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INTEGRATED MARKETING COMMUNICATIONS PLAN

MICROSOFT & NOKIA DEVICES AND SERVICES



Lumia 520

Lumia 822

Lumia 925

Lumia 1020

Lumia 920

Lumia 820

Lumia 620

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Executive Summary

Full service consultancy “1178577” has been asked to prepare a three month Integrated Marketing Communications (IMC) plan on behalf of Microsoft, relating to its newly acquired Nokia Devices and Services Division. Together, this partnership combines a history of market leading software with market leading hardware, to produce a competitive alternative in the modern day smartphone market. Market research has highlighted Blackberry’s decline, and with Microsoft’s ever-present business focus, this IMC plan is based around the promotion of the Nokia Lumia 930 to Business/Enterprise consumers within the UK.

Aggressively targeting Blackberry through a series of commercials and advertisements, we aim to increase Microsoft’s UK smartphone enterprise market share to above 25%. This will be done at the expense of Blackberry, who has shown a steady decline in sales, brand loyalty and switching costs.

As this partnership is still relatively new, advertising will play the primary role in the program, accounting for just over 65% of the proposed £668,748 budget. This budget has been split amongst Advertising, Personal Selling, Sales Promotion, Internet marketing and PR (Appendix) and then reapportioned into a wide range of channels. Combined with seamless creative integration, this will ensure that we obtain the maximum media coverage possible.

Introduction

This report is structured around the Integrated Marketing Communications planning model as depicted in Figure 1. Beginning with an overview of the marketing plan communications processes, we will then discuss an appropriate budget for the implementation of this IMC plan. The IMC plan will then be presented, consisting of: Advertising, Internet Marketing, Sales Promotion, PR and Personal Selling. The plan will then conclude with a brief overview of integration and steps to monitor and evaluate the campaign.

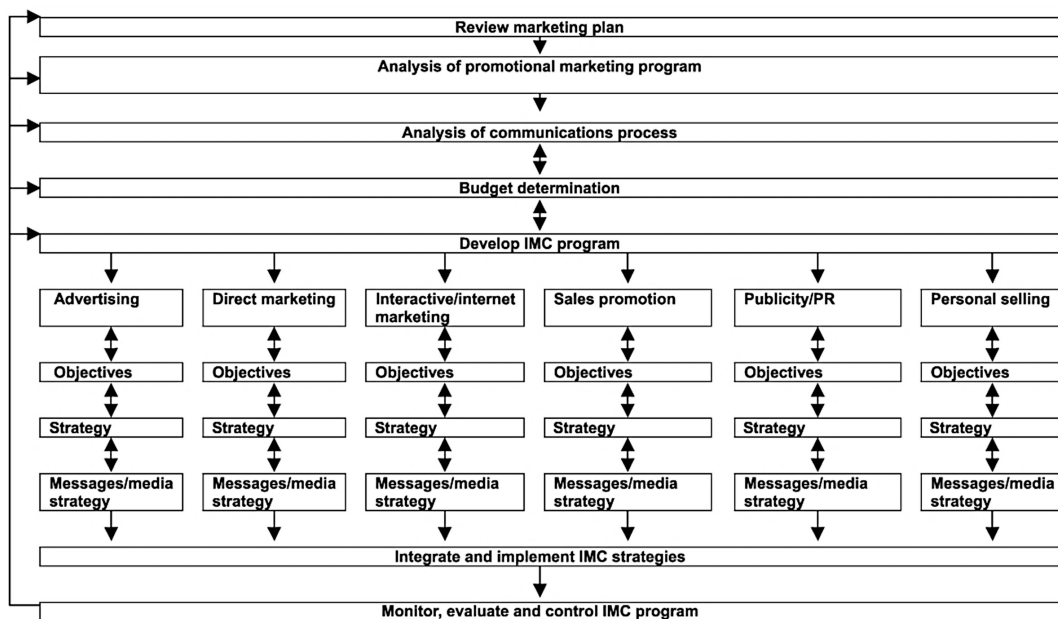


Figure 1: IMC Planning Model (Belch and Belch, 2012)



Section 1: A Review of the Marketing Plan



1. Review of the Marketing Plan

1.1 Overview

According to market research, the worldwide smartphone market is worth \$258.9 billion, accounting for 75.8% of the total mobile handset market (*Digital Journal, 2014*). The smartphone market grew 25% year over year in the second quarter of 2014, driven by a record 301 million shipments occurring (*IDC, 2014*). Samsung remains the global smartphone market leader with a 32.5% market share, which eclipses that of Apple, Xiaomi, Lenovo and LG, who's combined share is only 24.3% (*IDC, 2014*).

Although Nokia do not feature significantly in the "smartphone" market, at the end of the first quarter of 2014, Nokia was the no.2 "mobile phone" vendor, narrowly beating Apple. Intense competition has resulted in Nokia experiencing a 30% drop in phone sales, and its 47 million shipped phones compared to Samsung's 113 million highlight's the firms decline (*Whitney, 2014*). Nokia was the number 1 supplier of mobile phones between 1998-2012 yet Apple and Samsung's rise coincided with Nokia's regression in the market. Samsung surpassed Nokia as the largest mobile phone vendor in the first quarter of 2012 (*Fig 2*).

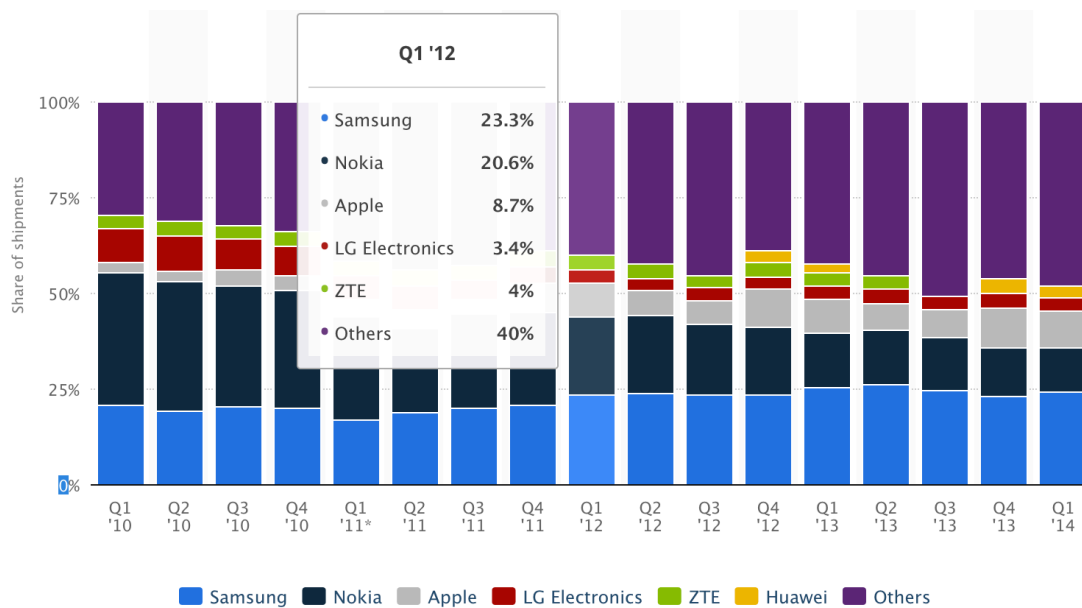


Figure 2: Global market share held by mobile phone vendors from 1st quarter 2010 to 1st quarter 2014 (Statista, 2014)

In an attempt to ensure the organisations long-term future, Microsoft launched its first Windows phone in 2010 (*Schroeder, 2010*). Its operating system peaked at an insignificant 3.4% market share in 2013 (*Holder, 2014*) and although it has failed to compete globally with Android and IOS platform (*Fig. 2*), it is the second place operating system in 14 markets.

Global smartphone market share

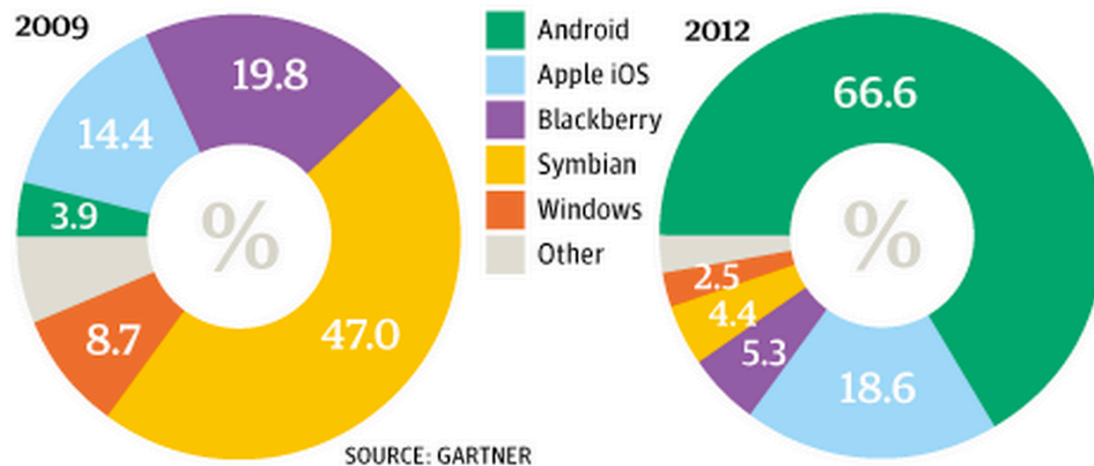


Figure 3: Global Smartphone market share by operating system (Arthur, 2013)

Furthermore, Microsoft claim a 10% operating system market share in eight markets, more smartphones shipments than Apple in 24 markets (Hill, 2014), whilst overtaking BlackBerry in 33 major markets including the UK (Appendix 1). This growth is a correlate of its acquisition of Nokia's devices and services business, the biggest seller of Windows phones (Kovach, 2014).

