SITUATION ANALYSIS & MARKETING PLAN

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INDUSTRY ANALYSIS

Market Review

Google Glass is a fairly new innovation. In fact, Google is still trying to find uses of its product by hosting hackathons for developers and Twitter and Google+ conversations for the general public to brainstorm all of the uses for Google Glass.

With industries including, but not limited to, health care, education, law enforcement and tourism, Google Glass has grasped the attention of techies and is gradually introducing Glass into the market through the open beta program known as the Glass Explorer Program.

As of now, with Google Glass competing in a Monopolistic Competition environment, the key factors that influence demand are income levels of the customers, prices, preferences and expectations of the product itself. We will break up the market review into two sections: business to consumer and business to business.

Business to consumer:

Income and price can be linked together in terms of how they influence demand. Google Glass charges $1,500+tax for its product, which will greatly influence demand to those who don’t have a large amount of disposable income. Also, since Google Glass is selective in distribution and limits its supply, it is perceived as a more exclusive, luxury good, which leads to the other factor regarding demand: preferences and expectations.

Much of Google Glass still remains elusive to the public, and thus the preferences and expectations have not yet been established. This fairly new product Google has introduced has much speculation, but little of the U.S. population has been able to experience the product itself. Expectations and preferences for this product are still in the works as Google Glass develops and fine tunes itself into the ultimate wearable good.
Business to business:

Income and price aren’t necessarily huge factors into demand. However, some companies that are interested in investing in such technology want to ensure they are getting a good return-on-investment. Therefore, expectations and preferences play a larger role in the b2b sales of Glass. Businesses have high expectations and preferences if they are investing in wearable technologies.

Five Forces Analysis

The wearable industry is up and coming, therefore, the threat of new entrants is highly prevalent. As explained later in the competitive market section, an array of other companies such as Toshiba, Oakley, Microsoft and Apple who have filed patents in the smart glasses category. Google Glass is very likely to have new entrants compete even more heavily in the near future. Based on these patents, the threat of new entrants is high.

In terms of buyer power, the buyers have virtually no power, as they must apply for this exclusive product and pay the high price of $1,500 for the smart glass. With a very limited supply, Google Glass has much more power over the buyers than vice versa. Buyers have moderate power because they have power to wait for the price to go down, but they can’t dictate the price yet.

Supplier power is incredibly high because Glass is manufactured by Himax, which much of its success can be credited to the liquid crystal on silicon displays, which is one of the parts necessary for wearable technology. These parts aren’t easily accessible, thus giving the supplier tremendous power with regards to the smart glass technology.
With introductions of the smart watch into the market, some people may feel that this technology is an adequate substitute to the smart glass. However, in terms of all the functions and industries Google Glass can be applied to, there are no true substitutes. Google Glass is a unique product in itself, and until other companies develop and introduce their smart glasses into the market, Google Glass has no real substitutes. Therefore, threats of substitutes are a low level of intensity.

Competitive intensity is not yet prevalent from competitive industry, but because other companies have filed patents, very soon will Google Glass begin its phase of competition with other large companies. As of now, competitive intensity is low.

Compliments are essential to Google Glass’s success. This includes apps and smart phones that are integrated into its usage. Without the compliment products and services, the smart glass will have nothing to base itself off of.

Threat of new entrants is the most important to the smart glass industry. This industry is very new and attractive because the trend towards wearable technologies is increasing with limited products to satisfy this category. Supplier power is also important because with such a niche product that can be exclusively sold, the supplier has the ability to charge whatever prices because it has that monopoly over its technologies.

**Competitive Review**

**Brand competitors**

**Epiphany Smart Glasses**

Price (based on storage): $299-$499
Google Glass

 Specs/Features: Lithium-ion battery, 1 hour HD recording, soft-touch plastic titanium frames with flex hinges for active use, UV Sunglass, prescription or clear lenses for everyday use, blue recording indicator light for bystander alert, HD 720p camera with wide angle 160 degree lens, built-in mic for recording audio, and 8gb-32gb SSD multimedia storage which stores over 8hrs of HD video.

 Item Description: Allows the user to record audio and video in real-time with a modern style appearance of glasses. The user can upload their videos to cloud storage (included with purchase) in order to share footage with anyone around the globe. With a compatible device they can also transfer their footage to phone, tablet, etc... In real time via YouGen.Tv app.

 Epson Moverio BT-200

 Price: $699

 Specs/Features: .42 inch LCD display, 60hz refresh rate, Android compatible, Camera, GPS, Compass, Gyroscope(motion tracker), Microphone, Wireless lan/Bluetooth connectivity, MicroUSB compatible, 1.2ghz dual core CPU, Audio/video support,3d support, Dolby Digital plus surround sound output, and 8gb of internal memory with support of up to 32gb MicroSDHC cards..

 Item Description: Allows the user to transmit all software related data into the frames of the glasses. In short it acts like an extended display and notification base for android phones. This allows users to browse the web, use GPS, receive texts, emails, capture and record video/pics as well as take calls. The two lenses act as two separate displays as well.

 ReconJet

 Price: $599.00
Google Glass

*Specs/Features:* 9-axis sensors (3d accelerometer, 3d gyroscope, 3d magnetometer), Pressure sensor (Altimeter & barometer), Ambient temperature sensor, optical touch sensor for UI, works with gloves and all weather conditions, 1 ghz dual-core are cortex a9 processor, 1gb ram, 8gb flash memory, wide screen display, virtual image appears at 30’ HD display at 7’, power-saving sleep mode, readability in high ambient lighting, Wi-Fi/Bluetooth Connectivity, Apple support, GPS, ANT peripheral support, MicroUSB charging, HD camera, Audio/Video Support, Integrated speaker and microphone support.

*Item Description:* Targeted towards athletic enthusiast. These smart glasses allow the user to connect to their phone and allow most functions a smart phone would allow; however, this unit specializes in providing instantaneous health related monitors for strenuous adventures. It has the capabilities to provide directions, heart monitoring, distance and speed traveled and so forth in real time which is projected in your field of vision similar to that of a projector. It is made to withstand all weather conditions.

**Vuzix M100**

*Price:* $999.99

*Specs/Features:* WQVGA color display, left or right eye mountable, external flash support (up to 32gb Micro SD), GPS, Proximity sensor, Ambient light sensor, gesture engine, head tracker (3 axis gyro sensor, 3 axis accelerometer, 3 axis mag/ integrated compass), rechargeable battery, noise canceling microphone, 1080p video, 5 megapixel camera, Micro usb control, Wi-Fi/Bluetooth connectivity, android compatible/IOS compatible.

*Item Description:* Another device which incorporates all the modern functions of your mobile cell phone; however, this device is geared towards industrial, medical, and material
management industries as it specializes in the ability to access data and other valuable information for companies. It is made to be able to attach to safety goggles and others alike.

*Product competitors*

**Designer Shades (Armani, Versace, Ray-Ban, Oakley, Gucci, Burberry, etc...)**

Price: $150-$600

*Specs/Features:* High end UV Ray resistance with the options of insurance in case your shades are damaged which are generally not offered with your low-end shades (grocery store models etc.). Some styles offer polarized shading as well which provides the user with optimum clarity in extreme sunlight.

*Item Description:* Premium built shades based on the fashion industry which designs change with every season. The user generally gets a better build quality of shades compared to lower brands alongside being associated with well-known/established brands in the fashion industry.

**Prescription Glasses**

Price: $100-$150 (with insurance)

*Specs/Features:* Primarily offer prescription medications instilled within the glass lenses to enhance user vision; although, further modifications can be added to add features which block UV Rays.

*Item Description:* Self-explanatory

**VR Glasses/3d Viewers: (Durovis, Vortex, Sony HMZT3W)**

Price: $100-$999

*Specs/Features:* Durovis/ Vortex- These two VR glasses offer quad-core Snap Dragon processors (CPU) with 5 inch LCD displays. The rest of the hardware is derived from the consumer’s cell
phone device; consequently, the main features are that both devices offer Virtual Reality gaming for your standard game apps off Google play or the Apple App store. Sony HMZT3W- Offers: OLED HD display, 24p true cinema experience, virtual 7.1 surround sound, 60 Hz wireless technology (streaming), built-in battery, external headphone plug in, and a 750” virtual display.

*Item Description:* The virtual reality headsets are utilized to give a real world interaction style of video gaming within a sense of augmented reality. The 3d glasses are used to offer an alternative 3d cinematic experience with quality similar to what you would get at an IMAX Theater within your home as well as on the go. The 3D headsets can be used for gaming systems as well.

