

An Empirical Study of Market Segmentation & Brand Image in Global Business (With Special Reference to Yamaha Company)

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Abstract: Global Business Organizations are expanding their Footprints to newer geographies to maximize their business and profits. Many countries are interacting with others through trade route thus eliminating restrictions and barriers between each other. Governments are opening the markets of their respective countries so that they are able to keep pace or even out-grow the world economy. Today’s world is becoming a Global Market – Open for new ideas, new and efficient technologies, services, new processes and as a result global competition.

A firm that is able to sell its goods and services effectively and efficiently to another country/ consumers in another country, may be in a very good position to become a Global Market Leader in its area of operation.

The study will compare and review the existing literature on the subject. The Research Paper will be analysing how profit building investment strategy can be properly explained to the people concerned, decision makers and interested public to boost the international business economy and strategies adopted by global business. The study can be used to effectively educate the public on the value of Global Business where we analysed some attention grabbing findings and pointing at promising areas for further research.

Keywords: *Analysing, Efficiently, Brand image, Services, Strategies, Technology, Trend, Future prospects, Global business.*

INTRODUCTION

Global business

Gone are the times once businesses would confine their operations to native or regional markets. With technology advancing thus quick and international trade increasing, businesses are incentivized to sell product and services in foreign markets. As such, operating a business on a world level helps enterprises expand their market share, cut back prices and become a lot of competitive. This is advantageous to consumers, as well as company also because if one side customer benefited as they are able to access a wider variety of quality products at lower prices in other side company creates his brand image.

(b) Market Segmentation

Market segmentation is the method of dividing a market of potential customers into teams, or segments, supported by completely different characteristics. The segments created are composed of customer who can respond equally to selling methods and share traits like similar interests, needs or locations.

Reasons why market segmentation is important for the company are:

Market segmentation makes it easier for marketers to alter their selling campaigns. By transcription their company’s target market into divided teams, instead of targeting every potential customers one by one, marketers is additional economical with their time, money, and alternative resources than if they were targeting customers on a private level. Grouping similar customers along permits marketers to focus on specific audiences during a value effective manner. Market segmentation additionally

reduces the chance of unsuccessful or ineffective selling campaign. Once marketers divide a market supported by key characteristics and alter their methods supported that data, there's a way higher likelihood of success than if they were to make a generic campaign and check out to implement it across all segments.

Marketers may also segmentation to order their target audiences. If segmentation shows that some customers would be additional possible to shop for a product than others, marketers will higher assign their attention and resources.

Companies won't survive if the selling strategy relies upon targeting a whole mass market. The importance of market segmentation is that it permits a business to exactly reach a shopper with specific desires and desires. Within the long-standing time, this edges company as a result of they're able to use their corporate resources additional effectively and build higher strategic selling selections.

(c) Brand Image

A brand is typically taken to mean a product or perhaps a personal that's well recognized, consistent and climbable, each within the literal and intangible context. Any brand brings up an excessiveness of pictures within the minds of consumers or target audiences.

Brand image is made within the minds of consumers, betting on their expertise and also the right sense of interaction of the purchasers with the brand. It's outlined to be the perception of consumers a few explicit brands. Once we say interactions, it will manifest itself in numerous ways that and not simply with buying for a sure product or service.

For a positive brand image, the product range and its services that are associated with any particular organization will need to be a perfect fit. Along with being a perfect fit, you also need to keep in mind about brand advertising and packaging along with customer service. Consistency as well as reliability need to be hand in hand with the organization and needs to be projected in the right manner to the desired clientele or target audience.

REVIEW OF LITERATURE

Review of literature acts as a guide in every research. Some research work has already been done in the field of automobile industry like various aspects of two wheeler and four wheeler industry, organization, rules and regulation framed by government authority's performance and profitability, impact of capital markets etc. Different researchers in their studies have explored these aspects related to global business but no research work done in the field of global business based on technological development in current positioning.

According to WASEDA Hirota seminar Research (2nd sept. 2013) in this research work author was studied on Yamaha company profile, business overview of the company in global business and mainly focused on the net sale in different products manufacturer by the company on different regions. Author also reflected the trend and future prospects of the company in global business.

According to this research study by IIBS, research report on under performance of Yamaha motors based on the performance of the company. We find out the different level of satisfaction of the customer and analyse the marketing strategy of the company.