As a result of dwindling market share and decreasing shipping output over a 5 year period from 2007, Nokia divested its services and devices division and Microsoft purchased them in April 2014 for a fee in excess of €9.5 Billion or £6 Billion (Microsoft, 2014). Nokia now focuses on three core business divisions: Nokia Networks, Here and Nokia, whilst Microsoft continues its smartphone growth strategy with emphasis on emerging markets. Worried about the declining desktop-computer market, Microsoft saw an opportunity within the developing smartphone markets (Windows Central, 2014). The full acquisition rationales are highlighted below (Microsoft, 2013):

1. Accelerate Phone Share

- a. Facilitate joint innovation

2. Strengthen Overall Opportunity

- a. Look beyond Software and PC's
- b. Protect the future of the Windows phone

3. Enter into key growth markets

- a. Improve unit economics driving profitability

4. Become the alternative operating system

Microsoft now owns all Nokia mobile devices (Lumia, X series and Asha) and has benefited from absorbing supply-chains, employees, patents and most of Nokia's manufacturing plants and testing facilities (Molen, 2014). Now vertically integrated, Microsoft can control all the processes and inputs regarding smartphone design and manufacture (Tode, 2013), allowing them to reduce operating costs whilst making products that appeal to a wide range of consumers.

Looking forward, Microsoft aim to achieve a 15% smartphone market share by 2018, 4 times more than its current market position (*Smith, 2013*). Microsoft are also looking to overtake Apple's 35% market share in the UK Enterprise market where they hold 18% market share, just ahead of Samsung's 17% (*Martine, 2014*).

(For a full Nokia history analyses see Appendix 43 and for information regarding re-branding see Appendix 44)

1.2 Assessment of target markets and plans for the marketing mix

It is reported that Nokia Asha and X series devices will be phased out in favour of the Lumia devices (*Nokia, 2014*). Lumia devices range in price, build quality and capability, and can therefore be targeted universally to different socio-cultural demographics. Although these markets are primarily developing markets such as India, Indonesia and Africa, developed markets such as the UK and America are essential for high-end Lumia devices, such as the 930.

“41% of consumers would be more likely to buy a laptop/desktop computer that used the same OS as their tablet and/or smartphone” (Intel, 2014)

In a recent study, 83% of consumers said that seamless experience across all devices is very or somewhat important (*Sales Force, 2014*). Microsoft recently attempted to target business users by communicating their newly integrated platforms, which are perfect for business users. These Consumers were targeted through a LinkedIn group (*Gill, 2014*) named “Be Future Ready”. This social media community emphasises Microsoft's business focus, which is based upon dual-user, multi-device integration.

Nokia has 200,000 distribution outlets in India with 70,000 of these being restricted to Nokia products alone (*Reuters, 2013*). Consequently, Microsoft has the opportunity to exploit the global infrastructure that is already in place; namely the production and retail facilities in overseas markets, as well as the numerous mobile retail relationships.

1.3 Joint SWOT Analysis

A joint SWOT analysis of Microsoft/Nokia’s devices and services division has been completed:

Strengths	Weaknesses
End to end phones built specifically for the operating system	Both historically slow to innovate and potentially left behind in the smartphone market
Easy to use software combined with high build quality	Nokia’s poor after-sale service. Should improve under Microsoft’s operations
Strong combined Distribution Channels	Microsoft pending fines from the European competition authorities
New employee expertise	Microsoft’s anti-trust history still lingers
Lowering cost of operations	Over-reliance on past success
New availability of patent exploitation	Consumer perception that the operating systems lack the number and versatility of applications. (See appendix 1)
Nokia’s strong presence in developing markets	Both have diminishing brand images Backward product integration is limited. Essentially starting with new products
Vertically integrated Manufacturing	Monopolistic histories that now have to compete in the lower end of the market
Opportunities	Threats
Joint innovation and faster to-market strategy	Changing consumer technological needs
Getting to the developing markets faster than Android or IOS operating systems	Strong Industry Competition in Asia: Threat from low-cost Chinese mobile companies
Becoming the ‘feature’ phone in developing markets	Government Litigation and regulatory activity
Exploiting Android frailties	Partnership Issues with other smartphone producers using Windows operating system
Developing Low-end smartphone market in developed countries	Once less developed begin using platforms such as android and IOS, there will be less incentive to use Microsoft’s basic platform
Falling price of mobile data plans	
Collaboration for other devices such as tablets and phablets (Phone tablets)	



Section 2: Analysis of promotional programme situation



2. Analysis of Promotional programme situation

2.1 Internal Analysis

Microsoft's most recent campaign focuses on its Lumia brand and "Inspired doers", who Microsoft describes as being resourceful and optimistic consumers (O'Reilly, 2014). The campaign objective was to grow the Windows phones market share in the UK, which currently stands at 9.9%.

Using Comparative advertising, Microsoft have chosen to communicate how much better their software is than Apples, by emphasising the iPhones inconsistencies and lack of precision. This aggressive marketing strategy can be noted in a number of markets and previous campaigns, including their Luminauts campaign (see fig 4), and their mobile billboards campaign (see Appendix 2).



Figure 4: Microsoft's Luminauts mocking Samsung's Terminal Advertisements. Luminauts are the real heroes.

A comprehensive list of past promotional material including print, digital, transport and social media is documented within the appendix for creative reference (Appendix 3-22).

2.2 UK Mobile phone advertising Budget

Year ending March 2014 (*Keynote, 2014*):

Microsoft £8.8 Million

Nokia £4.6 Million

Advertising Agencies:

Interpublic Group Advertising and Global Deployment

Dentsu Aegis Media planning, Media buying and Search advertising

Agency Objectives Promotional material that focuses on business and consumer services

2.3 External Analysis

Microsoft may be vulnerable to the development of wearable technology such as Apples iWatch (*Apple, 2014*) and Samsung's Galaxy Gear (*Samsung, 2014*). Microsoft's lack of wearable devices could be detrimental in its pursuit of greater smartphone market share. The organisation has a history of limited radical innovation, which may reflect consumer-purchasing decisions.

(For a full technological trend list see Appendix 26)*

<i>Brand</i>	<i>UK Ad Spend</i>
<i>Samsung</i>	<i>28,717</i>
<i>Sony</i>	<i>18,134</i>
<i>Apple</i>	<i>16,409</i>
<i>HTC</i>	<i>9,820</i>
<i>Microsoft</i>	<i>8,877</i>
<i>Blackberry</i>	<i>5,395</i>
<i>Nokia</i>	<i>4,603</i>
<i>Phones 4U</i>	<i>4,135</i>
<i>EE</i>	<i>3,505</i>
<i>Google</i>	<i>2,423</i>
<i>LG</i>	<i>1,994</i>

Figure 5: UK Media advertising expenditure on mobile phones by type of device. (£000) Year Ending March 2014. (*Keynote, 2014*)

As highlighted above (Fig 5), Apple and Samsung advertising budget exceeded that of Microsoft and Nokia in 2014. These budgets maybe correlated with customer retention rates, which are 76% and 58% respectively. Samsung and Apple have high percentages of migrating customers, making competing with them especially difficult in this market. Blackberry however has low brand loyalty alongside a low share of migrating customers (Fig.6).

(For a full competitor SWOT analysis see Appendix 23-25) *

APPLE BRAND RETENTION 76%

CONSUMERS MIGRATING TO APPLE 24%

SAMSUNG BRAND RETENTION 58%

CONSUMERS MIGRATING TO SAMSUNG 34%

NOKIA BRAND RETENTION 33%

CONSUMERS MIGRATING TO NOKIA 8%

MOTOROLA BRAND RETENTION 22%

CONSUMERS MIGRATING TO MOTOROLA 3%

BLACKBERRY BRAND RETENTION 21%

CONSUMERS MIGRATING TO BLACKBERRY 3%

Figure 6: Brand Retention and Migrating Customers (WDS, 2013)

It is predicted that Blackberry's decline will continue throughout 2015, leaving them with only 1.4million users in the UK (Fig 7) (eMarketer, 2014). eMarketer (2014) also predicted a rise in the Windows mobile operating system, from 1.9million to 3.5million users. As Blackberry users have little brand loyalty, it would be advantageous to target these users in future promotional activity.

	2013	2014	2015
<i>Android Users</i>	16.5	19.3	21.3
<i>IOS</i>	9.6	11.1	12.4
<i>Windows Mobile</i>	1.9	2.7	3.5
<i>Blackberry</i>	3.6	2.4	1.4

Figure 7: UK Smartphone users by Operating System



Section 3: Analysis of the Communications Process



3. Analysis of the Communications Process

This report will focus on promotional programmes targeting existing BlackBerry's users that desire seamless device integration. Positioned in the UK smartphone market, the chosen device will be the Nokia Lumia 930, featured in Microsoft's most recent marketing campaign (Fig.7). This IMC plan has therefore been developed as the next phase for this particular device.