*Generic competitors*

**Smart Phones (IPhone, Samsung Galaxy, HTC ONE, etc...)**

Price: Average Retail - $499-$849

*Specs/Features:* Across the industry there are thousands of different specifications and features depending on the phone you choose; however, I will focus on the more general attributes that are for the most part standard with any current smart phone. In general most smartphones offer: Quad-Core CPU’s, sensors(Accelerometer, Proximity sensor, Ambient light sensor, Gyro sensor, Barometer sensor), GSM/GDPR/EDGE/CDMA cellular bands, front and rear facing cameras(8mp-21mp), 1080 HD recording, rechargeable battery, external headset input, HD oled touch screen( or Retina Display in case of Apple), GPS, Digital Compass, Bluetooth/WI-FI connectivity, Google Play Or Apple app stores, Audio/Video playback (can be used to watch movies and listen to music), and Micro-USB accessible/ Apple proprietary USB.
**Item Description:** Smartphones are essentially hand-held computers which offer cellular communication almost anywhere in the globe. Apple and Android offer many applications for these devices to be used far beyond the standard capabilities of a phone and computer in retrospect to convenience.

**Smartwatch**

Price: $150-$299.99 (depending on model)

**Specs/Features:** Currently on the market the Pebble Smartwatch is the only notable wearable compatible with Apple products until the Apple watch releases Q1 of 2015. The rest of the smartwatch industry is Android specific. Making note of that, all smartwatches encompass: onboard mini CPU, ambient light sensor (in high end models), interchangeable wrist bands, Bluetooth connectivity, Gyro/Accelerometer/Compass, Pedometer/Optical heart-rate monitor, rated IP57 and above dust and water resistance), LCD touchscreen display, and a rechargeable battery.

**Item Description:** The main function of a smartwatch is to keep the user in sync with all of their phone notifications without the user ever having to touch their phone. It primarily displays phone calls, text messages, email, and user specific app notifications. It also serves as a music controller for your phone. This is the watches main description; however, some smartwatches are also geared to incorporate fitness aspects seen in items such as FITBITS (monitors how much you have walked, run, etc.).

*Total Budget competitors*

**Laptops/Desktops**

Specs/Features: Similar to cell phone criteria, there are many varieties of hardware and software that laptops/computers encompass; however, I will only elaborate on the main specifications these devices all offer. These devices offer: advanced CPU, generally 250gb-1TB on board storage, front facing camera, multiple usb support female adapters, Bluetooth/Wi-Fi connectivity, HD display, removable hardrives, 2gb-14gb ram, Solid State Drives(high end models), MAC or Windows operating system, rechargeable battery (laptop), internal/external speakers, touchscreens(high end models),VGA Adapter,HDMI Output Adapter (high end models),and a Headset/Mic female adapter.

Item Description: These devices allow users to productively do work or play games through the internet or internal/external programs.

Tablets (Apple IPad, Samsung galaxy Tab, Surface)


Specs/Features: Front facing camera, rear facing camera, video recording, internal memory (different sizes depending on product model, Bluetooth capabilities, Wi-Fi/ Cellular connectivity, dual/quad core CPU, rechargeable battery, Sensors (Ambient light, three-axis gyro), Microsoft/Apple/Android operating system, micro usb connector (proprietary connector for Apple) and HD touch screen display.

Item Description: Tablets offer the standard experience off a computer with the added portability of a cell phone. They can be integrated to tether with your average smartphone in order to work together. They offer the added benefit of having app stores which can further there means of use depending on the user. The Surface tablet can act as a full computer replacement with its higher end models as well.
Major Competitors

Google Glass major competitors will deviate depending on which market Google is catering to; therefore, this section will be analyzed within two sections. These competitors are focused on a general field so we will focus on the most prominent market leader for each category.

Business to business-Tablets (Apple primarily), Laptops

Apple iPad

Current and past strategies: When it comes to the Apple iPad their strategies have been almost the same since its introduction into the market. The primary strategy of Apple has been to create products which are easy to use; consequently, the products learning curve is extremely minimal. The next strategy Apple utilizes is to keep things simple in their product line. This brings customer satisfaction/experience up as obtaining useful information about the IPad is not as hard compared to android/pc based tablets as there is only one IPad (two sizes) compared to hundreds of Android/Pc based tablets. Apple also currently integrates all of its devices making the switching cost very high ensuring loyal customers. In the past Apple didn’t offer smaller sized iPads; however, as the market demand grew thanks to android Apple followed. In the future Apple will continue to change their products to tailor certain consumers if demand has obtained a certain level.

Current performance in terms of sales, market share and market share growth.

Sales: 13.28 Million currently in 2014

Market share: 26.9%

Margit share growth: 3.9%

Primary strengths and weaknesses: The primary strength of the Apple iPad is the unlimited amount of money Apple has at its disposal for marketing potential. Its product has high
switching cost and has been well received by the media and its consumers. The primary weakness of the IPad is its well-known compatibility issues with one Apple products. The tablet holds it’s on full potential back by not offering expandable memory or customization that consumers have not been shy in stating to the press. Apple chooses to be consistent and offer easily used products but at the expense of not being up to date with current technologies.

Likely future marketing strategies: Apple’s likely future strategy is to stay consistent with what they have been doing unless change is inevitable due to demand which was seen by the IPhone and IPad tablet size change.

Impact of the competitor’s strategy on your organization: Apple’s strategy to change only when needed is a key problem because it allows their organization to learn from what Google as a whole does right and wrong with the Google Glass and perfects that information into their own product.

What type of competitive market do these firms compete in? Apple competes within a hostile market as there are established and key dominant players whose products are well known and sell well.

Laptops: Hewlett-Packard

Current and past strategies: In the past HP has relied upon custom user experiences in which users could order online and build the computers they wanted to their liking; as a result, HP now has strong ties globally. Currently it is the world’s bestselling PC vendor and has expanded its market into China due to its rapid growing population. HP’s best strategy is using its brand reputation globally as well as diversified product portfolios.

Their current performance:
Google Glass

- Sales 14.21 million
- Market share 37%
- Market share growth 5.1%
- Profitability: Gross profit margin 23.47%, operating profit margin 6.42%, Net profit margin 4.54%, ROE 17.88%, ROA 4.94%

**Primary strengths and weaknesses:** The primary strengths of HP is its new expansion in the China market base that offers them plenty of new target consumers. Their primary weakness is the rapid growth of new technology. Emergence in new technological advances can make any product become obsolete at any given moment.

**Likely future marketing strategies and impact of the competitor’s strategy on your organization:**
HP’s likely future strategy is to rely on the power of its Brand name to dominate the Chinese market. Its new strategy which has recently just been implemented has no string significant impact on our organization as they are in ways helping to penetrate a market that has many restraints on technology.

**What type of competitive market do these firms compete in?**
Hostile environment as there are established and key dominant players whose products are well known and sell well.

**Business to consumer: Smartwatches (Android Wear), Cell Phones**

**Android Wear Watches**

**Current and past strategies:** Android Wear watches are fairly new to the market as they have just been recently released over the summer. They have been geared to accommodate the average cell phone user who wishes to have the convenience of not always being tethered to
their cell phone to receive notifications. It has also been geared for those who exercise by incorporating exercise monitors and applications. These are both the current and past strategies which are still prominent in commercials as well as put on major displays in major electronic stores.

*Their current performance in terms of sales, market share, market share growth, and profitability:* This information is currently not available as all android wear products have only been released to the public within the last 2 months. The most prominent statistics are all educated predictions at the moment.

*Their primary strengths and weaknesses:* The primary strengths of Android Wear is it has the upper hand in new wearables by getting a jump start on the competition and having a chance to capture potential consumers our product has yet to engage with. The weakness of Android Wear is it is only available on one platform Android. This leaves a large amount of consumers unattended to and not being served currently who do not have android.

*Likely future marketing strategies:* Android Wear will more than likely try to pivot into the extreme sports atmosphere as now it offers some attention towards it but not full immersed into that spectrum.

*Impact of the competitor’s strategy on your organization:* Google Glass initially wants to pivot towards the extreme sports realm as well, with Android Wear having a head start, it will make it harder on Google to convey the need for a $1500 product vs a $300 watch which has health monitoring capabilities itself.

*What type of competitive market do these firms compete in?*
Android Wear competes in the wearable/ wrist wear markets which is again a hostile environment with dominant players.

