

## **CASE D-2**

### **BenQ: Delivering Enjoyment and Quality of Life**

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#### **Case Objectives**

- To understand the concepts of core competency, product differentiation and positioning.
- To use the above concepts to identify relevant market segments.

#### **Case Synopsis**

- Part of the BenQ Group, BenQ corporation is recognized worldwide for its refreshing design and impressive cutting-edge technology. The company introduced BenQ brand to the market in 2001. By 2008, BenQ has won itself various international awards and featured in newspapers as a compliment to its collective design philosophy.
- BenQ's product range includes networked and mobile communications products, consumer electronic and computing products. Its extensive product offerings are unmatched by any other competitor.
- BenQ emphasizes on providing creative and innovative product designs that are complimented by functionality and latest technology. Its main input for product designing comes from consumers' preferences, current fashion norm and also other human factors that influence product satisfaction.

#### **Case Questions**

##### *Question 1*

*What is "core competency"? What is the core competency of BenQ?*

- Core competency refers to the organization's special capabilities that include skills, technology and resources that distinguish it from other organizations. Core competency should be distinct enough to provide competitive advantage for the organization.
- BenQ core competency is its ability to be the first in creating fresh design concepts that set expectations for its competitors. The company is able to combine creativity and technology to create products that are familiar to

consumers yet giving them pleasant surprises that enhance their experiences while using BenQ products.

*Question 2*

*How does BenQ differentiate its products from its competition? What is its product positioning?*

- Product differentiation refers to a marketing strategy that involves a company's using different marketing mix activities, such as product features and advertising, to help consumers perceive the product as being different and better than competing products.
- BenQ focus in its product differentiation is to deliver enjoyment and quality to consumers. Its product features revolve around the familiarity of consumers with digital devices and yet it tries to institute creativity, functionality and quality as to enhance the total digital experience of its consumers. BenQ refers this as "Familiar Meets Unexpected."
- The company also offers a wide range of products unmatched by other brands and these products are available in nearly 100 countries. That is to say, BenQ has a pretty strong distribution in the laptop market and that its products are easily accessible to consumers in nearly every part of the world.
- Product positioning refers to the process by which marketers try to create a place for its product or brand to be occupied in consumers' minds, based on an important attribute relative to its competitors' products or brands. Product positioning may also vary across different target segments.
- Three examples of BenQ products are its laptop Joybooks, digital projectors MP511+ and BenQ mobile phones. Based from these three representatives, it can be concluded that in overall, BenQ is positioning itself as a brand that offers digital devices with refreshing designs and impressive cutting-edge technology that will polish both the appearance and features of its products.
- The acquirement of Mobile Device wing of Siemens AG has strengthened BenQ positioning as one of the largest global player in the mobile phone industry with strong manufacturing and design expertise.

### *Question 3*

*Given BenQ's differentiation and positioning strategies, what are the attributes of its various products?*

- Joybooks attributes are as follow:
  - Digital experiences: impressive Intel processors and hi-tech features by Microsoft Vista.
  - Works of art: designs of laptop that can be used as a fashion statement of the owner, and that are pleasant both to the eyes and fingers.
  - LCD monitors: the High Definition Multimedia Interface attribute provides consumers with “superior image quality.” It also facilitates and adds value when used at work or for play.
  - Wide screen, microphones and webcams: these features allow consumers to communicate visually and audibly via the internet.
  
- Digital projectors attributes are as follow:
  - Senseye technology: new technology that enlarges and transfers digital images with amazing accuracy and precision onto almost any surface.
  - Color correction and 3D color management system: both allow consumers to adjust colors of its videos and images taken from distances away and bringing them closer their hearts.
  
- BenQ Mobile phones are as follow:
  - Entertainment on the go: its user friendly handsets are equipped with high quality music players, high resolution cameras, photo editor, FM radios and e-book.
  - Flexible connectivity: files can be easily transferred from handsets to computers, vice versa, via Bluetooth and USB cable. Webcams can also be connected to computer if needed.

### *Question 4*

*Given the characteristics of BenQ's products, what segments of the market will the company be targeting?*

- BenQ targets two main segments in the market: consumer and corporate. For consumer, the company will focus on individuals, students, and home-office. For corporate, the company will focus on the medium/large business and institutions.

- BenQ Joybooks and mobile phones can be targeted mostly at the younger generation of consumers such as individuals and students. BenQ Joybooks will attract the consumers who value fashionable design, functionality and technology. While BenQ mobile phones will attract consumers who value user-friendly phones that provides high quality entertainment and flexible connectivity.
- BenQ digital projectors will be targeted at both consumer and corporate markets. For consumer, it will be targeted at the home-office and individuals who can use the projectors for gaming, movies and presentations. While for corporate, it will be targeted at business and institutions like universities and schools for presentation purposes.