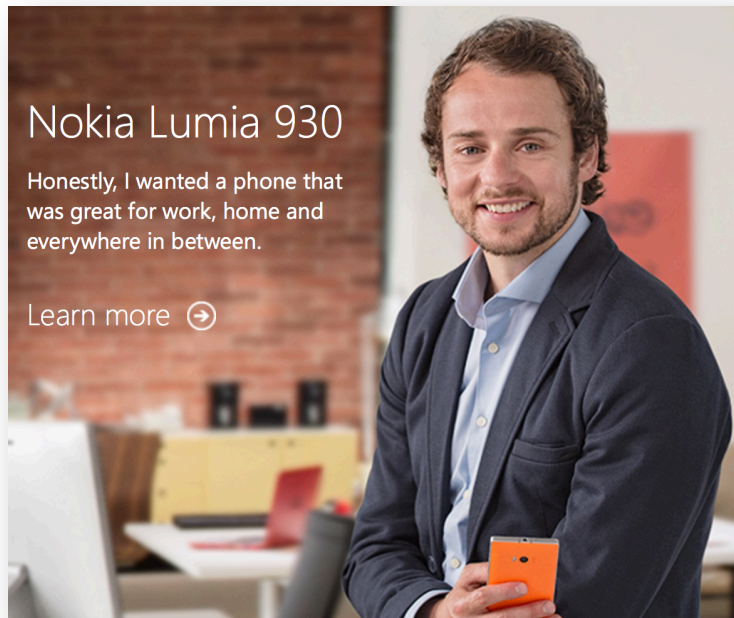


Figure 8: Nokia Lumia 930 current advertisement that focuses on dual users.

The Lumia 930 is Microsoft's flagship device aimed at competing with Apple and Samsung, it therefore serves as a great alternative to BlackBerry devices. Microsoft, as mentioned in Section 1, aim to achieve a 15% global market share by 2018 and this strategy will help to move the organisation closer to this figure within the UK market. The campaign also aligns with Microsoft's mission of helping both individuals and businesses (*Microsoft Accessibility, 2014*).

To target BlackBerry users, aggressive comparative ads will need to communicate the benefits of the Lumia 930 at the expense of its competitor. Celebrities including Nicki Minaj and Danny Macaskill have been used previously to give credibility to the Lumia brand, however this is not appropriate for targeting enterprise and BlackBerry users.

This IMC plan will incorporate the following media channels:

TV and Radio	Reaching a wide audience whilst highlighting Blackberry's demise
Newspaper	Many businesses have the Telegraph and Economist delivered to offices
Magazines	Targeting business users whilst they are at work.
Large Displays	Situated around city centres and motorways, where traffic is particularly strong.
Internet adverts	Positioned on websites such as Daily Mail magazine, Business Insider, Marketing week and Reuters.
Social media	Formation of Internet communities and targeted promotion
Event Sponsorship	Sponsorship of business conferences and networking events

3.1 IMC Objectives

By March 2015:

1. LinkedIn Group named "WeMeanBusiness" – Attract 5000+ members
2. Increase Nokia Lumia 930 phone users by 75,000
3. Increase migrating customer percentage to 15%
4. Increase Enterprise market share to 20+ %

3.2 IMC Strategy

1. Get the Nokia Lumia 930 into consumer's hands
2. Reduce online comparisons
3. Aggressively target Blackberry through comparative promotional material
4. Provide switching incentives such as cash back when a Blackberry is exchanged
5. Sponsorship and attendance at business networking events



Section 4: Budget Determination and Timings



4. Budget Determination

Below we have outlined the Global Marketing Budget for 2013, and the UK mobile marketing budget for 2014:

Marketing Budget £1.5billion (*BGR, 2013*)

UK Mobile Budget £8.8Million (*Keynote, 2014*)

The Budget for 2015 has been formulated using two top-down budgeting methods:

Competitor parity model

The average of Microsoft's main competitor advertising spends for 2013 within the UK was £10.9million (*Fig 4*)(*Appendix 27*).

Percentage of Sales margin method

Using 15% for the basis of the percentage of margin method, Microsoft's UK advertising spend was calculated to be £10.5million (*Appendix 28*).

4.1 2015 Budget

Using two methods of calculation, we have arrived at a sensible estimate of £10.7million for the promotion of Smartphones within the UK. This represents a 21% increase in advertising spend in the UK. As the Lumia 930 is Microsoft's first flagship device (*Windows Central, 2014*), 25% of this budget has been allocated to its promotion in the UK, which has then been reapportioned into a three-month budget for this particular campaign (*Appendix 29*).

2015 Mobile Budget £10.7million for the full year

Lumia 930 25% of total budget = £2.675 Million

Jan – Mar Budget £668,748

*All Figures based around Microsoft 2014 Report and 2014 Advertising spend**

4.2 Promotional Methods Allocation of Budget

As Microsoft is still relatively new to the Smartphone market, promotional focus is on advertising.

Advertising	66.64%
Personal Selling	5.84%
Internet Marketing	12.32%
Sales Promotion	8.27%
PR/Publicity	6.6%

(See Appendix 32)

4.3 Promotional Channel Allocations

Background research into the base of costs of each promotional channel has been conducted and will serve as a guideline for the both Agencies.

Television	38%
Radio	1%
Magazines	16%
Newspaper	19%
Outdoor	4%
Internet	7%
Social Media	4%
Event Sponsorship	11%

(See Appendix 32 for rate card links)

4.4 Promotional Channel Gantt Charts and Budgets

The following gantt charts are presented in a weekly format for the purposes of presentation. Daily plans can be seen in the Appendix.

Overall (Appendix 33)






Year	2015												
Month	January					February				March			
Week	WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12	WK13
Day	T	T	T	T	T	T	T	T	T	T	T	T	T
Date	1	8	15	22	29	5	12	19	26	5	12	19	25
TV	■					■		■			■		
Radio					■		■		■		■		
Magazine			■		■		■		■				
Newspaper			■		■		■		■	■			
Outdoor	■	■	■	■	■	■	■	■	■	■	■	■	■
Internet	■	■	■	■	■	■	■	■	■	■	■	■	■
Socil Media	■	■	■	■	■	■	■	■	■	■	■	■	■
Social Media	■	■	■	■	■	■	■	■	■	■	■	■	■
Event Sponso					■		■	■		■		■	

TV Timings (Appendix 34)





Year	2015												
Month	January					February				March			
Week	WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12	WK13
Day	T	T	T	T	T	T	T	T	T	T	T	T	T
Date	1	8	15	22	29	5	12	19	26	5	12	19	25
#NYResolumia	■					■		■			■		
Lost time spent					■		■		■		■		
Valentine promotion							■		■		■		
Blackberry							■		■		■		
Cashback blackberry											■		

TV Budget	
January Budget	
1-8th and 28th- 31st : Daytime Advert all regions	£60,240.00
9th -11th Daytime and Early Evening London and Centrla	£11,476.00
February Budget	
1st - 11th and 14th - 28th Daytime (5020 * 17)	£85,340.00
12th- 13th Early evening all (24667 *2)	£49,334.00
March Budget	
7 x Day time news in all regions (5020 * 7)	£35,140.00

Radio Timings (Appendix 35)

Year	2015												
Month	January				February					March			
Week	WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12	WK13
Day	T	T	T	T	T	T	T	T	T	T	T	T	T
Date	1	8	15	22	29	5	12	19	26	5	12	19	25
Event Link													
Event Link 2													
Event Link 3													
Event link 4													
Event link 5													
Radio Budget													
January Budget													
Capital FM (£300/day) 5 x adverts regional													£ 900.00
February Budget													
Capital FM (£300/day) 5 x adverts regional													£ 2,400.00
March Budget													
Capital FM (£300/day) 5 x adverts regional													£ 2,400.00

Magazine Timings (Appendix 36)

Year	2015												
Month	January				February					March			
Week	WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12	WK13
Day	T	T	T	T	T	T	T	T	T	T	T	T	T
Date	1	8	15	22	29	5	12	19	26	5	12	19	25
Metro													
Insider													
Insider													
Better Business													

Outdoor Budget	
January Budget	
London CBD (billboard - regional 96 sheet = 1300 per month)	£ 1,300.00
Cambridge CBD (billboard - regional 96 sheet = 1300 per month)	£ 1,300.00
M4 and M40 Regional 48 Sheet (20ft x 10ft) = 650 per month	£ 1,300.00
Mobile Van	£ 4,060.00
February Budget	
Manchester CBD (billboard - regional 96 sheet = 1300 per month)	£ 1,300.00
Birmingham CBD (billboard - regional 96 sheet = 1300 per month)	£ 1,300.00
M6 toll, M6 and M1 - Regional 48 Sheet (20ft x 10ft) = 650 per month	£ 1,950.00
Mobile van	£ 4,640.00
March Budget	
Mobile van	£ 3,480.00

Internet Timings (Appendix 39)

Month	2015												
	January					February				March			
Week	WK1	WK2	WK3	WK4	WK5	WK6	WK7	WK8	WK9	WK10	WK11	WK12	WK13
Day	T	T	T	T	T	T	T	T	T	T	T	T	T
Date	1	8	15	22	29	5	12	19	26	5	12	19	25
Business Blog													
Product Blog													
Daily Mail Onl													
Marketing Week													
Business Insider													
Telegraph													
Economist													
SEO													
O2 Online													
3 Mobile Online													
EE Online													
Carphone Ware													
Internet Budget													
January Budget													
Daily Mail Online - business (1500) and news section (3000)												£ 9,000.00	
o2 advert (simply supply promotional material)												-	
3 mobile advert (simply supply promotional material)												-	
EE advert (simply supply promotional material)												-	
Carphone warehouse (simply supply promotional material)												-	
Search Engine Optimisation												£ 6,000.00	
February Budget													
Marketing week online (Billboard* Wallpaper Takeover (Wallpaper, Billboard*, MPU and Double MPU)												£17,200.00	
Business Insider												£ 9,000.00	
Search Engine Optimisation												£ 6,000.00	
March Budget													
Telegraph												£ 4,500.00	
Economist												£ 9,000.00	
Sun												£ 4,500.00	
Search Engine Optimisation												£ 6,000.00	

Social Media Timings (Appendix 40)

Internet Budget	
January Budget	
February Budget	
HR show (Registration area)	£ 4,000.00
Confex Show (Theatre sponsor and Lanyard) (8500 and 5000)x2	£ 27,000.00
Business Travel Show (Stand)	£ 15,000.00
March Budget	
Gartner Intelligence (Carrier Bag and Lanyards)	£ 12,000.00
Facilities Management (Bag inserts, Lanyards and bar area)	£ 14,500.00



Section 5: Developing an Integrated Marketing Communications Program



5. Developing an Integrated Marketing Communications Program

Below are the details of the promotional tools chosen for this 3 month Nokia Lumia 930 campaign, targeting existing Blackberry enterprise consumers in the UK. Advertising, Personal selling, Sales promotion and Internet marketing are discussed whilst PR is briefly discussed within Appendix 42.