Cell Phones (Apple IPhone is bestselling phone currently)

*Their current and past strategies:* Same as Apple IPad strategy listed above....they both rely heavily upon the same strategy.

*Their current performance:*

- Sales 35.3 million
- market share 11.9%
- market share growth -8.9%
- profitability 60% of all cell phone industry profit

*Their primary strengths and weaknesses:*

Same as iPad stated previously....they products tie heavily upon the same strengths and weaknesses.

- Likely future marketing strategies

*Impact of the competitor’s strategy on your organization:* Same as IPad stated previously, they both follow the exact route in these conditions as well.

*What type of competitive market do these firms compete in?*

Hostile environment as there are dominant players and established markets.

**Competitive Markets these Firms Compete in**

Google Glass is currently competing in a Monopolistic Competition environment. There are approximately thirty companies selling smart glasses, although all of the glasses have slightly different features and are sold for a variety of prices. Google is by far the largest and
well-known company currently selling smart glasses (Takahashi, 2014). They may not be the
largest competitor for long as there are companies such as Toshiba, Oakley, Microsoft and
Apple who have filed patents or mentioned their interest in the smart glasses category. These
new products could change the competitive landscape in the smart glasses market, as a few
leading companies could emerge (Swider, 2013).

Customer Review

Google Glass currently is selling its product within enterprise, medicine for example. The
medicine market is mainly consisting of doctors who use the Google Glass as a means to replace
machines. They can see medical information without having to turn away from their surgery
(O’Connor, 2014). Potential buyers of Google Glass are active, innovator adults. Google Glass is
trying to target commercial use for those wanting a convenience while having the same
features as their smart phones. An example of this would be a buyer going on a ski trip with her
friends. Instead of taking off her gloves to pull out her phone to text where they should meet
up, instead the buyer would say, “Okay glass” and verbally direct the Google Glass to send a
text while her hands are free to stay warm. The idea of Google Glass is to target those who
don’t want to be slowed down.

The demographics of this target market are innovators, tech-savvy, working adult,
photographers, and people in physical job roles (technicians, warehouse, and medicine etc.).
They are probably looking at those who already own a smart phone and other current
technology. Glass has been allowing trial periods for businesses, but if the Glass lowers its price,
they can then include the common market of fitness trackers and individual people (Green,
2014). The psychographics of the current market include hard working, stressful people that
value their job success. Of the potential market, the psychographics are individuals who are active and have the desire to show everyone exactly what they do. They are “go-getters” with the mentality of always accomplishing the goal. These individuals value the outdoors and their ability to conquer it.

The geographic areas for these target markets are in highest per-capita in geographical regions such as USA, Europe, and Asia. The socioeconomics of a Google Glass market are those with higher educations, and working in middle to high income careers. Their occupations are consisting of jobs that require intense focus and little room for human error. The behavioral characteristics of Google Glass are the leaders. When buying for individual use, these people are creative and optimistic about new products. They are the type that want to increase the quality of life and aren’t afraid of risk while getting there. For company use, the behavioral characteristics are those who are serious about doing a good job. They are the type that want perfection and as much control over life as possible. They aren’t afraid to rely on technology as long as it eliminates human error.

The size of Google Glass’s existing market is relatively small, as it is in the beginning stage of a new technology leap. If Glass can continue to show success in businesses, they can reach a US market that contains, for example, 5,723 hospitals, 701,100 automotive technicians, 163 oil companies, and many more labor-intensive businesses (Fiegerman, 2014).

The purchase decision process for Google Glass start with businesses that recognize the need for a more convenient connection to the Internet while their hands are busy at work. The buying process then leads to the research of Google Glass and what it has to offer. Seeing that the product is $1,500, purchases are thought out in advanced rather than impulse buys.
Currently, Businesses are skeptical about purchasing Google Glass because of the technological issues. One main concern that would be found during research is the Glass’s lack of security. Also, The Glass can easily distract those who need to focus wholeheartedly on their work. If potential buyers can get passed these major defects, then they reach the next step in their decision process. There wouldn’t be a need to evaluate the alternatives because Google Glass is currently one of the few options available in the smart glasses category. The next process would be purchasing the product. In a business, purchasing Google Glass is an investment. The post-purchase behaviors for businesses currently are all over the board. In the medical world, the possibility to perform more effectively and efficiently gives surgeons the absolute need for the product. Seeing exceptional improvements in the field drives a strong demand for Glass (O’Connor, 2014). Alternatively, there are many complaints about the Glass technology needing a major update before satisfying the needs of consumers. Reviews suggest that people are looking for the next generation of Glass before they are willing to invest their dollar any further. The New York Times- Google Glass Enters the Operating Room states, “Until Glass has been better studied in healthcare and equipped with safeguards, Dr. Katz said, doctors should be forced to check their wearable computers at the clinic door” (O’Connor, 2014). They like the idea of Glass, but want the kinks in technology to be resolved before allowing their business to fully commit to Google Glass. And for the individual consumer, Glass hasn’t quite reached the market in projecting the feeling of “need” for the product. Consumers are overall concerned about the safety issues where people can invade their privacy with ease. Consumers are not comfortable with Glass wearers able to film and photo them inconspicuously, so Glass is starting to become an overall social issue.
Customers buy Google Glass for the ability to have a hands free experience with technology. Innovators will take the leap of faith and accept the flaws in Google’s first generation Glass. People would buy Glass for the purpose to improve their quality of life. Individuals who want to experience life with the ability to connect to the outside world effortlessly are the likely candidates to purchase Glass. Businesses that want to lower the amount of human error would purchase this product for the effectiveness of having a computer to confirm their work. When a job requires the stressful atmosphere of perfection, they are more tempted to buy the technology that furthers their ability to reach it.

What customers expect to be included in Google Glass is the ability to be a smart phone. They are expecting Glass to provide all of their social needs with the technology that is more advanced and effortless than anything they have seen before. With the price of $1,500, Glass is expected to go beyond any social device and significantly change their ease of living.

**Macroenvironment Review**

**Legal and regulatory:**

The major legal trouble that Google Glass could run into would be regulations regarding the public’s privacy. Google Glass has a built in camera with no real indication when the camera is in use. There are people and businesses who are scared of strangers filming or taking pictures of them without them knowing while wearing Google Glass. There have also been questions about whether wearing Google Glass while driving can be distracting and similar to driving while on the phone. Technology is currently evolving too quickly for the legal system to keep up creating possible legal troubles for Google Glass in the future (Davis, 2014).

**Economic:**
There are no large-scale economy issues that would affect Google Glass. The biggest factor would be economic growth rates for the public. If the economy is strong then potential customers may have more money to spend on inessential tech products such as Google Glass.

Social and cultural:

Social and cultural factors could be Google’s biggest problem as wearing smart glasses such as Google Glass is not widely popular and many people judge those who wear them. The technology is so new and most people just see a camera on the glasses instead of the great functions behind the glasses. Smart glasses have to become socially acceptable by the general public for them to gain sales and popularity (Warman, 2014).

Environmental:

Environmental factors have little effect on Google Glass. Google does their part in providing environmentally conscious products while also emphasizing the importance of recycling old tech products.

Technological:

Technological factors will affect Google Glass as it is such a new device. Google Glass is still being developed, as the current version for sale is the “Explorer Edition.” This edition is mostly for developers and tech people who want to help develop the smart glasses into a powerful tool. A refined version of Google Glass focused to the general public is expected to be released in the next year (Boxall, 2014). There are also other companies such as Toshiba, Oakley, Microsoft and Apple who have all been rumored to be developing their own smart glasses. Since the smart glasses market is so new, the technology and development behind it is bound to change in the next few years.
FIRM ANALYSIS

Key Information about the Firm

In 1998, Google was founded by Larry Page and Sergey Brin just shortly after the two met at Stanford University. Google now serves millions of people around the world. With advertising being Google’s biggest source of revenue, the company earned total revenue of $55,519,000 in 2013 (according to the Investor Relations financial table).

Currently, Google has over 40,000 employees worldwide. They are headquartered in Mountain View, California while having over seventy offices located in over forty countries. The company is managed by a team of five executive leaders, thirteen senior leaders, and eleven board directors.