As regards the future of automobile industry, it depends upon the cultivation of science and technology among people on large scale. On the close analysis, it appears to be one of the important features among several other factors such as socio-cultural environment, changing technology, government attitude, maintaining the competitive edge changes taste and preferences of customers etc. The above mentioned contents need to be reviewed periodically by researcher in the interest of

customer, automobile industry, and global business aspect and government tax earnings when the market is flooded with in different automobile product on national and international level.

OBJECTIVE OF STUDY

To find out the company net sale trend in global business

1. To find out the company net sale trend in global business
2. To find out the product positioning in different regions of the company.
3. To find out the market share of different regions in global Business
4. To find out weak and strong region of the company on the basis of market segmentation.
5. To find out the brand image of the company in global business

RESEARCH METHODOLOGY

The present study regarding Global business: Market segmentation and brand image has been made in respect Of Yamaha Ltd under different segmentation of product and their image in global business. All effort has been made to expedite substances from published and unpublished documents in relation to the present research.

Statistical data of different products and regions primarily collected from the head office of the selected company Yamaha Ltd. A study was made of primary as well secondary data from available literature including annual reports of Yamaha Ltd. Direct personal investigation, indirect oral investigation, Information from correspondent and the web sites of Yamaha co. as well as other Industry players were also surfed for latest secondary data.

The information so gathered was compiled, analysed and interpreted with the help of appropriate technique so as to make the conclusion more reliable and fruitful.

COMPANY PROFILE

YAMAHA is a Japanese motorized vehicle-producing company that supplies motorcycles, marine products such as boats and outboard motors, power products and industrial robots.

The company has a firm standing in the competitive motorcycle market due to their advanced technology and brand awareness.

Even though they have expanded their business in the field of marine products and power products by utilizing technology advanced in motorcycle production, motorcycle business accounts for more than 61.1% of YAMAHA’s net sales in 2018. Sale performance by geographical segment is: 10% of Japan, 21.9% of North America, 13% of Europe and 43.8% of Asia. in 2018 and Net sales from overseas accounts for approximately 90% of the total.

PRODUCT SEGMENTATION IN GLOBAL BUSINESS

Yamaha Motor Co., Ltd. is a Japan-based manufacturing company. The Company operates in different segments products in global business.

Global Business Products

- Motorcycles
- Boats
- Marine Engines
- Personal Watercraft
- Swimming Pools
- All-Terrain Vehicles & Recreational Off-highway Vehicles
- Snowmobiles
- Golf Cars

Generators
 Snow Throwers
 Electrically Power Assisted Bicycles
 Electric Wheelchairs
 Surface Mounters and Industrial Robots
 Automobile Engines
 Industrial-use Unmanned Helicopters
 Other Products

On the basis of all these Product Company will divided the product into five segments

1. Motor cycle
2. Marine product
3. Power product
4. Industrial Machinery & Robotic product
5. Other product

THE ANALYTICAL STUDY & BRAND IMAGE IN GLOBAL BUSINESS

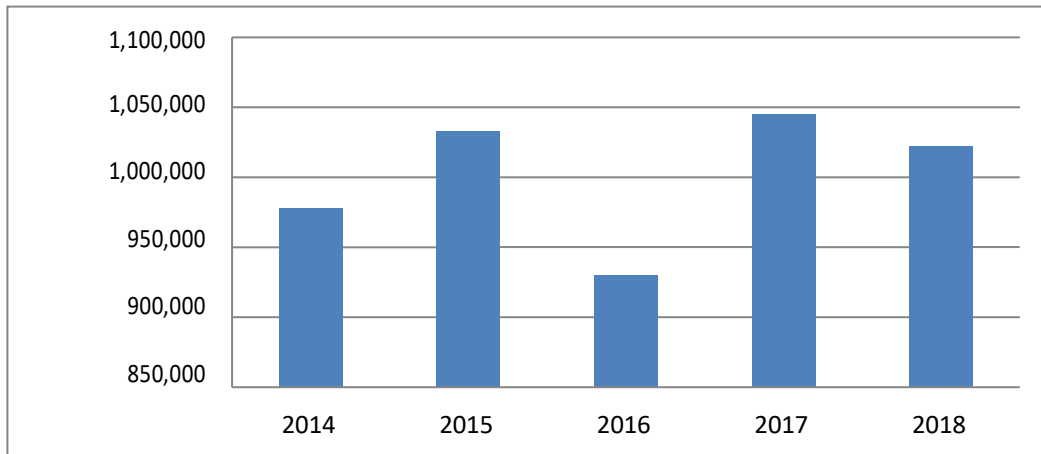
This study reflects the market segmentation on the basis of region, product and trends for last 5 years in global business.

a) Motor Cycle

YAMAHA has reputation of making well–designed and personalized motorcycles that are universally accepted. Behind the characteristics is the YAMAHA’s effort to identify customer’s need and create original parts adjusting to each motorcycle model.