5.1 Advertising (66.4% of Budget)

BlackBerry's advertising spend in the UK is relatively low in comparison with other competitors; thus it is imperative to continue advertising the Lumia product in a wide range of channels, as Blackberry cannot compete financially. As a resultant any comparative adverts that Microsoft produce, are safer from retaliation than they would be against Apple or Samsung.

Strategic Objectives

- Contribute to the Increase in the enterprise market share to 20+%
- Increase migrating consumers share
- Increase awareness of the Seamless multi platform integration

Promotional Channels

National TV	Creative Flexibility, Wide Coverage and Captive Attention Targeting consumers whilst they are at home
<i>Suggested</i>	<i>Using Primetime ITV spots</i>
National Magazine	Business Publications (Target market) Using Bleed Pages Magazine prestige can raise brand prestige Greater Consumer engagement than TV or Internet
<i>Suggested</i>	<i>Metro (3.2million readers every day), Insider Magazine and Better Business Magazine</i>
Newspaper	Reach: 70% + among households with higher incomes and education levels.
<i>Suggested</i>	<i>National Newspaper (Guardian, Economist, Daily Mail) Classified Adverts – (Business & Main News)</i>
Billboards	Permanent in a location for 1 month (Normal purchase cycle) Can't be turned on or off Depending upon location can be passed by thousands of People
<i>Suggested</i>	<i>Central Business Districts in Birmingham, London and Manchester CBD</i>

Mobile Billboards

Studies show a high number of impressions and recall (Product and Acceptance and Research, 2007)

Suggested

Birmingham, London, Cambridge, Manchester and Edinburgh

Product blogging

Blogging and sharing adverts across the Internet. Global reach and reaches consumers that are interested in the product

Message and Tactics

The advertising appeal used will be based around comparative advertising (Fill, 1999) whereby the Lumia 930 can be positioned alongside the more established Blackberry business phones, whilst continuing the firms existing aggressive marketing stance. This rational appeal aims at providing consumers with more information about Blackberry's decline and its lack of multi-device integration capabilities.

“#WEMEANBUSINESS”

Dramatization, strong imagery and humour (Belch and Belch, 2012) will be used to indirectly reference BlackBerry, accompanied by the use of a non-sexualised double entendre Hashtag: #WeMeanBusiness. The Hashtag will be used throughout all promotional material and its first meaning relates to how competitive and serious Microsoft is about its smartphone business. The second meaning focuses on the notion that this campaign is targeted at Enterprises and Business consumers.

A second Hashtag will also be used within the first week of January that attempts to make a direct link to the uptake of 'New Years Resolutions'. The play on words can be used to make users think of the Lumia brand when changing smartphones:



Figure 9: NewYearsResolumia advert

To highlight device benefits whilst portraying brand personality, a potential TV advert concept has been artistically imagined and portrayed within a storyboard (See Appendix 45).

To avoid wear-out (Dahlen et al., 2010), these adverts should be run in bursts and not over an extensive period of time. For Integration, the theme highlighted in Appendix 45 can continue throughout print and outdoor advertisements (Fig 10,11, and 12).



Figure 10: Indirectly referencing Blackberry



Figure 11 and 12: Strong imagery with an Indirect Blackberry reference

5.2 Personal Selling (5.84% of Budget)

Sponsoring and showcasing products at business events across the UK is great way to target business consumers. By giving attendee's demonstrations and trials of the product it will give them a greater perspective of the seamless integration across devices, and how this can benefit business usage. Whilst offering sponsorship of key stages and networking areas, event marketing (McDonnell and Moir, 2014) also extends to speciality advertising/ supportive advertising through personalised merchandise and giveaways (Fig 13 and 14).



Figure 13: Lanyard Advertising



Figure 14: Tote bag advertising

Promotional Objectives

- Get the device into the hands of business consumers
- Get people signed up to the LinkedIn group
- Attain emails through name badge scanning

Communication Channels

Events Marketing	Engagement and Interaction with target market Reiterates product positioning
<i>Suggested Events</i>	<i>HR Show</i> <i>Confex Show</i> <i>Business Travel Show</i> <i>Gartner Intelligence Show</i> <i>Facilities Management Show</i>

Message and Tactics

The main purpose of attending events is not to actively force consumers to purchase a product (although this will be available), but to give consumers a chance to use the phone and judge it on its capabilities. These events will be great opportunities for comparative advertising, where products can be judged against each other. Using demonstration as the basis of appeal (Fill, 1999) we can communicate the strengths of the product face to face, which helps to move consumers through the AIDA model as presented below.

Attention	Strong Advertising and event sponsorship
Interest	Product Demonstration, Price, Other details are given.
Desire	Seamless integration across all other platforms
Action	Show offer or exclusive giveaways

This model is then reinforced through Lanyards and other giveaways that will remind the consumer of the product even when at home. This repetition may result in further action.

5.3 Interactive/Internet Marketing (12.32% of Budget)

With the ability to gather data such as impressions and clicks online, Internet marketing is now an essential part of the IMC plan, as it allows greater return on investment evaluation. Using contextual advertising through banner ads and wallpaper takeovers, we aim to reach over 50million consumers.

Promotional Objectives

- Stimulate in store comparison
- Create awareness and product consideration

Communication Channels

Business Blog Product Blog	Targeting those who already own other Microsoft devices Specific blog about Lumia 930 New apps, development and offers
Search Engine Optimisation	Increasing search engine ranking
Social Media	LinkedIn (PR Section) Google + Facebook Twitter
Online advertising Daily Mail online Marketing Week Business Insider Telegraph Economist	Wallpaper takeovers (Fig 15) 44 million monthly unique visitors 290,000 monthly unique visitors 290,000 monthly unique visitors 8.2million monthly unique visitors 4 million monthly unique visitors

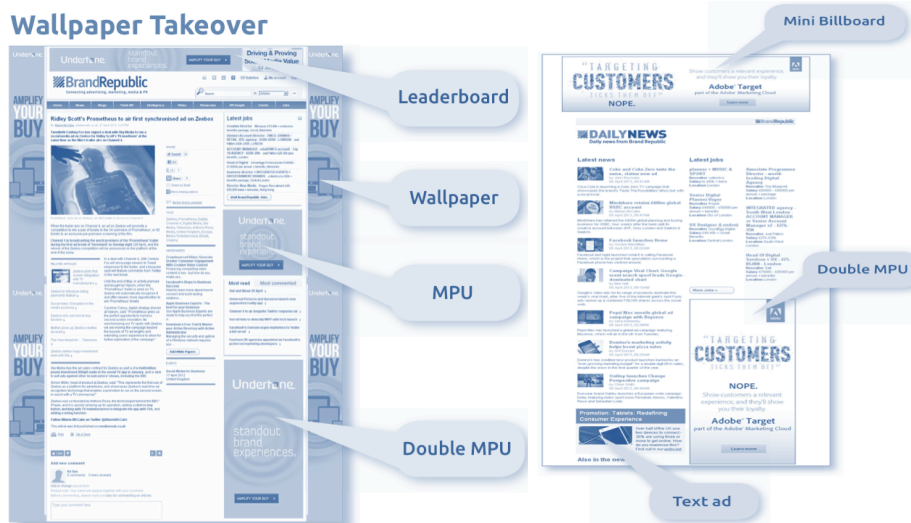


Figure 15:
Internet Advertising Possibilities

Message and Tactics

Like advertising, Internet Marketing will focus on one-sided comparative message appeals (*Fennis and Stroebe, 2010*). One-sided messages are used, as we do not want to positively promote competitors, or acknowledge a weakness in our own product. With the exception of LinkedIn, all messages across social media and online publications will be the same. Divergence/Novelty (Eagle et al., 2014) in our advertising creativity will come from originality and synthesis. Using images and subtle references to Blackberry, we aim to combine unrelated objects to provide a new and surprising method of smartphone advertising.

As shown in the Internet and Social Media gantt charts, we are using high frequency of message to create recency (*Shrimp and Andrews, 2013*). Scheduling of all advertising has been based on the continuity method, which has been proven to be more effective than flighting (*Belch and Belch, 2012*). Business blogging and Product information advertising are used daily to create substantial backlinks (*Trika, 2010*) to our site and product, and combined with SEO, will result in our search engine advertising rankings improving.

5.4 Sales Promotion (13.76 % of Budget)

As a sales promotion is an added incentive for purchasing a product (*Blakeman, 2011*), we believe the best way to use sales promotion is to continue with the £100 giveaway that is already in place. To buy the phone out right (not on contract) is around £380 + and therefore there is limited movement for trade discount or offers on one off purchases. It is more cost effective to use customer-oriented promotions (*Boone and Kurtz, 2010*) to entice them into long-term contracts using additional accessories and free premiums. The use of a wireless charger in the giveaway can also be used in comparative advertising, as Blackberry phones currently don't offer this technology (Fig 16).