Since the beginning of Google, there is a list of “10 things” that the company wants to hold true. This list includes:

1. Focus on the user and all else will follow.
2. It’s best to do one thing really, really well.
3. Fast is better than slow.
4. Democracy on the web works.
5. You don’t need to be at your desk to need an answer.
6. You can make money without doing evil.
7. There’s always more information out there.
8. The need for information crosses all borders.
9. You can be serious without a suit.
10. Great just isn’t good enough.
Primary Product(s) and/or Services

Google builds their products to better the web and constantly improve their customer experience. They are committed to creating an environment that allows for information to be accessed across the world. Google stands with pride for their work, and wants the world to feel their difference every day. Whether Google is used for personal use or for support to using resources efficiently, Google wants to prove that impossible is just another possibility.

Google has specific areas of service, which are search, advertising, operating systems, and platforms (Google Inc., 2014). The company offers a wide variety of services that are the following categories: media, web, geo, specialized search, home and office, and innovation. Some of the most popular include Google Chrome, Web Search, YouTube, Maps, Earth, Gmail, and Drive. In addition, Google offers businesses the ability to be found across the web, the ability to work better from anywhere, advertising space, and hosting ads on a business site or app (Company, 2014).

Current Goals and Objectives

According to Google’s mission statement, its corporate objectives are “to organize the world’s information and make it universally accessible and useful.” Therefore, Google is constantly seeking ways to always find innovative ways to continue to provide quick and accurate services that provide the best possible user experience.

Their Current and Past Strategies

Global Business Strategy (GBS)-With the goal being to increase revenue for Google’s Business Organization, it dials in on three key tactics: leadership and strategic and operational support. This means that GBS works closely with executives to drive projects that are essential to Google’s grow, both long and short-term. Some examples of these projects include the go-
to-market and monetization strategies with regards to specific products and segments as well as closely monitoring competitive industry trends.

According to Forbes, though Google’s current strategy revolves around “Four E’s”: earn, entice and defend, expand the pie, and experiment.

- **Earn**- a whopping 95 percent of Google’s revenue is sourced from advertising, which indicates that the nature of Google is that it’s a B2B business.

- **Entice and Defend**- In terms of enticing and defending, Google is constantly seeking channels for its users to receive ads, so these channels may include something like Gmail. It also looks to enhance to make these free services to users interesting. In terms of defense, Google has to compete with other companies that offer products and services that retract user time away from Google.

- **Expand the Pie**- What Forbes means by this is that one of Google’s strategies is to expand leisure time. It wants you to be more efficient, and one of the ways Google is trying to implement this creation of more time is by promoting its product, Google Glass.

- **Experiment**- In order to achieve innovation, Google has to conduct experiments. It does it in something known as Google X, where they are always doing research and development projects. What goes on in Google X is mostly unknown, as it is kept top secret until release.

**Current Performance: 3rd Quarter 2014**

Sales: $16.52 billion dollars
Market Share: 67.6%
Market Share Growth: 20% year to year, 3% quarterly

**Profitability: 3rd Quarter 2014**
Gross profit Margin: 57.77%
Operating Profit Margin: 28.83%
Net Profit Margin: 21.26%
ROE: 14.2%
ROA: 11.18%

**SWOT Analysis**

**Strengths:**
- **Financial Status:** According to Google’s 2014 third quarter financial results, the company as a whole generated revenues of $16.5 billion dollars; this contributed to a 20% year to year growth and a 4% quarter to quarter growth. As of right now it is one of the most profitable companies in the world with very little debt in comparison to how much money they hold. This allows Google to be more flexible in comparison to other firms with investing as well as R&D. If their products fail which a lot have and are, the company as a whole is not in jeopardy of going bankrupt.

- **Access to internet users:** Google has been the number one search engine used around the world for over the past 3 years. Currently as of September 2014 according to comScore (a leader in measuring the digital world) Google dominates the market with a 67.3 percent market share. That’s more than Microsoft and Yahoo combined which would be at a 29.4 percent market share together and who are also Googles main competitions. Out of 17.9 billion user searches, 12 billion were conducted through Google. Having this type of internet dominance
Google Glass attracts many investors who seek advertisement space and generate paid click revenue for Google which is primarily what they profit on the most.

Fluid core competency: Google’s core competency for years has been to focus on software and services for the technology industry; however, Fluid Core Competency is a new business strategy derived from Haydn Shaughnessy, in association with Cognizant’s Center for the Future of Work. In his research paper titled The Fluid Core Haydn Shaughnessy states,” In place of a rigid ‘core’ the fluid core adapts to new strategic priorities, primarily the need to seek out new markets and opportunities (4). This is yet another strong point of Google because they have recently made changes to adapt to the ever evolving business market. While still maintaining its focus on ad-space related software, Google is now evolving towards an infrastructure and telecoms company. 2015 is predicted to be the year of wearables by the top business analysis in the world according to Forbes Magazine and Google has acquired Cloud Platform, Motorola and launched many other items to prepare for their future interest. Being able to adapt/prepare to the ever changing market gives Google an advantage over competition in relevance to help capture potential consumers and expand as a company.

Personnel Quality: Google has roughly 50,000 employees in its current state; however, the strength of these companies’ personnel is not in numbers but how productive they are. Google is the only company in the world who uses a type of HR referred to as people analytics; this is a form of algorithm based decision-making which constantly collects and provides data on the most important criteria to look for when hiring an employee. Google believes HR generally relies on trust and relationships when hiring a potential employee; however, this approach often leads to 60% of corporate variable cost according to business analyst. Using
people analytics, Google reached the number 3 position for the most valuable firms in the world. On average, a Google employee generates approximately $1 million dollars in revenue and $200,000 in profit each year. Consistently employing individuals of quality acts as an advantage in the market place as it generates innovation and saves money on variable cost.

Reputation/Brand: Provided that Google leads the world market share with its search engine and holds the number 3 spot as most valuable companies, its brand is established and well known. The Google brand alone is worth around $113.7 billion dollars which is the 2nd most valuable brand in the world (Apple is number 1). Its brand is recognized globally which helps when it introduces new products into the market and year after year they continue to do so. This allows Google to form many business relationships globally with fewer hardships that many small and new companies will endure in similar circumstances.

Weaknesses:

Attrition: One of Google’s biggest problems is the employee turnover rates. Google has one of the highest employee turnover rates in recent rankings among companies that were highlighted by the Bloomberg View. Many other companies besides Google seek out the most talented employees; consequently, these major corporations battle for talent and offer better compensation packages to Google personnel and they jump ship. This causes Google to actively waste money and resources by always having to rehire and retrain personnel that could be used elsewhere.

Sources of income: Approximately 90-95% of Google’s revenue is contributed from advertisements; however, the mobile platform technology is consistently evolving and with it new methods for advertising are deriving. Applications are being made for phones and other
various wearables which are becoming popular with ideas such as Pinterest. Google has been faced with many potential advertising alternatives to that of their own which in the future could cut into their revenue stream. If they are not successful in many of their new business ventures such as the Google Glass, relying on advertisements for their main source of income could become hazardous.

Foreign exchange rates: Seeing as Google has operations based globally, the value of currency and its ever changing rates sometimes bring gains to Google; however, the company is not always as fortunate. According to the Google earnings 3rd quarter report, Google recognized $67 million dollars of foreign exchange loss; consequently, if the exchanges rates would have remained the same from the previous quarter, Google’s revenue would have realized a gain of $66 million dollars. So in essence a dramatic turn in a countries economic conditions could pose a stream of devastating losses in Google’s global market in terms of revenue as exchange rates fluctuate.

Opportunities:
Motorola: Google recently acquired Motorola as a strategic move to get all of it patents before Microsoft bought them. If they take advantage of the patents Motorola once owned it could integrate many of Google’s prominent features and capitalize on Motorola’s previous endeavors. Although most individuals think of Motorola’s mobile space, they fail to realize that the company also had patents on many hardware products for cable TV. Television is also a huge source for advertisement space. If Google figures a way to tap into this industry through patents from Motorola, they may be able to create another large stream of revenue and diversify its portfolio as well as enhance their mobile products already in existence.
Google Fiber: Google is currently investing resources into establishing a gigabit high-speed internet stream within three cities as of now. If this is successful and the company can roll it out in the near future for a decent price, Google could become one of the top internet providers literally overnight. The reason this could be so successful is because they would be the only company available to offer internet speeds 100 times faster than any other company in existence as well as owning the patent. Combine the internet with the patents Motorola established with cable TV and Google may be able to offer a lot more than originally intended.