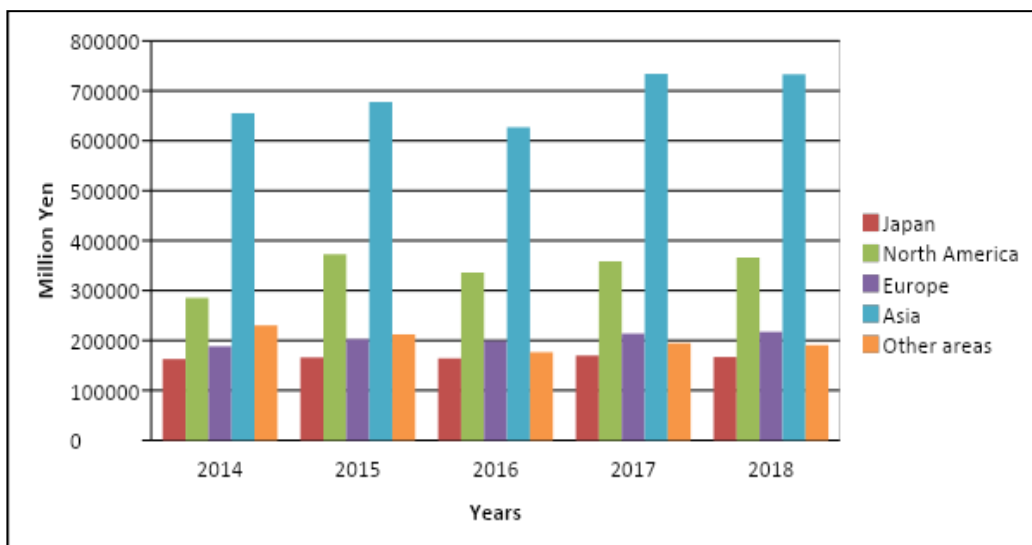
	2014	2015	2016	2017	2018
Net Sales	977,580	1,032,560	930,112	1,045,211	1,022,174
Japan	45,987	46,289	47,000	45,980	40,600
North America	53,357	72,289	55,894	52,656	50,093
Europe	116,037	136,185	127,868	138,500	131,264
Asia	612,159	628,705	579,594	671,734	668,353
Other areas	150,038	149,092	119,754	136,339	131,862

Table-1: 5 Yearly Net Sales of Motor Cycle in Different Region (Million Yen)



Graph-1: 5 Yearly Net Sale of Motor Cycle in Global Business (Million Yen)

This graph reflects the five yearly net sales in motorcycle of Yamaha Company in global business. Sales are classified into nations and regions based on geographical information of customers. In the year of 2017 reflects the maximum net sale in last 5 years. Graph shows that 2016 has the comparatively less net sale in last five years.



Graph-2: 5 Yearly Net Sales of Motor Cycle in Different Region (Million Yen)