Free wireless speaker and wireless charger worth £100!^

Buy the Nokia Lumia 930 and you can claim a fantastic free bundle. There's a wireless speaker, which connects to any Bluetooth phone for playing songs with no wires. You'll also get a portable wireless charging plate, which charges your phone without cables – just throw it in a bag and your phone next to it to get charging. Simply buy the phone on any pay monthly or pay monthly upgrade deal and once you have your phone, visit the following site to claim your free bundle worth £100!^ nokia.ly/930-offer-uk




Figure 16: Purchase Incentive

Promotional Objectives

- Get the device into the hands of business consumers
- Offer extra switching incentives
- Targeting specific target market

Communication Channels

Radio	Capital FM Over 1 Million Listeners per day (FM)
Magazine	Insider Magazine Better Business Magazine
Event Marketing	HR Show Confex Show Business Travel Show Gartner Intelligence Show Facilities Management Show

Message and Tactics

For this promotional method, we have decided to use radio, magazine and event marketing. The radio will be used to communicate to a large quantity of consumers whilst they are travelling to/from work. Combined with the use of billboard advertising, TV and Social media, it is evident that we are trying to reach our target consumer at every point possible throughout the day. The radio will also be used to promote the events that we are sponsoring.

Attached to the adverts in all magazines, we will have a full-size cardboard pop out Nokia Lumia 930 (Fig 17). This gives the reader the chance to actually hold the phone, albeit a cardboard version, so that they can feel the dimensions and ergonomics. Other Smartphone producers have not done this before.



Fig 17: Pop out phone – Magazine Advert

5.5 Brief Campaign Integration

The theme of business runs throughout all promotional activities in this integrated campaign. The use of **'#WEMEANBUSINESS'** helps to show continuity and repetition across media, whilst helping to monitor and engage in consumer discussion. Using comparative adverts across a wide variety of media will help to promote the device in the enterprise market at the expense of the diminishing Blackberry devices. To reach our target audience, promotional material has been organised around business activities and events. This approach will ensure that we are marketing the Lumia 930 device to our target audience at every given opportunity.



Section 6: Monitoring, Evaluating and Controlling



6. Monitoring, Evaluating and Controlling

Prior to implementation, campaign graphics and imagery will be analysed by several independent focus groups of different ages and genders. Adverts will be compared against competitors and will be ranked according to predetermined qualitative criteria. By doing this, we can establish whether this aggressive campaign will be well received in the market.

During the campaign, we will focus primarily on analysing and monitoring social media and Internet engagement through a number of analytical software such as Hoot suite, Sprout Social and Buffer. We will also be able to obtain click through data from our Internet adverts placed on the Daily Mail, Marketing Week, Business Insider, The Economist and the Telegraph. These figures will help to highlight the success of the campaign, or whether extra promotional activity should be considered.

Event sponsorships can be monitored and controlled using ID scanning and email gathering techniques. Consumers that test the product will have their badges scanned so we will be able to monitor the reach at these events.

After the 31st March, we will be able to assess whether the campaign has met the original objectives set in section 3.1. It will be easy to assess LinkedIn group membership figures, however for the other objectives, we believe that eMarketer would be a credible source to attain a greater analysis of the current market situation. Highlighting transactions that include the addition of free promotional gifts can also help to monitor sales promotion.

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Appendix

Appendix 1: Overtaken blackberry in the UK

Windows Phone has overtaken BlackBerry in... **33** major markets including the UK...

...and is ahead of iPhone in **12**

Chile, Colombia, Czech Republic, Egypt, Ecuador, Finland, Greece, Hungary, India, Italy, Kenya, Kuwait, Malaysia, Mexico, Nigeria, Pakistan, Peru, Poland, Saudi Arabia, South Africa, Thailand, Ukraine, United Arab Emirates, and Vietnam.

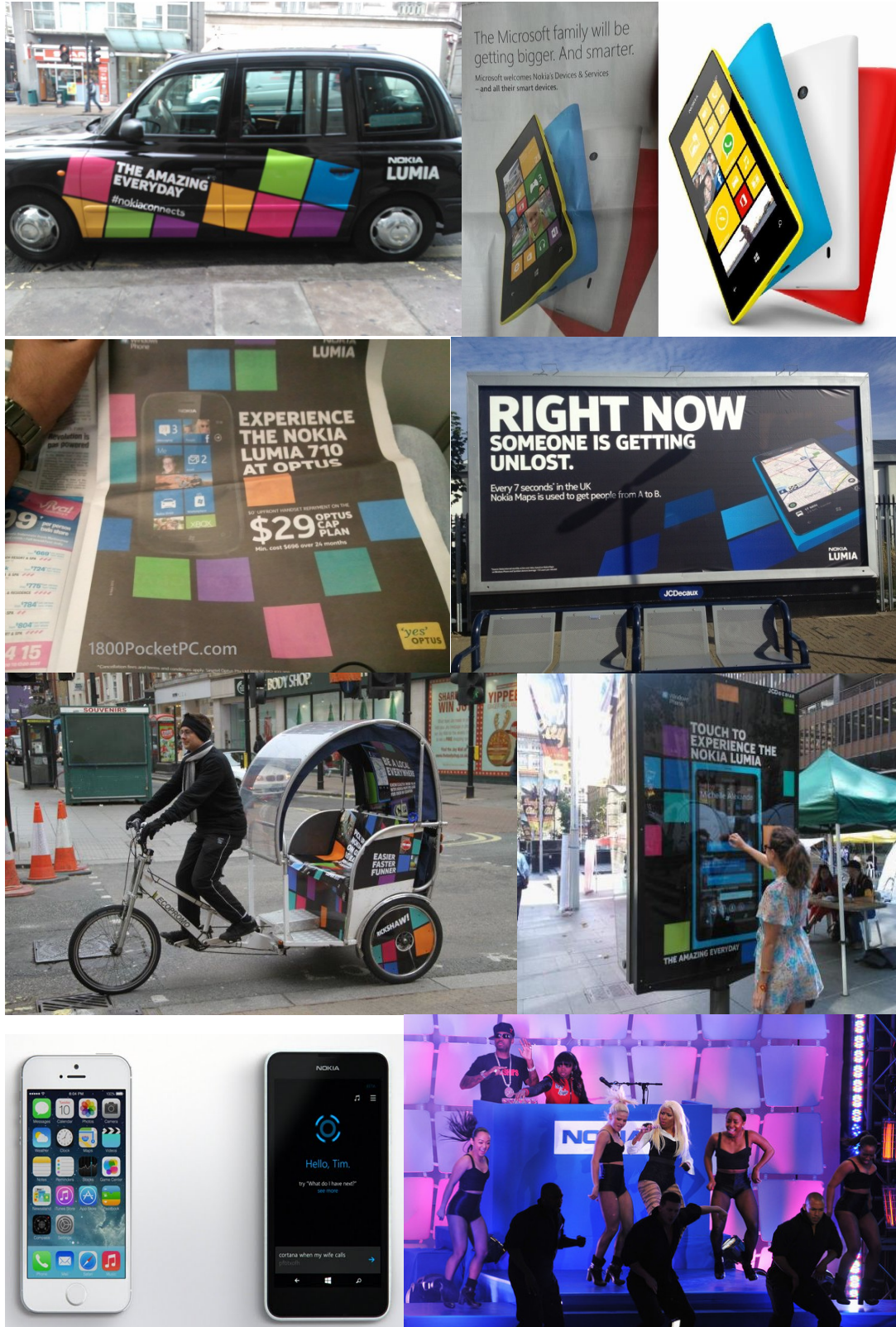
"Switching to Windows Phone was a no brainer; we have better devices that cost less and have increased functionality that has driven up staff efficiency and productivity."

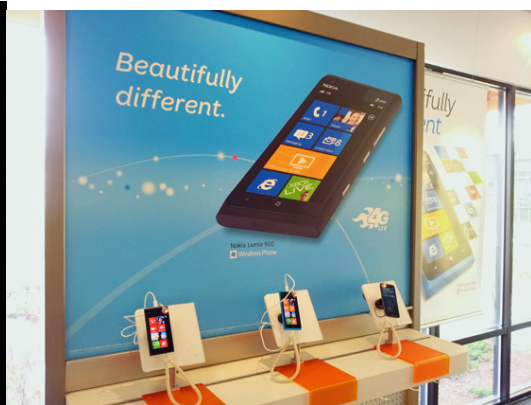
Tony Scarvaci, IT Director, Alumasc Precision

Appendix 2: Mobile Billboards previously used



Appendix 3 – 22: It is clear, that with such a wide product portfolio, to meet such a wide ranging target market, a large number of communication and marketing channels have been optimised. The identification of these will enable the formulation of appropriate promotional methods.