Threats:
Facebook/Amazon: Facebook and Amazon pose significant threats to Google primarily; not only can they provide ad space, they have huge amounts of traffic from millions of visitors and members in which they also collect data from. Google keeps data on what people are browsing on but between Facebook and Amazon, they have the data on what people are buying or in case of Facebook really everything about you. 1 out of 4 people around the world have a Facebook account; that provides a large threat for Google if investors are forced to choose one option for advertisements due to financial constraints. Retailers often consider the data Facebook and Amazon provide more valuable because it provides them with more specific information on their target demographics. This is a hazard for Google’s main source of revenue.

Mobile Platform: The mobile technology evolution is a threat to Google for many reasons. Many companies are developing applications which offer advertisement space presenting many alternatives to Google’s main source of income. Also Google planned on having control of the Android market place by providing its operating systems into the hands of
multiple companies. With this strategy, companies would sell their own phone designs which would be equally matched leaving Google the dominant Android platform controller; however, Samsung consumes 95% of total android profits and continues to slice profits away from Google. Phone companies have also started to develop internet search engines without the use of Google who also gets paid on its cost-per-click. Siri is a prime example of the threats the near future can pose. As of now it uses Google to answer questions it can’t find; however, in the future it may not need to and it’s more convenient for a consumer to pull out there phone and ask a question rather than the old time consuming methods of a pc.

Microsoft/Yahoo: Microsoft and Yahoo are obvious threats to Google. The reason being is they directly challenge Google head on with every software tactic for revenue the company implements. Microsoft made Bing search engine which has contributed to over 7 billion dollars of lost revenue to Google. Microsoft has also launched its Windows 8 campaign which software extends and integrates into all of its products such as cell phone to computer and vice versa. Yahoo continues to mimic Google as well. They are huge threats because they are companies who generate large revenue streams and Google has yet to differentiate themselves on a software standpoint. These companies have the financial means to mimic many ideas Google offers software wise allowing them to remain consistent competition.

Current Lifecycle Stage for the Product

Google Glass is currently in the introduction phase of the product lifecycle as the technology is so new and the majority of consumers don’t know they exist or they do not understand their function. Glass was released to developers as an “Explorer Edition” in 2012.
Google Glass

The product is still in its developmental stage where Google is trying to see the potential that Glass possesses. Google wants to get feedback from its “Explorers” on how to improve the device for a consumer-aimed launch in the future. With the consumer launch, Google will focus on educating the public on the potential of Glass and sell the product for a more affordable price.

Current Branding Strategy
"The point of the Explorer program is to get Glass into the hands of all sorts of people, see the inspirational and useful ways people are using the technology, and hear feedback on how we can make it even better before a consumer launch. We are not releasing any sales figures on Glass."

- Matthias Meyer, Google's Communications and Public Affairs Manager (Sacco, 2014).

Google Glass is a young brand with little to no advertising since its release. Google knows that early adopters of tech products will be interested in their product and possibly become an explorer. Google has to do little advertising for these consumers since they read tech blogs and news every day.

The main tagline on the Glass homepage is, “Join our open beta and help shape the future of Glass.” With this tagline Google is directly targeting tech consumers who want to be on the cutting edge and want to help shape the new market of smart glasses. They also reinforce this brand message by calling the first model the “Explorer Edition.” This name lets people purchasing Google Glass to think of themselves as explorers who are the first to try this new and possibly groundbreaking technology.
Browsing the Glass website and watching an informational YouTube video made by Google lets you quickly see the current brand strategy of Glass. Google is pushing an idealistic message based on emotions. They are showing the practical functions of Glass and how using the product can benefit your life in a number of ways. Google wants to show the seamless integration between Glass and the information it shows you at a given time. This idealistic and emotional message that Google is pushing with Glass is exactly how they have been marketing their other services in recent years (Gunelius, 2014).

Google is pushing the idea of “Be Together. Not the Same.” with its latest Android commercials. These commercials are all about showing the endless possibilities that their products give their customers. These commercials are also similar to Glass’s current strategy by showing clips of how customers are using their products to better their life by making the product relatable.

CORE COMPETENCIES & COMPETITIVE ADVANTAGES
Core Competencies:

Google has a number of things that the company does well, although the two key competencies that have been most critical to their success are their “Fluid Core” and Online Services.

Fluid Core:

One of the key core competencies that Google has adopted is the concept of a fluid core. This means that Google is constantly changing and adapting. In other words, Google is innovative.
Something interesting to note is that while the majority of Google’s revenue is sourced from advertising, most of the buzz and sharing about what Google is doing revolves around its other activities, such as its Smartwatch, Google Glass, self-driving cars, and Chromecast. Constantly, Google is evolving. What was once a service-based company has now transformed into product development, and the integration of products and services has been what’s so unique about Google. People are no longer just consuming intelligence; they now are able to consume Google’s products and content. During this device ware age, Google has been investing in this integration.

As more businesses develop, it is essential for Google to continue setting itself apart. By using the fluid core as one of their core competencies, they are able to introduce new products and services to sustain a competitive advantage. Being adaptive with the changing consumer need is exactly what companies like Google need to strive for. Google’s ability for being flexible and redefining its business has been just one of the core competencies that Google has succeeded in.

**Online Services:**

Google’s online services are some of the best and most useful services found around the world, which is why these services are considered one of Google’s core competencies. Google started with their core search engine, which has been widely used around the world and is continuously improved by Google since its release. They have kept this extremely useful search engine as their main focus while also continuously expanding and releasing new services for the masses.
Google creates easy to use software that all have their own specific purpose. All of its online services have specific purposes although many of them are tightly integrated with one another through the user’s Gmail account. One can use their Gmail account to login to their Email, YouTube, Drive, Calendar, Search, Android, etc. Many of Google’s services are focused around providing information and knowledge. Google has earned the recognition that they are the best at providing impactful information for their users when they need it (Products, 2014). Two of the keys to Google’s service success are the ease of use with regards to its online software, and the “free” access to Google’s online services. The majority of people who are familiar with using the Internet and navigating websites will be able to easily identify Google’s online services through their distinct aesthetics and simplicity. Google has been the leader in providing online services for the masses since they first started their online search engine years ago. Google has kept the focus on evolving and expanding its services to better serve their users and their lives.

**Competitive Advantages:**

Google’s main competitive cost advantages over its rival’s lies within its massive infrastructure. One of Google’s main initiatives from the beginning stages of its emergence was, “organizing the world’s information.” In order to fulfill this goal, Google invested copious amounts of money towards: data centers, power systems, high speed fiber optic networks, cooling technologies, and currently continues to do so. These investments where strategically built around the globe near green tech. In other words these facilities were built in close proximity to companies who offer benefits such as cheap power, which contributes to lowering
their fixed cost. Continually investing in R&D has allowed Google to offer the fastest search engine speed available on today’s market.

Google’s infrastructure is sustainable primarily due to the fact they had an early start on the competition. Having and investing into a patent for their own fiber optics cables has allowed their company network to offer faster data transmission compared to any other company in the world. This ensures that cost of conducting queries continually plummets. This is important because investors continue to use Google for advertising purposes while it constantly becomes cheaper for Google to offer these services. Google has in essence created a barrier for other companies such as Microsoft to catch up and provide sufficient competition. Corporations such as Microsoft may have the financial backing to mimic Googles services; however, they are years behind within the R&D realm which has been Google’s primary focus for years in relevance to search engines services. While Google’s cost to maintain these services are becoming substantially lower, other corporations cost are constantly growing in order to have a fighting chance. Over 90% of Google’s revenue is due to advertisements incorporated within its web engine; consequently, the company’s primary financial focus is perfecting those services. Other corporations whom have the financials to compete, for the most have a different company focus; therefore, they are posed with the dilemma of making a choice to spend billions of dollars to mimic Google’s infrastructure and suffer opportunity cost. So far no company has fully dedicated themselves to doing so; in essence, this keeps giving Google more time to further dilute their fixed cost and continue to maintain their edge on the competition making it a sustainable advantage.
Differentiation Advantages:

Google has many differentiation advantages that have allowed them to be the industry leader they are today. Google dominates the cyber world with their presence and has made it virtually impossible in this day and age to avoid one of their products. To begin, Google started becoming a leader when they introduced an easy and convenient way to search the web.

According to eBizMBA guide, Google being the number one used search engine has monthly visitors of 1,100,000,000. Through the consistent and simple user ability, Google sustains its lead in Search differentiation. Google has so much brand recognition and has been established long enough that users not only use Google because they distinctly choose it every time, but because it is an instinctive habit. The term “Googling” has become a well-known verb in common language. This further solidifies their sustainable advantage through recognition and habitual usage of Google’s search engine.