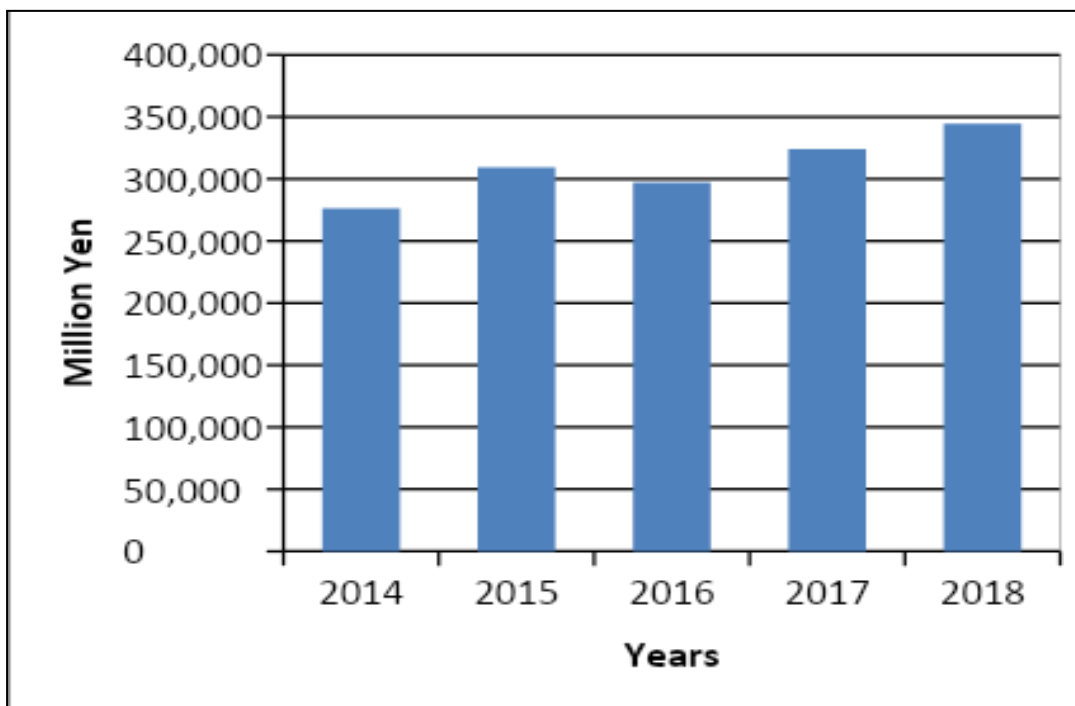
This graph shows the five yearly regional sale of motor cycle. In this graph reflects last five years based data the firstly maximum sold of motor cycle in Asia region and the second region is North America. Rest of the region like Europe, Japan and other areas are approximately same sold out ratio of motor cycle.

Marine Product

Yamaha have another segment which is based on Marine product. Major products in the Marine products: Outboard motors, electric marine motors, marine diesel engines and stern drives.

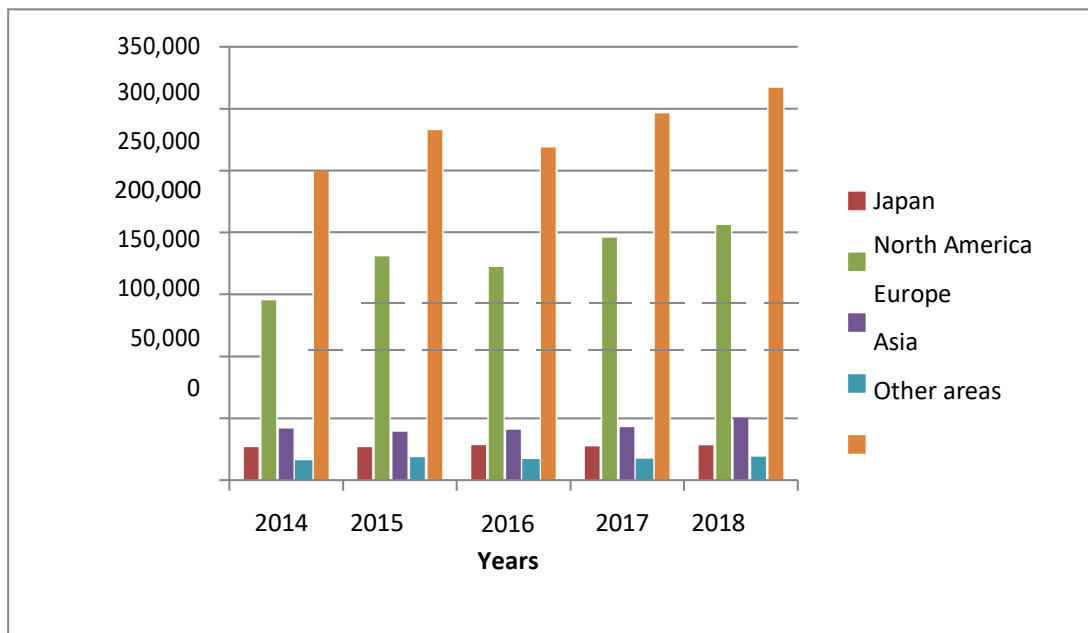
	2014	2015	2016	2017	2018
Net Sales	276,367	309,337	297,216	323,838	344,658
Japan	26,612	26,607	28,484	27,397	27,910
North America	145,081	180,691	172,236	195,675	206,200
Europe	41,697	39,187	40,804	42,641	50,504
Asia	16,051	18,696	17,022	17,154	18,987
Other areas	249,754	282,730	268,731	296,441	316,747

Table 2: 5 Yearly Net Sales of Marine Products in Different Region (Million Yen)



Graph -3: 5 Yearly Net Sale of Marine Products in Global Business (Million Yen)

This graph shows the trend of for the last five years of marine product of Yamaha Company which reflects the increasing trend of net sale for marine product.