Appendix 23-25: *Competitor Analysis of Apple, Samsung and Huawei.*

APPLE 				
<i>Strengths</i>	<i>Weaknesses</i>	<i>Positioning and Targeting</i>	<i>Promotional Strategy</i>	<i>Financial</i>
<i>Brand Awareness and reputation</i>	<i>Limited price ranges</i>	<i>Students, Business People and Adults</i>	<i>High quality products with a high resale value</i>	<i>Revenue (2013) \$170,910 Billion</i>
<i>Strong and extensive distribution channel</i>	<i>Limited radical innovation of mobile devices</i>	<i>Professionals in media and design</i>	<i>Technique of Exclusivity and Luxury: Making customers feel special and part of a club</i>	<i>Profit (2013) \$37,037 Billion</i>
<i>Large ROI from limited Advertising and Marketing</i>		<i>Middle/upper income</i>	<i>Apply restrictions to mobile operators marketing of its products so it looks just like an apple marketing campaign. Getting people to market the device for them</i>	<i>Market share (2014) 11.9%</i>
<i>New revolutionary product announcement: iWATCH</i>		<i>Music Enthusiasts</i>	<i>Limited promotion: Reputation and Word of mouth are key to success</i>	
<i>Popularity of retail stores and customer experience</i>		<i>Early adopters of new technology</i>	<i>Stock restriction: higher demand and more people talking about the product</i>	
		<i>Few devices that meet the needs of most</i>		

				
<i>Strengths</i>	<i>Weaknesses</i>	<i>Positioning and Targeting</i>	<i>Promotional Strategy</i>	<i>Financial</i>
<i>Android platform gaining in popularity</i>	<i>Lacks its own operating system</i>	<i>Wide range of products and prices</i>	<i>Apples main Competitor</i>	<i>Revenue (2012) \$184 Billion</i>
<i>Low production costs</i>	<i>Internal culture that focuses on project competition rather than collaboration</i>	<i>Seemingly no real focus on demographic or psychographic</i>	<i>Stylish and innovative products</i>	<i>Profit (2012) \$21 Billion</i>
<i>Environmental focus</i>	<i>Market Cannibalization: Eating away at its own market share</i>	<i>Extra value for money</i>	<i>Heavy investment in social engagement. Ads shared 5 times more than Apples on Social Media</i>	<i>Market Share (2014) 25.2%</i>
<i>Apples inactivity make Samsung ability to market its brand easier</i>	<i>Dependence of other firms such as Google to provide software innovation</i>	<i>Many devices that meet the needs of all markets</i>	<i>Aggressive strategy to mock Apple and its users</i>	
<i>Unbeatable product launch frequency</i>	<i>No control of profits from secondary apps</i>			

 Huawei HUAWEI				
<i>Strengths</i>	<i>Weaknesses</i>	<i>Position and Targeting</i>	<i>Promotional Strategy</i>	<i>Financial</i>
<i>R&D Focus</i>	<i>Bad perception: made in china label</i>	<i>Aiming for one flagship device for all markets</i>	<i>Be the best phone in all price segments</i>	<i>Revenue (2013) \$39.84 Billion</i>
<i>Strong market position and global presence</i>	<i>Private Ownership restricting growth</i>	<i>Strong performance in China, the northern part of Latin America, including Mexico, Colombia, Venezuela and Ecuador, as well as the Middle East, Africa and Southeast Asia</i>	<i>Realize customers' dreams in telecommunication</i>	<i>Profit (2013) \$3.46 Billion</i>
<i>Dominant in complementary communications hardware</i>	<i>Social controversies over spying capabilities in hardware</i>	<i>Initial advertisements targeted the youth market</i>		<i>Market Share (2014) 6.9%</i>
<i>Largest number of international patents made in 2013</i>		<i>Developing markets: Luxury features at a low cost</i>		

Appendix 26:

[Gartner](#) Inc (2014) has produced a list of 10 strategic technological trends for 2015. The full list of trends can be seen in Appendix one, however we believe that the most important of these is the “Computer Everywhere” trend. Gartner describe this trend as being an increased emphasis on serving the needs of the mobile user in diverse contexts and environments, as opposed to focusing on devices [alone](#). Microsoft has already noted this shift, and its latest campaigns that focus on services and hardware integration will help them stay ahead of this trend.

1. Computing Everywhere
2. The Internet of things
3. 3D Printing
4. Advanced Pervasive and Invisible Analytics
5. Context Rich Systems
6. Smart Machines
7. Cloud/Client Computing
8. Software-defined applications and infrastructure
9. Web Scale IT
10. Risk based security and Self-Protection

See: <http://www.gartner.com/newsroom/id/2867917>

Appendix 27: Competitor Parity Budget

Competitor Parity Method	
Competitor	Uk Ad Spent (000,000)
Samsung	28.7
Sony	18.1
Apple	16.4
HTC	9.8
Blackberry	5.3
Nokia	4.6
Google	2.4
LG	1.9

Industry Average (000,000)	10.9
----------------------------	------

2014 Budget (000,000)	8.8
-----------------------	-----

Budget Increase	24%
-----------------	-----

2015 UK Budget
Based on Key Competitors
£10.9 Million

Budget for Nokia Lumia 930
25% of budget:
£2.725 Million

Budget for January to March
£681,250

Appendix 28: Percentage of Sales Margin method

SEGMENT RESULTS OF OPERATIONS

Devices and Consumer

(In millions, except percentages)	2014	2013	2012	Percentage Change 2014 Versus 2013	Percentage Change 2013 Versus 2012
Revenue					
Licensing	\$ 18,803	\$ 19,021	\$ 19,495	(1)%	(2)%
Hardware:					
Computing and Gaming Hardware	9,628	6,461	6,740	49%	(4)%
Phone Hardware	1,985	0	0	*	*
Total D&C Hardware	11,613	6,461	6,740	80%	(4)%
Other	7,258	6,618	6,203	10%	7%
Total D&C revenue	\$ 37,674	\$ 32,100	\$ 32,438	17%	(1)%
Gross Margin					
Licensing	\$ 17,216	\$ 17,044	\$ 17,240	1%	(1)%
Hardware:					
Computing and Gaming Hardware	893	956	2,495	(7)%	(62)%
Phone Hardware	54	0	0	*	*
Total D&C Hardware	947	956	2,495	(1)%	(62)%
Other	1,770	2,046	1,998	(13)%	2%
Total D&C gross margin	\$ 19,933	\$ 20,046	\$ 21,733	(1)%	(8)%

* Not meaningful

Fiscal year 2014 compared with fiscal year 2013

2014 Total devices and consumer margin as taken from the Microsoft 2014 Annual Report:

Percentage of Sales Margin Method

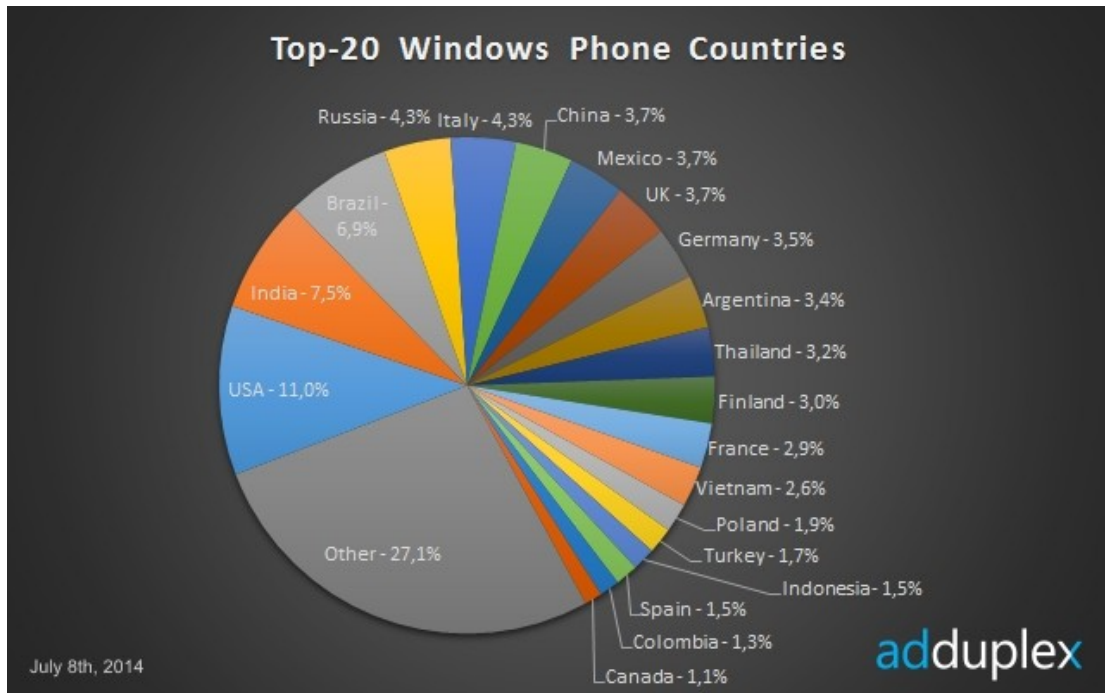
2014 Total Devices and Consumer Margin	\$19,933,000,000	Exchange Rate - 1.57
	£ 12,690,762,541.00	
Using 15% of Margin	£ 1,903,614,381.00	Global Advertising Spend
Smartphones		
15% of total ad spend	£ 285,542,157.00	
UK users as percentage of all users	3.70%	
UK Ad spend	£ 10,565,059.00	
Lumia 930 is the flagship device	25% of Ad spend	
Lumia 930 Spend in the Uk	£ 2,641,264.75	
Monthly Budget	£ 220,105.40	
Budget January to March	£ 660,316.19	
New 2015 Budget	10500000	
2014 Budget	8800000	
Percentage Increase	19.3	

Appendix 29: Budget Compilation

Budget Compilation	
Competitor Parity Model	£10.9Million
Percentage of Margin	£10.5 Million
Average estimate	£10.7 Million
Lumia =25% of ad spend	£2.675 Million
Monthly Budget	£222,916
Budget for Jan - Mar	£668,748

Appendix 30: Top 20 windows phone countries

[Adduplex](#) found that the UK contributed around 3.7% of all Windows phone users and on this basis, the global advertising budget for Microsoft smartphones alone for 2015 is expected to be between £285 and £295million ([Appendix 30](#)). This equates to 15.5% of Microsoft's total advertising budget for 2015.



