make the product appealing to the masses by favoring methods of production that are cheap but still environmentally healthy and setting the price to a degree where it's justifiable after switching the methods of production into cheaper ones but keeping the quality the same.

Controls

Biggest controlling method is customer feedback through social media, Nvidia's own platform called GeForce Experience, surveys and polls created for the targeted people during the segmentation, targeting and positioning in the action phase. Also making variable of analyses, for instance ratio analyses and market share analyses should be taken into consideration. In the end setting up realistic standards for this marketing plan and comparing them to the actual figures it produces in favor of Nvidia and going back to the beginning of the plan to improve and fix things that might've gone wrong and make it into a better plan.

Budget



Sources:

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