Another differentiation Google has is the consistently updated algorithms. The latest algorithm Google has is called Google Hummingbird. Google Hummingbird allows for more of a conversational search. “What is the tastiest restaurant in Bellingham?” Competitors along with the old Google algorithms focus on the words in this search, “restaurant” and “Bellingham”. Google Hummingbird is different because they focus on the meanings behind the words to create more relevant matches. Google’s goal is to focus on the entire search request instead of just key words, and by this they can match pages that fit better with the purpose of the search. Google’s ability to quickly advance constantly with its consumers has allowed them to sustain their clear algorithm lead. Competitors may follow and try to establish their own versions of the hummingbird algorithm, but by the time their technology accomplishes this, Google will be
already advancing into a newer algorithm. Competitors are trapped behind Google’s technology advancement speed and cannot fight Google’s sustainable lead.

Lastly, one of Google’s biggest differentiation advantages today is the atmosphere of their company. From the early days of Google, they wanted their company to be known for being a great place to work. Google believes that when their employees are supported both intellectually and emotionally, they produce their best work. Through a great atmosphere, Google has the ability to attract the most talented employees from around the world. Also, they maintain loyalty from their employees by giving every person a voice to listen to. These employees then feel like they are truly important to their company instead of just an expendable number. This strategy is not necessarily hard to implement, but Google sustains it so well, they have a clear dominating differentiation to all other competitors. It is truly hard to compete with a company that is recognized as the number one company to work for in the world. With the opportunity to work for Google, the most capable and intelligent people compete for jobs, and the best of those people receive those jobs. With a company containing the best people, Google can see an abundance of innovative ideas at their disposal. And it is clear that Google maintains a huge differentiation advantage through those results.

**3-CIRCLE TARGETING**

**Target customers:** Surgeons

**Key Competitor:** Epson Moverio BT-200

The goal is to figure out how Google Glass can increase unit sales by creating more value for the surgeons that want to experience a more flawless technology than Epson Moverio BT-200 does.

**Customer Perspective:** factors customers consider when choosing one offering over another
### Google Glass

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<thead>
<tr>
<th>Factor</th>
<th>Importance Rating</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Client security</td>
<td>10</td>
<td></td>
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<tr>
<td>Integration with current company system</td>
<td>9</td>
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<tr>
<td>Battery longevity</td>
<td>10</td>
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<tr>
<td>Communication integration</td>
<td>7</td>
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<tr>
<td>Minimal design and comfortability</td>
<td>7</td>
<td></td>
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<tr>
<td>Recordability and storage</td>
<td>8</td>
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### Customers rate Google Glass

<table>
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<tr>
<th>Factor</th>
<th>Rating</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Security</td>
<td>2</td>
<td>Glass uploads data directly to the unsecured cloud. This causes concern for doctor and patient confidentiality.</td>
</tr>
<tr>
<td>Integration with current company system</td>
<td>6</td>
<td>Glass is great with other Google services, but needs more integration with medical software.</td>
</tr>
<tr>
<td>Battery longevity</td>
<td>3</td>
<td>Glass doesn't have the length of battery life that surgeons require while in the middle of a surgery. The typical length is 3-5 hours of constant use.</td>
</tr>
<tr>
<td>Communication integration</td>
<td>10</td>
<td>Glass works well in communication, especially with other Google communication services.</td>
</tr>
<tr>
<td>Minimal design and comfortability</td>
<td>9</td>
<td>Surgeons like the minimal design</td>
</tr>
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</table>
and lightness while working. This is not as distracting as a heavy and bulky product would be.

| Recordability and storage | 5 | Glass has the ability to record with HD which is extremely useful, however it offers 16 GB of cloud storage. Surgeons want more storage availability and to avoid the cloud. |

TOTAL SCORE: 35

Customers rate Epson Moverio BT-200:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Rating</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client Security</td>
<td>8</td>
<td>Moverio doesn’t offer integrated cloud services as a part of their product. It requires a separate company subscription. It is run by Android, so Moverio has similar security to a cell phone.</td>
</tr>
<tr>
<td>Integration with current company system</td>
<td>9</td>
<td>Moverio’s strong point is its primary focus on company system integration. It offers copious amounts of integrated software to enhance multiple genres of the corporate environment.</td>
</tr>
<tr>
<td>Battery longevity</td>
<td>2</td>
<td>Moverio’s battery life is only around 6 hours; however, the Moverio does offer a removable battery</td>
</tr>
<tr>
<td>Communication integration</td>
<td>8</td>
<td>Moverio offers all the standard notifications; however, it only communicates and receives information via android platformed phones. Even within this instance the Moverio does not integrate with</td>
</tr>
</tbody>
</table>
Google Applications.

| Minimal design and comfortability | 2 | The design of the Moverio does not offer the convenience of voice integration. Users control Moverio with a packaged hand remote. This limits the comfortability and usability of the product. |
| Recordability and storage | 4 | Moverio has the ability to record, but not as advanced as Google Glass. It also doesn’t have the ability to store useful data without the use of cloud. |

**TOTAL SCORE:** 33

**Google Glass offers:**
1. Integration with apps and services
2. Social platform and communication
3. Real-time sharing
4. Easy access to search the internet for information
5. Maps/ navigation
6. Training and development
7. Real-time language translation
8. Video calling and voice control
9. Assistance for the disabled
10. High-Quality Camera for quick pictures or video recording

**Epson Moverio BT-200 offers:**
1. Removable Battery
2. Image Recognition
3. 3d Dual-lens screen (simulates 80 inch TV)
4. Augmented reality as a core focus
5. Remote controlled system U.I.
6. Video Gaming integration
7. Internet Accessibility
8. Notification Accessibility
9. High-Quality Camera for quick pictures or video recording
10. 3D step-by-step tutorials focused on business aspects I.E. “how to take a computer apart, repair, and rebuild.
Key opportunities for growth:
- Security: maintain client confidentiality and security from the cloud
- Longer battery life: The ability to work all day and not have to worry about a dead battery in the middle of a surgery.
- Integration with hospital systems: Glass has the ability to integrate well with other Google products, but the integration of hospital machines and Glass would be a beneficial feature.
- SD storage: The ability for the surgeons to record and store their client information.

Features that can be eliminated:
- Social platform
- Fitness help
- Unique styles/ frames
- Google services
- Maps/ Navigation
- Email
- Notifications
- 3D projects

Features that should be better promoted:
- Lightweight
- Instant translation
- Real-time sharing
- Unobtrusive design
- Accuracy of technology
- Ease internet usage
- Training and development
- 3rd party applications

Points-of-differences that can be taken away from the competitor:
- A removable battery
- Image recognition
- 3D tutorials
MARKETING PLAN
Goals and Objectives

When first introducing a new product to the market, a business must first grow the market before growing their share. As the smart glass industry is relatively new, Google Glass’s goal is to grow the market to at least 5% by March 30, 2016 among physicians/surgeons domestically.

In order to reach this goal, Google Glass will promote its product through product growth in domestic markets for medical use initially, shifting towards other target markets gradually. In order to increase the demand for Glass, Google will promote awareness of the product features, advantages, and benefits within 7 final activity stages.

Segmentation

Google Glass has three core benefits that will be focused on. One is the hands-free computer that can increase precision. The next is the fast internet accessibility, and the third is the ability to conveniently play back recorded training and work. With these direct core benefits, it can be identified that through indirect segmentation that three segments strongly fit these benefits. We will be focusing on stockbrokers, engineers, and the medical field (physicians and surgeons).

The common sets of benefits these segments are looking for is the ability to make their work not only easier, but flawless. These types of people are always seeking technological advances that eliminate human error and allow them to operate their jobs in a more efficient manner. For instance, a stock broker may be interested in Google Glass for its ability to increase the efficiency regarding real time stock exchange access.
A potential reason an engineer would be interested in Google Glass is for the ability to record their project work and later use it for training purposes. A physician and surgeon would use Glass is for the ability to access a hands-free computer that gives them the ability to work with more precision.

The segment value proposition for engineers is to “discover solutions with limitless development.” The segment value proposition for physicians and surgeons is to “save more lives with perfection.” The segment value proposition for stock brokers is to “be the most successful with the fastest and most convenient accessibility.”

We are planning to target surgeons and physicians in the medical field. We have chosen to focus on them specifically because they have the most potential. They may not be currently purchasing Glass, but with a few updates, Glass will be able to make a significant difference in the surgical world because of its three core benefits. Physicians and surgeons will be more interested in Glass with two modifications: increased security and increased battery life.