Graph-4: 5 Yearly Net Sales of Marine Products in Different Region (Million Yen)

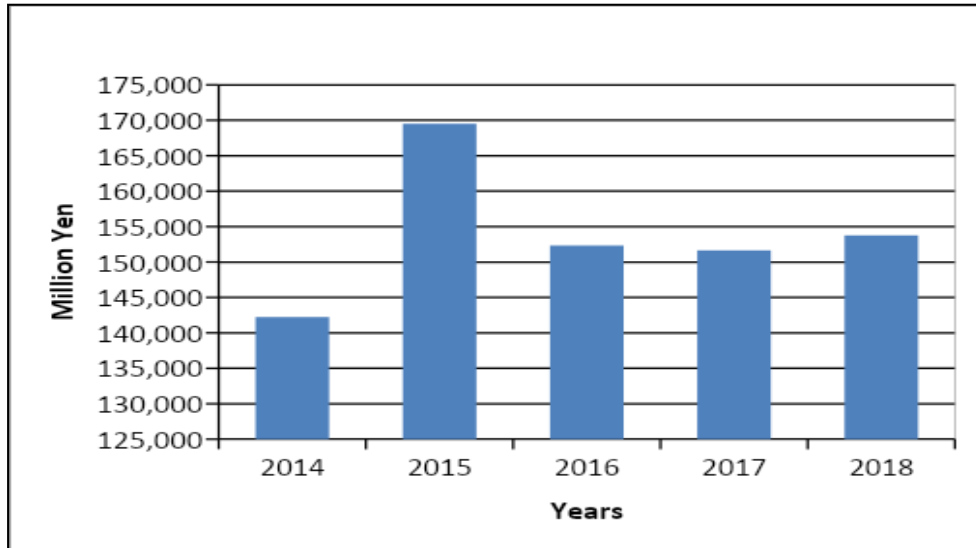
This graph shows the five yearly regional sale of marine product. In this graph reflects last five years based data the first region is stand for other area and the second highest region is North America. Rest of the region like Europe. Japan and Asia having the same average bases sale of marine product in global business.

c) Power product

Company have manufactured power product also In this segment company have produced these kind of Power products: All-terrain vehicles, recreational off-highway vehicles, golf cars, snowmobiles, generators, small-sized snow throwers and multi-purpose engine.

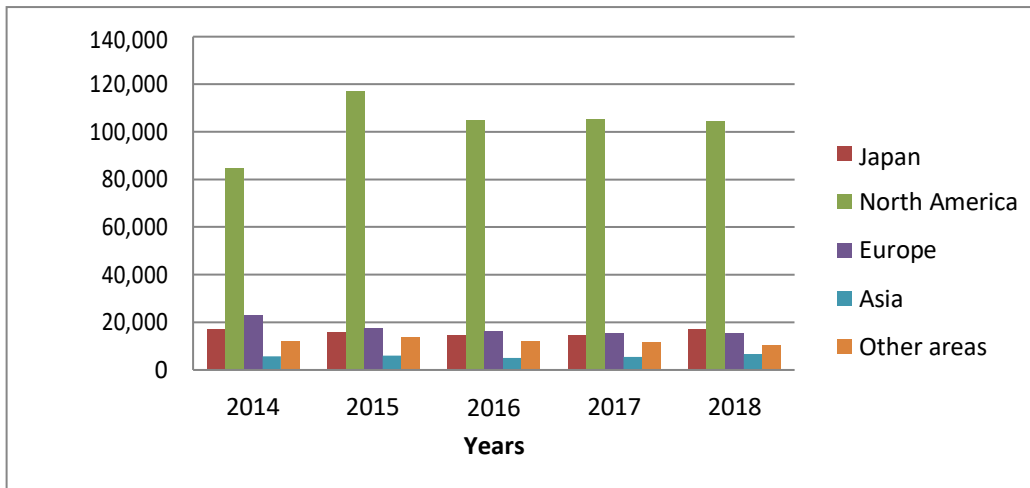
	2014	2015	2016	2017	2018
Net Sales	142,204	169,495	152,310	151,622	153,778
Japan	17,204	15,586	14,339	14,476	16,946
North America	84,467	116,939	104,642	105,039	104,313
Europe	23,011	17,456	16,365	15,189	15,547
Asia	5,723	5,931	5,118	5,415	6,669
Other areas	11,796	13,581	11,845	11,500	10,301

Table 3: 5 Yearly Net Sales of Power Products in Different Region (Million Yen)



Graph-5: 5 Yearly Net Sale of Power Products in Global Business (Million Yen)

This graph shows the five yearly regional Net sale of power product. In this graph reflects last five years based data which shows the maximum sale of power product in 2015. In the year of 2016, 2017, 2018 they are the same market share in global business.