Appendix 31: Global Smartphone Budget analysis

Competitor Parity Model	
Global Budget	£1.86 Billion
Global Smartphone Budget	£294,594,300

Percentage of Sales	
Global Budget	£1.90 Billion
Global Smartphone Budget	£285,542,157.00

Appendix 32: Promotional Allocations

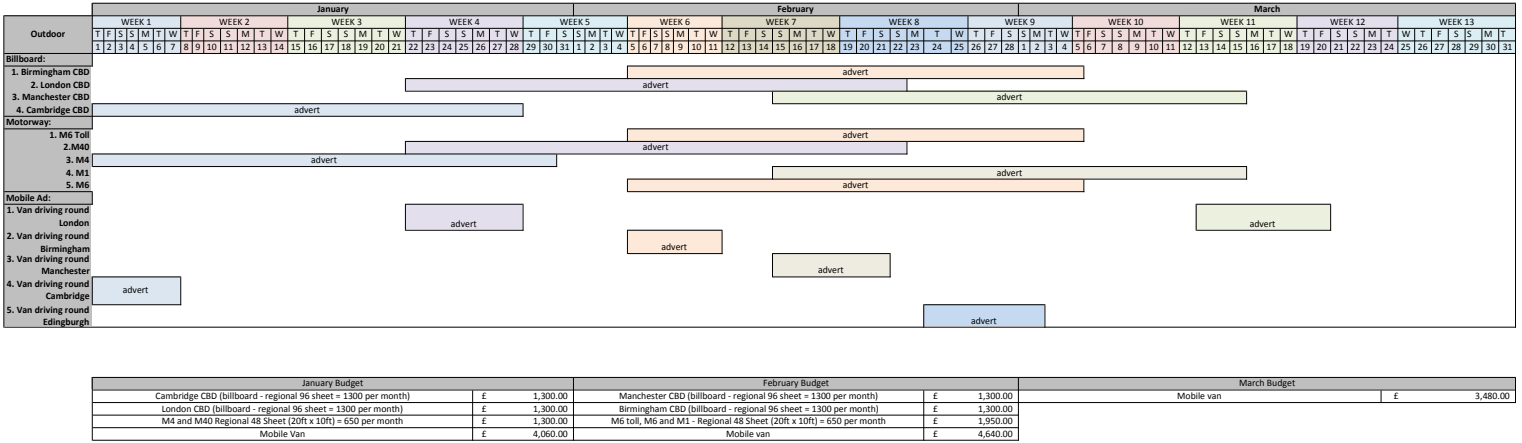
Advertising	66.64%
PR	1%
Sales Promotion	13.76%
Direct Marketing	0.00%
Internet Marketing	12.32%
Personal Selling	5.86%
Total	99.71%

Appendix 32 Continued: Budget and Monthly Breakdowns

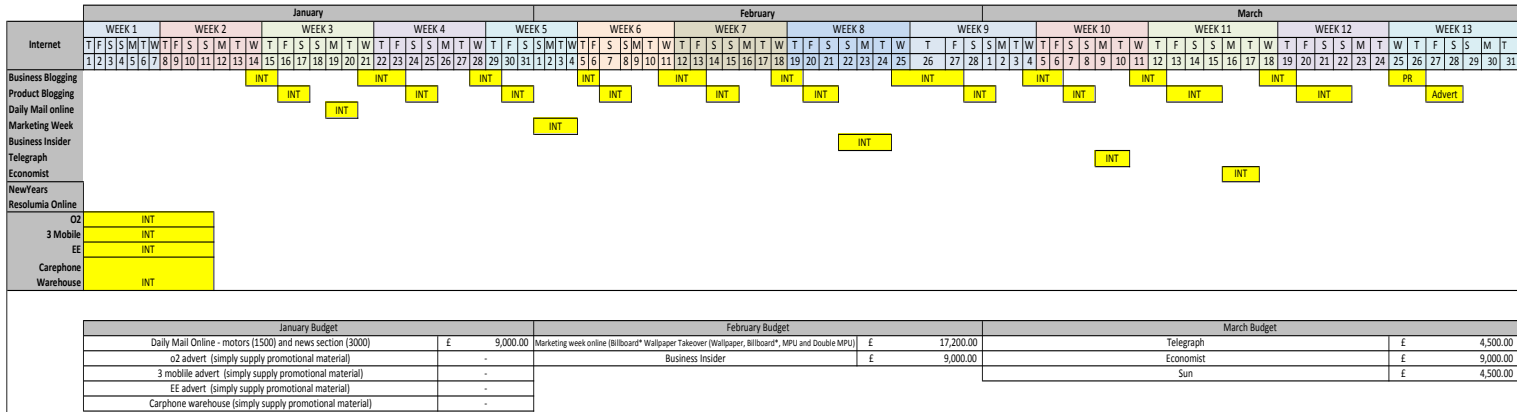
Full List of Expenditure and cost		Allocation (Days)			Cost					
Activity	Days	January	February	March	January Cost	February Cost	March Cost	Total	% of Budget	Type of Promotional
TV ads	41	15	19	7	£ 71,716.00	£ 134,674.00	£ 35,140.00	£ 241,530.00	36.55%	Advert
Radio	19	3	8	8	£ 900.00	£ 2,400.00	£ 2,400.00	£ 5,700.00	0.86%	Pr/ Sales Promo
Magazine	21	2	7	12	£ 72,208.00	£ 19,425.00	£ 12,000.00	£ 103,633.00	15.68%	Advert/ Sales Promo
Newspaper	8	2	3	3	£ 20,760.00	£ 22,736.00	£ 81,585.00	£ 125,081.00	18.93%	Advert
Business District Billboard	28	-	-	-	£ 2,600.00	£ 2,600.00	£ -	£ 5,200.00	0.79%	Advert
Motorway Billboad	35	-	-	-	£ 1,300.00	£ 1,300.00	£ 1,950.00	£ 4,550.00	0.69%	Advert
Mobile Billboard (VAN)	42	14	16	12	£ 4,060.00	£ 4,640.00	£ 3,480.00	£ 12,180.00	1.84%	Advert
Business Blogging	26	7	8	11	£ 560.00	£ 640.00	£ 880.00	£ 2,080.00	0.31%	PR
Product Blogging	24	6	6	12	£ 480.00	£ 480.00	£ 960.00	£ 1,920.00	0.29%	Advert
Daily Mail	2	2	0	0	£ 9,000.00	-	-	£ 9,000.00	1.36%	Internet Marketing
Marketing week online	4	0	4	0	-	£ 17,200.00	-	£ 17,200.00	2.60%	Internet Marketing
Business Insider online	3	0	3	0	-	£ 9,000.00	-	£ 9,000.00	1.36%	Internet Marketing
Telegraph online	2	0	0	2	-	-	£ 4,500.00	£ 4,500.00	0.68%	Internet Marketing
Economist online	2	0	0	2	-	-	£ 9,000.00	£ 9,000.00	1.36%	Internet Marketing
O2 online	11	11	0	0	-	-	-	-	-	Internet Marketing
EE online	11	11	0	0	-	-	-	-	-	Internet Marketing
3 Mobile online	11	11	0	0	-	-	-	-	-	Internet Marketing
Carphone warehouse online	11	11	0	0	-	-	-	-	-	Internet Marketing
Search Engine Optimisation	90	31	28	31	£ 6,000.00	£ 6,000.00	£ 6,000.00	£ 18,000.00	2.72%	Internet Marketing
LinkedIn	62	22	18	22	£ 1,760.00	£ 1,440.00	£ 1,760.00	£ 4,960.00	0.75%	PR/Personal Selling
Google +	62	22	18	22	£ 1,760.00	£ 1,440.00	£ 1,760.00	£ 4,960.00	0.75%	Internet Marketing
Facebook	61	22	17	22	£ 1,760.00	£ 1,360.00	£ 1,760.00	£ 4,880.00	0.74%	Internet Marketing
Twitter	61	22	17	22	£ 1,760.00	£ 1,360.00	£ 1,760.00	£ 4,880.00	0.74%	Internet Marketing
HR show	2	0	2	0	£ -	£ 4,000.00	£ -	£ 4,000.00	0.61%	Sales Promo/Personal Selling
Internation confex	2	0	2	0	£ -	£ 27,000.00	£ -	£ 27,000.00	4.09%	Sales Promo/Personal Selling
Business Travel show	2	0	2	0	£ -	£ 15,000.00	£ -	£ 15,000.00	2.27%	Sales Promo/Personal Selling
Gartner show	2	0	0	2	£ -	£ -	£ 12,000.00	£ 12,000.00	1.82%	Sales Promo/Personal Selling
Facilities show	3	0	0	2	£ -	£ -	£ 14,500.00	£ 14,500.00	2.19%	Sales Promo/Personal Selling
Total	648	214	178	192	£196,624.00	£ 272,695.00	£191,435.00	£660,754.00	100%	£ 668,748.00
										£ 7,994.00