These are two very obtainable features that can be addressed for Google experts and will allow for this huge market potential to become reality. With Glass targeting physicians and surgeons, the core benefit of having a hands-free computer to better their surgical skills will increase the value of Google Glass exponentially. With the increase in human recovery, Glass will no doubt be a strong market leader.

**Positioning**

**Stockbrokers**

The competitor’s offerings fall short against Google Glass because they have an obtrusive design and don’t offer an integrated experience with Google services. It will be important for Glass to focus on the minimal design that is light and comfortable to wear
throughout the day, unlike the bulky competitors such as the Epson Moverio BT-200. The Moverio has a screen showing in each lense, which can be too distracting to the stockbroker as they are walking around the trading floor.

To stockbrokers, Google Glass is the smart glass that provides users with easily accessible information and notifications because of its seamless integration with your smartphone and Google account.

Stockbrokers want an unobtrusive and reliable pair of smart glasses. They want the glasses to give them real time stock prices along with notifications from their phone such as emails. Therefore it will be important to position Google Glass around the idea of easily accessible information and notifications. Google will have to show stockbrokers how useful receiving real time stock information and client notifications will be as they are busy on the trade floor.

Engineers

The Epson Moverio BT-200 smart glasses provide a different experience to Google Glass. The Moverio is focused on virtual reality and media consumption with notifications as a secondary focus. Epson does have a developer program for its glasses, although many developers will choose to focus creating apps for Google. Developers will want to work with Google, as they are a larger company who has more potential to sell apps and make the developers money. Google could position itself as a leader in attracting app developers by showing the great engineering apps that they are working on for Glass.
To engineers, Google Glass is the smart glass that provide users with useful apps and recording ability because of its large developer base and HD camera.

Engineers want a pair of smart glasses that can record their work processes and be used as a complimentary display for their blueprints or other documents. For them, Google will want to position Glass around the idea of the HD video recording abilities. It will also be important to show Engineers the endless opportunities that developers can provide Glass with their apps. Engineers will want apps that seamlessly work with their software such as Solidworks CAD software. Glass can provide them a secondary screen when they are on construction sites to show blueprints or other useful information. Glass can also free up their hands so they can focus on carrying or holding other items.

Medical Field (physicians & surgeons)

Google Glass provides a pair of glasses that does not hinder the users eyesight when using the smart glasses. This is quite different than their competitor the Epson Moverio BT-200. Epson’s offering covers up both eyes and can be quite distracting to the user because of its larger frame. Medical professionals will want a pair of smart glasses that are showing information when you need it but are not in the way when you don’t need to see any information. Surgeons are a group of consumers who need to be focused and see exactly what they are operating on without a pair of obstructive glasses in the way. Therefore medical professionals and especially surgeons will love the simplistic design of Google Glass.

To surgeons and physicians, Google Glass is the smart glass that provide users with an unobtrusive informational screen and recording ability because of its minimalistic design and HD Camera.
The medical field such as physicians and surgeons will want a pair of smart glasses that can show them useful information through a hands-free experience. Surgeons may also want to record their surgeries to show others their procedures and use the first-person view as training for future surgeons. Google will want to sell the idea that Glass provides them with an informational screen and recording ability that does not hinder their ability to perform surgery. Surgeons want a hands-free informational screen so they can have their hands completely focused on the patient.

Marketing Implementation

The overall goal for Google in relevance to Google Glass is for the product to be utilized, identified, and recognized for use with physicians/surgeons, stock brokers, and engineers throughout the world. In order to achieve this goal, Google will focus on the products growth in our domestic market for medical uses first and pivot to other target markets progressively.

We plan to excel product demand by promoting awareness of the products features, advantages, and benefits within 7 final activity stages of our marketing implementation, considering the product has been in development for the past 3 years.

Stage 1: Product Optimization

This stage consists of making Google Glass optimized for medical practices and medical systems. The early majority known as “Explorers” in reference to Google Glass, consist primarily of software developers and testers who relay product bugs/fixes. I

In stage 1, Google will address all known concerns discovered by the Explorers and incorporate all bugs/fixes relevant to the medical field. Medical testers have also stressed their need for security services to store patient information and comply with HIPPA regulations as
well as an extended battery life. As a result, Google will halt all software/hardware
development allocated to features proven utterly useless to surgeons (virtual reality or fitness help).

In order to speed development and production, these resources will be redistributed. Some will be allocated into R&D departments in order to add removable battery option. This will be done using the same components as before to gain scope effects while maintaining a prolonged battery life; software developers from previous projects will begin to dedicate their time developing a dedicated security service for medical use which comply with all HIPPA regulations.

Our most prominent competitor, the Moverio BT-200, offers a removable battery and image recognition as its points of difference. Google has already moved forth with a plan to implement a removable battery; however, we plan to use the halted virtual reality team to implement this feature in Google Glass as well.

The product optimization stage will be as listed, performed 1st within the 4th quarter of 2014. These processes will be performed simultaneously by different departments within Google. The deadline for this operation is 1st quarter 2015. Primary departments handling these objectives will be hardware R&D and software R&D. Weekly status reports will be expected, maintained, analyzed to ensure quality performance measures are being met. Once complete, Google will manufacture 100,000 of these units from the same product manufacturer used previously (FoxConn) and presume with the next stage. Cost will overlap between most stages. See costs in appendix.
Stage 2: Help Us Help You Campaign - awareness

The purpose of this stage is to initiate the awareness of our product and its capabilities as well as the needs it can address in the surgical world with established and well connected professionals. This in turn will lead to free exposure through word of mouth. In order to accomplish this goal, Google will hire AHA Hospital Statistics. This corporation is an affiliate of the American Hospital Association and provides all government statistical data relevant to hospital trends, historical data, and physician information and so forth. Google will use their services to highlight the hospitals which conduct the highest amount surgeries per year, the most well-known/ highest paid surgeons, hospitals with the most traffic, and hospitals located in areas with massive populations.

Google will use this information to populate a list of the best prospects to target for trial uses of the Google Glass within the domestic environment of the United States, which houses over 5,700 registered hospitals and 51.4 million surgeries a year. Hospitals/surgeons will be offered free device training, dedicated customer support and a trial period of 6 months. This will be in exchange for using Google Glass during surgeries and providing feedback and testimonials on the device. This will be known as the “Help Us Help You” campaign.

Feedback will be provided to a dedicated website. The Google marketing department/ provider relations will be in charge of teams who contact and make the specified hospitals and surgeons aware of the campaign as well as a dedicated online website to enlist as well. They will use person to person calls as well as limited media outlets (ACS News, New York Times, other important nationwide newspapers based on sales) for ad space.
Our I.T. department will dedicate training teams and schedule and disperse training sessions as needed. 89,000 of the 100,000 units produced in stage 1 will be allocated towards the “Help Us Help You” campaign, and 5,000 units will be on standby for instances of product defects. They will be given on a first come first serve basis. The remaining units will be used in stage 3.

With the exception of the 6 month trial periods, Google plans to have all devices shipped and received as well as training conducted within the first quarter of 2015. The first surgeon/ surgical team to provide a successful surgery (utilizing the features Glass offers) with Google Glass before March 20, 2015 will receive an expense free 7 day vacation to anywhere in the world with one companion. This is an incentive for medical practitioners to sign up sooner, rather than later. The winner will be announced on March 30, 2015. This date marks National Doctor’s Day. On March 30, 1842, Dr. Crawford Lond administered anesthetic for surgery in order to remove a tumor from a man’s neck. This is also a perfect opportunity to keep the Google Glass identified with surgeons in the medical world.

Google Glass will piggy back off Motorola distribution channels in order to minimize cost. Other cost will overlap within activity stages so it will be listed below as well.

Stage 3: Help Us Help You (part 2)- Future Awareness
Google does not want to rely on current professionals provide awareness of its product; consequently, the remaining 6,000 units it has produced and used for trial purposes to 400 select colleges. Google would like to familiarize potential future consumers with its products similar to how Microsoft does with Microsoft Office.
Students who graduate will already be familiar with Google Glass and be more inclined to purchase the product. This will again will increase brand awareness through word of mouth. These colleges will be determined by AHA Hospital Statistics in relevance to surgical programs offered and graduates produced per year. Each school will receive 15 units in exchange to their feedback and classroom incorporated activities. Feedback will be submitted via dedicated site. Each school will be informed that the product they have received are not completed and only a prototype in case some needs are not yet provided. Awarded schools will be asked to send 1 representative from faculty to meet at a Google hosted training seminar in order to teach students and staff members how to use Google Glass. Flight and 1 day hotel stay paid for by Google.