Graph-6: 5 Yearly Net Sales of Power Products in Different Region (Million Yen)

his graph shows the five yearly regional Net sale of power product. In this graph reflects last five years based data North America is the highest sale region of power product in global business in the company rest of the regional area like Europe, Japan other area and Asia they are not getting good business in power product.

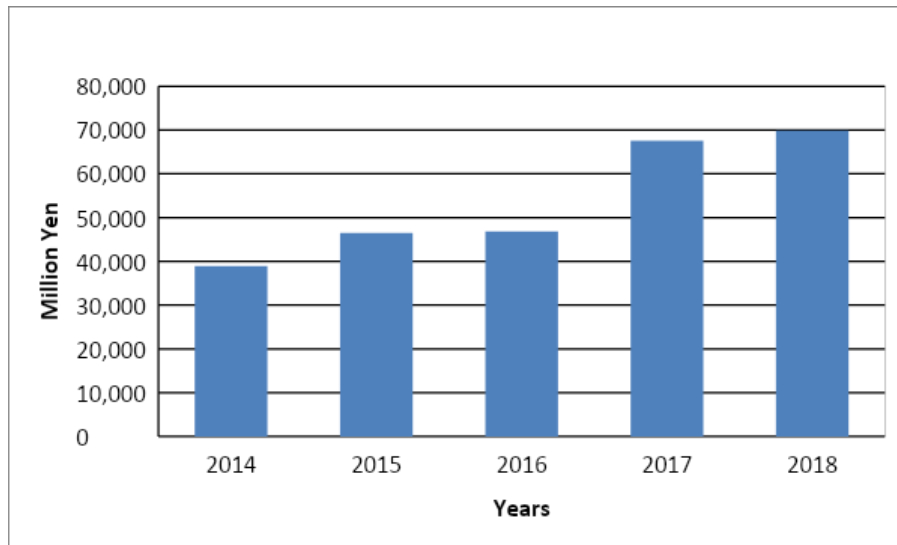
d) Industrial Machinery & Robotic Sales

In this segment company have manufacturer different types of industrial machinery and Robots like single axis robots, Cartesian robots, pick and place robots, clean robots industrial robots and cable etc.

	2014	2015	2016	2017	2018
Net Sales	38,942	46,501	46,871	67,571	69,891
Japan	13,776	17,686	15,979	23,022	24,841

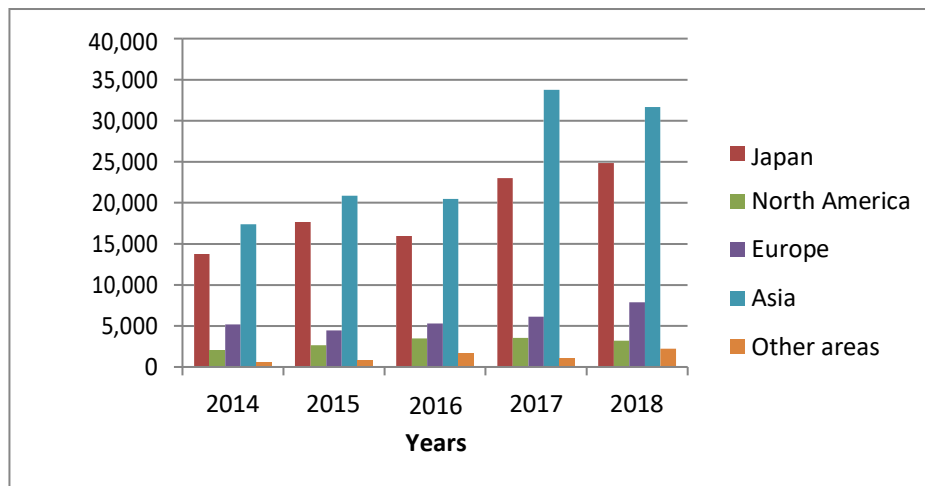
North America	2,012	2,661	3,469	3,577	3,226
Europe	5,206	4,463	5,306	6,139	7,895
Asia	17,409	20,877	20,481	33,781	31,682
Other areas	538	811	1,634	1,050	2,245

Table 4: 5 Yearly Net Sales of Industrial Machinery & Robotic in Different Region (Million Yen)



Graph-7: 5 Yearly Net Sale of Industrial Machinery & Robotic in Global Business (Million Yen)

This graph shows the five yearly regional Net sales of Industrial Machinery & Robotic Sales of product. In this graph reflects last five years based data which shows the increasing trend of net sale from 2014 to 2018 in terms of Industrial Machinery & Robotic Sales.