Breakdowns have been based on the following Rate cards: MEDIA BUYING

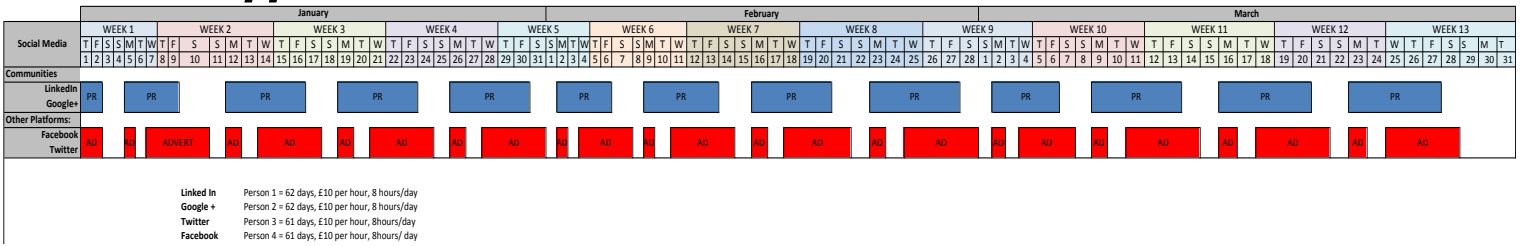
- **Times**
 - <http://newscommercial.co.uk/assets/pdfs/timesdisplayratecard.pdf>
- **Sun**
 - http://www.thesun.co.uk/multimedia/archive/00349/classified-newspape_349132a.pdf
- **Guardian**
 - <http://image.guardian.co.uk/sys-files/Guardian/documents/2011/02/22/ratecard.pdf?guni=Article:in%20body%20link>
- **Daily Mai**
 - <http://www.mailconnected.co.uk/uploads/files/Daily-Mail-Ratecard.pdf>
- **Brand republic**
 - <http://interactive.brandrepublic.com/commercial-hub/assets/BR%20Group%20Online%20Rate%20Card%202013%20HR.pdf>
- **International Confex**
 - <http://www.international-confex.com>
- **Metro**
 - <http://advertising.metro.co.uk/pdf/ratecards/Ratecard.pdf>
- **ITV media**
 - <http://www.itvmedia.co.uk/assets/itvmedia/content/downloadables/sport%20costs%20-%20itv%20media%20-%20itv1%20and%20multichannel%20-sept%202011.pdf>
- **Better business magazine**



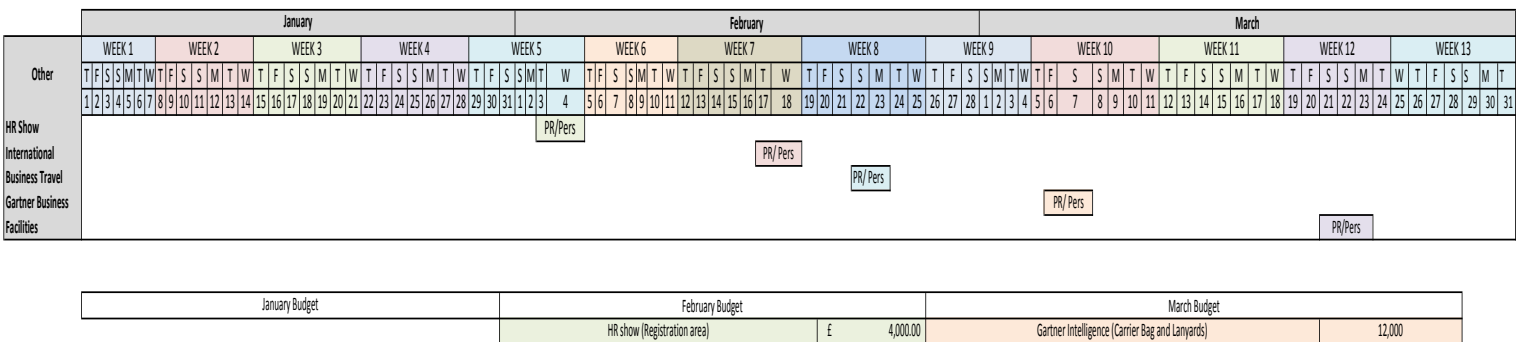
Appendix 39: Internet Gantt chart (Daily)



Appendix 40: Social media Gantt chart (Daily)



Appendix 41: Event Gantt chart (Daily)



Appendix 42:

As the definition of direct marketing is: “the communication (by whatever means) of any advertising or marketing material which is directed to particular individuals” (*Information Commissioners Office, 2013*) it was decided that this is not an appropriate approach for this stage of the campaign.

PR (1.1% of Budget) - Small Part of Section 5

PR is only playing a small role in this IMC program, as the role of PR is already covered in-house and has a predetermined budget. The use of PR in this instance focuses on three main consumers interactions: Business Blog, LinkedIn and the Radio. We are using PR to target specific groups, establish an online business community and communicate news items.

Promotional Objectives

- Attract 5000 members into a new LinkedIn Group named “WeMeanBusiness” by March 2015.
- Communicate event details to business professionals in specific locations
- Engage consumers on business blog

Communication Channels

Radio	Capital FM – Regional
LinkedIn	New Group called: WeMeanBusiness
Business Blog	http://www.microsoft.com/en-gb/business/community/ Product information and business announcements

Message and Tactics

In this IMC plan, PR is being used in a marketing PR function by create product news, even where there isn't any. The main of PR is to generate positive publicity and we anticipate a lot of media publicity due to the aggressive nature of the campaign. LinkedIn and the Business blog will therefore be used to engage with consumers, whilst the radio will be used to coincide with promoting sponsored events. It must also be noted that although PR is a small percentage of the budget, PR will be part of the social media strategy for Facebook, Twitter and Google +. These are currently classified under Internet Marketing, but could equally be classified here. Engagement on all Internet platforms is therefore an inherent part of PR here.

The PR campaign can be positioned to the general public and media, in the sense that we want to help them improve their business operations, through switching to a fully integrated device.

Appendix 43: Nokia History

Nokia began as a wood pulp mill in Finland in 1865 and found its name when it expanded its mill to the banks of the Nokianvirta. In the late 1980's, Nokia Corporation divested several business areas to make communications its core business. In 1994 Nokia released a 2100 series of phones that were expected to sell around 400,000 units. This figure however surpassed 20million units and as a resultant Nokia became the world leader in mobile phones in 1998.

Nokia market share (sold units %)

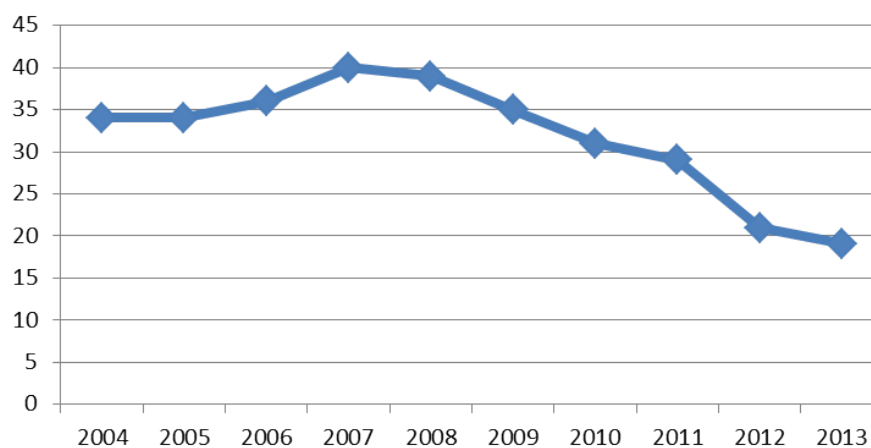


Fig 1. Nokia Market share based on units sold

Between 1998 and 2007, Nokia contributed to a quarter of the overall growth in the Finish economy (Economist, 2012), and its phone shipments peaked in 2007 giving the firm a 40% industry market share. As you can see from figure 1 (Disruptive Innovation, 2013), since 2007 the firm has slowly declined as a resultant of Samsung's adoption of the Android operating system and the rise of Apples dominant IOS system.

In 2012, Samsung's growth ended Nokia's 14-year run at the top of the cell phone industry, shipping 92million units in the first quarter alone (Goldman, 2012). With dwindling market share and decreasing shipping output, Nokia completed its divestiture of its devices and services division when Microsoft purchased them in 2014 for a fee in excess of €5.4 Billion (£4.2 Billion) (Nokia Corporation, 2014).

Microsoft now holds the future of Nokia cell phones in its hands, with Nokia as a business now choosing to focus on three primary divisions: Nokia Networks, Here and Nokia Technologies. Microsoft has taken ownership of all mobile devices: Lumia, X series and Asha, and has benefited from absorbing design teams, supply chains, accessories, employees, developer relations and most of Nokia's manufacturing plants and testing facilities (Molen, 2014).

Early indicators show that Microsoft's takeover will be beneficial as during the three months ending September 2014, Microsoft sold 9.3 million Lumia Devices and 42.9 million non-Lumia devices, generating revenues of \$2.6billion (Microsoft, 2014). Microsoft claim that they are out-shipping Apple, but trail Samsung in 24 countries (Fig.2), and trail Samsung as the number 1 operating system in 14 countries (Fig.3) (Pratap, 2014).

Malaysia	India	Mexico	Chile	Italy	Thailand	Vietnam
South Africa	Ukraine	Hungary	Finland	Czech Republic	Greece	Poland

Fig 2: Countries where Microsoft have the No.2 Operating System

Chile	Colombia	Czech Republic	Egypt	Ecuador	Finland	Greece	Hungary
India	Italy	Kenya	Kuwait	Malaysia	Mexico	Nigeria	Pakistan
Peru	Poland	Saudi Arabia	South Africa	Thailand	Ukraine	UAE	Vietnam

Appendix 44: Rebranding

In a recent announcement, Microsoft highlighted that they want to simplify and unify their smartphone branding, which involves transitioning the Nokia Lumia brand into the Microsoft Lumia brand (Goldstein, 2014). Whilst Nokia has a great history in the Industry, its decline has been well publicised and therefore a rebranding will disperse any negative perceptions that consumers still have. The Microsoft Lumia 535, released on the 10th November 2014, is the first device not to feature the Nokia name (*CNET, 2014*) and brand continuity has begun extending to its related social media channels (*Fried, 2014*).

Appendix 45: Theme of Indirectly Attacking Blackberry

Highlighted in the storyboard below, revolves around using the Lumia 930's Cortana (Voice recognition software) to provide an answer to the question: How do you make a Blackberry pie. The dramatized advert involves a businessman, turning into a chef, ends with a crying baby, and the caption: "She doesn't like blackberries".