Google plans to have stage 3 conducted simultaneously with stage 2. Since less resources will be needed for schools compared to hospitals, Google plans to have this objection completed within the first 2 months of quarter 1 of 2015. Cost will be accessed below.

Stage 4: product performance feedback evaluation and final product optimization

The purpose of stage 4 is to identify, evaluate, and determine the common problems/unsatisfied needs from stages 2 and 3. With this knowledge R&D hardware and software personnel will decide what can be implemented into Google Glass in order to offer a complete product solution.

Although most 6 month trials will still be active, Google will utilize the information it has on hand submitted via dedicated websites and evaluated by multiple I.T. departments. Google will use the stream of future information to enhance its capabilities within its first software update.
The final enhancements to optimize Google Glass has been given the full 2nd quarter of 2015. Larger staff adjustments will be made during this quarter in order to increase productivity and shorten the timeframes on the final software and hardware modifications. Once complete, blueprint specifications will be submitted to FoxConn in order to proceed with stage 5. Cost will be specified in cost summary below.

Stage 5: mass production, establish a distribution channel, and promotion

Google, Forbes, and other financial analysis predict estimated annual sales of 2.5 million units within the first year Google Glass releases. Demand is expected and to grow well over 21 million units annually within 4 years considering the pivot to international markets. Considering this information we plan to initially release a limited quantity of Google Glass within the 1st quarter 2015 on National Doctor’s Day.

Google will initially have FoxConn manufacture 500,000 units for this quarter and alter production further depending on the demand of the previous release. Google Glass will be stored in various warehouse located and owned by our company within the United States; purchases will have to be ordered online through the previously developed Google Glass website. Current Google Glass website customer service representatives will maintain their jobs and be further educated to assist customers when Google Glass launches.

Google will utilize Motorola’s United States distribution channel in order to save on distribution expenses and further maintain its partnership with FedEx. Google Glass will maintain its unit price $1500 and decrease the price gradually pending advancements in production and further R&D help minimize cost.
Advertisements will initially be limited to internet based ads to take advantage of our dominant search engine and its infrastructure. Pricing information as well as availability will be specified within these ad spaces as well. Being the first of its kind, Google Glass has been given copious of amounts of free advertisements from other companies following its development. Our company wants to promote this product without hiring famous actors let alone actors in general. Google wants the product identified with surgeons; therefore, positive testimonials from real surgeon practitioners who have used this product will be highlighted and given dedicated ad space within all Google websites as well as the official dedicated Google Glass website. Product information and updated release information will be mailed and limited to trial users (all chosen hospital personnel and the 400 university faculty members). Included will be thank you letters for their time and dedication to our company as well as a 20% sales discount voucher. Instructions on how to redeem the voucher will be provided on the voucher. Google Glass will also receive its own toolbar within the Google search engine to provide one click access to information about it as well. Once Google Glass sales enough units, Google will begin to roll out Hospital packages. In other words if Google Glass is bought in bulk by a hospital in general, they will receive an overall discount. For every 20 units purchased, they will receive a $3000 discount of the final sales total. This sale will crossover to colleges which offer surgical programs as well. These processes will occur and finished during the 3rd quarter of 2015. The cost associated with these practices also overlaps and will be included below.

Stage 6: The official release of the Google Glass whole product solution
Our plan is to have the Google Glass on the market just in time for the Christmas Holiday season. The timeframe for release should be mid-October to November 1, 2015.
Google will launch the official Google Glass Medical Website which will in reality be an update to the current dedicated Google Glass website. In addition to the initial offerings, it will provide: updated product information, online chat support, direct phone support/ contact information, and updated testimonials, links to mobile phone applications, and instructional videos. Trained customer service personnel will begin taking orders or providing information to consumers at 12 a.m. eastern standard time. Cost will overlap with other stages and be specified below.

Stage 7: Continual optimization analysis
Stage 7 is the final stage and straightforward. Its focus will be to analyze and continue to optimize weak points conveyed in the Google Glass software/ hardware itself as well as our marketing strategies. This will be evaluated based upon the feedback and results we receive from consumers and sales information. Progress will be tracked weekly throughout the lifespan of Google Glass by our dedicated financial analysis; software and hardware tweaks will continue to transpire through R&D departments.
## Estimated cost of stage 1-7 activities

### Marketing Implementation Budget

<table>
<thead>
<tr>
<th>ACTIVITY STAGE</th>
<th>RELATED EXPENSES</th>
<th>COST</th>
<th>TOTAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Product Optimization</td>
<td>FoxxConn (produce 100,000 units)</td>
<td>1. $150.00*100,000 = $15,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. FoxxConn manufacturing charge per unit</td>
<td>2. $20.00*100,000 = $2,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Shipping and Handling cost bulk (Avg $3 per unit)</td>
<td>3. $300,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Overlapping Personnel cost (Accessed Below)</td>
<td></td>
<td>$17,300,000</td>
</tr>
<tr>
<td>2-Developing professional awareness (Help Us Help You Campaign)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>1. AHA Hospital statistics data services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Max potential of 400 roundtrip training flights Avg rate $350 per flight</td>
<td></td>
<td></td>
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<tr>
<td>3. 400 one week hotel expense cost for training personnel avg rate $600 per week</td>
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</tr>
<tr>
<td><strong>89,000 Glass units:</strong></td>
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<tr>
<td>4. Avg Shipping per unit in bulk to surgeons (3$ per unit)</td>
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<td></td>
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<tr>
<td>5. Trip to Rome promotion</td>
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<tr>
<td>6. Newspaper Ad Space</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. $150,000</td>
<td>2. $140,000</td>
<td>3. $240,000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3- developing future professional awareness</th>
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</thead>
<tbody>
<tr>
<td><strong>Google seminar cost:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. 400 round-trip flights avg rate $350 per flight</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. 400 1 night hotel stay avg rate 100 per night.</td>
<td></td>
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<tr>
<td>3. Seminar Room Reservation/ rental fee <strong>6,000 Glass Units</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Avg shipping per unit in bulk</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. $140,000</td>
<td>2. $40,000</td>
</tr>
<tr>
<td><strong>4- product performance feedback evaluation and final product optimization</strong></td>
<td>Overlapping Personnel cost <em>(Accessed Below)</em></td>
<td></td>
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<td>---</td>
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</tbody>
</table>
| **5- mass production, establish a distribution channel, and promotion** | **Discount promotions**  
1.20% discount loss for 89,400 sales vouchers (assuming all are used)  
2. Shipping/ printing Thank you letters (89,400) avg rate .60 cents per letter  
**FoxxConn (produce 500,000 units)**  
3. Material cost per unit $150  
4. FoxxConn manufacturing charge per unit $20  
5. Shipping and Handling cost bulk (Avg $3 per unit) |
| 1. $300*89,400=$26,820,000  
2. $53,640  
3. $75,000,000  
4. $10,000,000  
5. $1,500,000 | $113,373,640 |
| **6- The official release of the Google Glass whole product solution** | Overlapping Personnel cost *(Accessed Below)* |
| **7- Continual optimization analysis** | Overlapping Personnel cost *(Accessed Below)* |
OVERLAPPING Personnel Cost
At annual pay rates according to the industry norm.

<table>
<thead>
<tr>
<th>Personnel Category</th>
<th>Cost in USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware R&amp;D Team (1000)</td>
<td>$74,214,000</td>
</tr>
<tr>
<td>Software R&amp;D Team (1000)</td>
<td>$74,214,000</td>
</tr>
<tr>
<td>Various I.t. Bug fix personnel (500)</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Google Glass training team (100)</td>
<td>$11,339,800</td>
</tr>
<tr>
<td>Provider relations communication team (200)</td>
<td>$34,064,000</td>
</tr>
<tr>
<td>Sales and Website Customer Service Representatives (1000)</td>
<td></td>
</tr>
</tbody>
</table>

TOTAL ACTIVITY STAGE COST $133,676,640

TOTAL PERSONNEL COST (ALLOCATED FROM EXISTING PERSONNEL, COST ARE ALREADY BEING PAID THEREFORE THEY ARE NOT CONSIDERED NEW ADDITIONAL COST) $218,831,800
Works Cited


"Follow Smart Advantage for Powerful Tips and Smart Ideas for Your Business." Smart Advantage