Graph-8: 5 Yearly Net Sales of Industrial Machinery & Robotic Sales in Different Region (Million Yen)

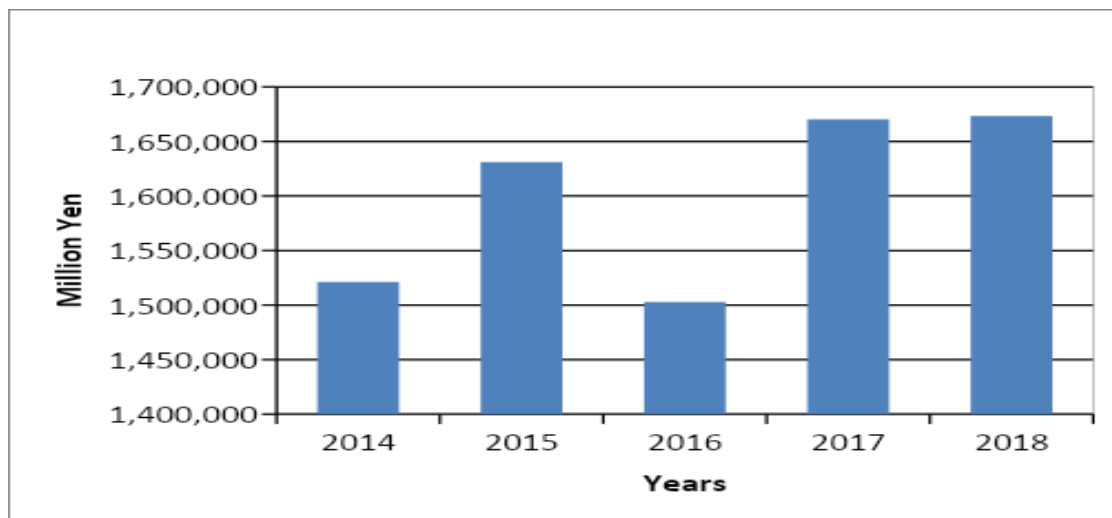
This graph shows the five yearly regional Net sale of power product. In this graph reflects last five years based data in 2014 to 2018, Asia sold the highest Industrial Machinery & Robotic Sales with Japan at the second at position. Rest of the regions is at a very minimal level.

e) Total Net Sale

This table shows the total net sale of the company in different regions and shows the 5 yearly trend of the Yamaha Company. The total net sales of the particular year include every regions total net sale plus product segmentation total net sale.

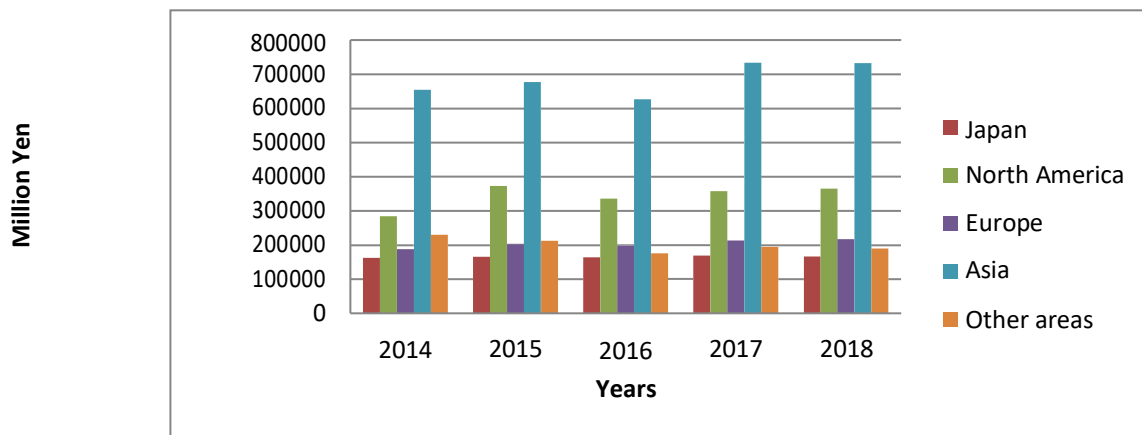
	2014	2015	2016	2017	2018
Net Sales	1,521,207	1,631,158	1,502,834	1,670,090	1,673,137
Japan	162824	166,017	164,233	169,856	166,925
North America	284,921	372,703	336,462	358,132	365,726
Europe	188,193	202,593	198,915	213,792	217,289
Asia	655,031	677,546	626,745	733,691	732,591
Other areas	230,237	212,298	176,477	194,616	190,603

Table-5: 5 Yearly Total Net Sales in Different Region (Million Yen)



Graph-9: 5 Yearly Net Sale in Global Business (Million Yen)

This graph shows the five yearly Total net sale of the company in global business. In this graph reflects last five years based data which shows in 2018 company have good sale of their product on the basis of market segmentation products like Motor cycle, Marine product, Power product, Industrial Machinery & Robotic product, other product.



Graph-10: 5 Yearly Net Sales in Different Region (Million Yen)

This graph shows the five yearly regional total Net sale of the company in global business on the basis of region like Japan, North America, Europe, Asia, other areas and on the basis of product like motorcycle, marine products, power products, Industrial Machinery & Robotic, other products. The graph shows maximum product of the company was sold out in Asia and the second highest region is North America rest of the region like Europe, Japan and other areas the sales was not good as the other regions.

FINDINGS

Low Market Penetration in Global Business:

On the basis of net sale for the last 5 years of Yamaha’s, the level of penetration in the Asian markets is growing positively high in Asia and North America. Whereas the others countries are growing at a slow rate due to lack marketing of products globally and other companies providing the same technology in very less price in comparison to Yamaha, as the level of Competition is very high in the market with other companies.

Low Brand Awareness:

As per the analytical study of trend of power products are declining due to low brand awareness. Yamaha sells a large range of products apart from motorcycles. However, it is mainly known for its motorcycles. Around the world awareness regarding its power products is low. It also makes unmanned helicopters for agricultural use. Yamaha also produces Industrial robots and several other vehicles. Except its motorcycle products, awareness regarding its power products is low in most corners of the world.

Currency Fluctuations:

Most of the motorcycles and outboard motors sold by the cluster in North America, Europe and Asia, and that they factory-made it in Japan and exported as completed product within the global market. Therefore, fluctuations within the exchange rates of the Japanese yen against major currencies, like the U.S. dollar and therefore the monetary unit, considerably impact not solely the sales, however conjointly profits and alternative results.

Regulation:

The trade is subject to numerous governmental rules for various product categories in global business as well as those associated with vehicle safety and environmental matters like gas emission levels, fuel economy, noise and pollution. Additionally, several governments additionally impose tariffs and alternative trade barriers. These rules might have negative impact on YAMAHA’s profits.

Economic situation:

The company has globalised businesses in nations and different regions round the world, together with Japan, North America, Europe, Asia and alternative areas. In these markets, buying the product might not be essential or imperative for people or companies. If demand in these markets were to shrink because of factors like money instability in countries and rising interest rates, the group's business development could also be negatively wedged.

Recommendation and Suggestions

a) Focus on Product Marketing

1. Yamaha should focus on its advertisement and mileage
2. Yamaha should also give some offers with their different models.
3. The company should also launch some cheaper models so that the Average customer buys more products.
4. To succeed in the Asian markets, Yamaha would need to bring more products that are within the affordable price range.
5. Regional partnerships with local brands can also help it's grow its penetration and market share in these markets.
6. The company should implement environmental rules according to governmental policy.

b) Should improve the after sale services.

During the survey we found the Yamaha is not satisfying their customers in after sale services, parts of the bike are not easily available in the market and employees at dealership sometimes become rude to the customers, This is the major drawback in capturing the market shares of Yamaha should take some batter steps to satisfy and retain their customers.

c) Weak follow up from dealerships

We observed during the course of study the Yamaha was quite weak in following up with prospective customers. There was no communication from Yamaha showrooms.

d) Aggressive selling

The company should follow an aggressive selling concept. A non-aggressive selling concept which is clearly visible in its advertisement campaign which does not hit on the customer rather aims to provide information in a subtle manner.

f) Measures should be taken to improve its dealership

Yamaha which is trying to build a brand new image of a high technology and stylish brand of sports bikes should take appropriate steps to show it in their showrooms.

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