



ICARUS DESIGNS

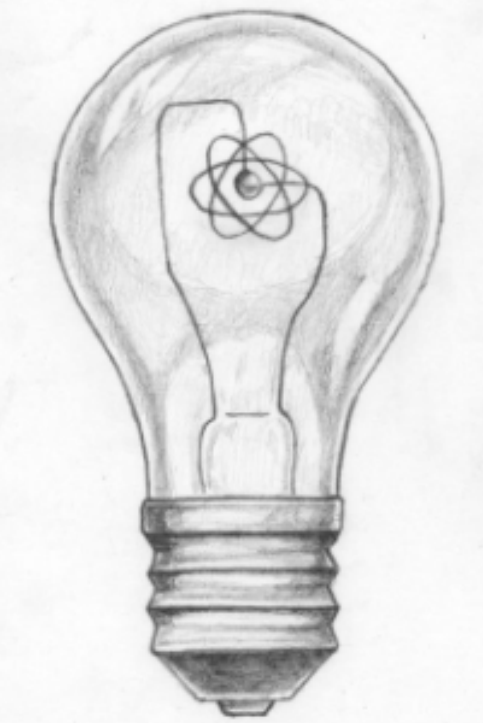
**Business 444
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**Generic Strategies:
Dream Car Design**

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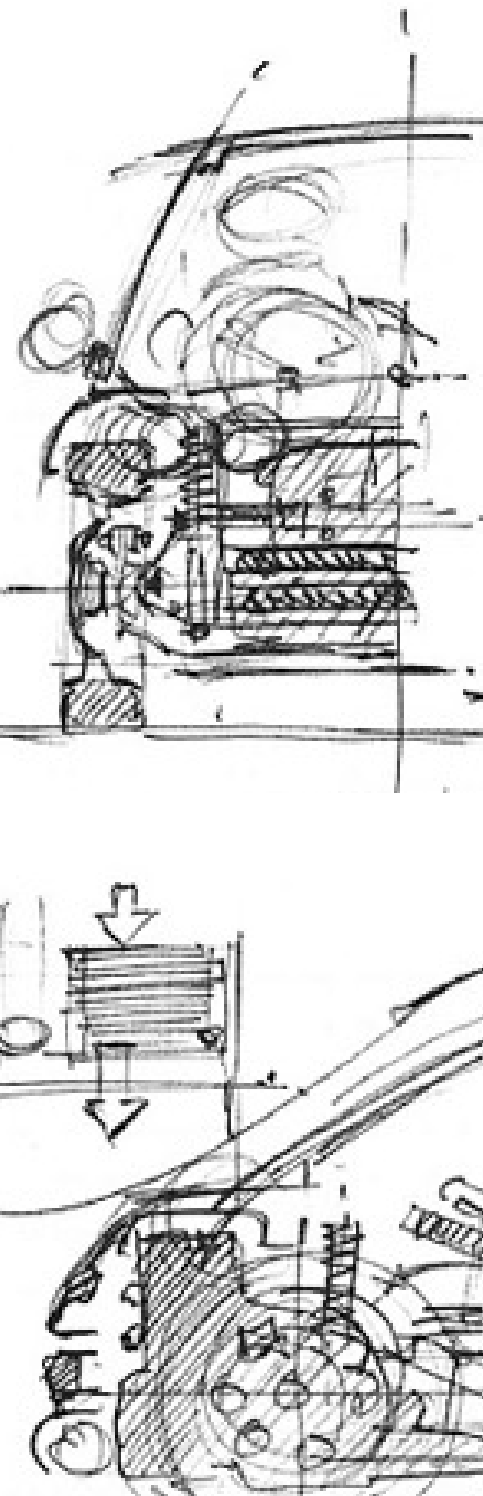
GENERIC STRATEGY

Our generic strategy that the Meilich Motor Company assigned Group 6 is the daunting task of developing a Stuck-in-the Middle (SIM) concept car. This was a challenging assignment because this went against all of our natural talents in developing successful business strategies. The SIM strategy is commonly characterized by a company or firm fails to make its choice between cost leadership or differentiation strategies. It's the companies inadequacy to take the next step in a competitive advantage by not defining themselves with either a focus or wide product/market scope. This lack of direction or strategy often results in financial failure for the company or firm.

FEATURES

Our dream car design can be summed up by its name. The Icarus. We derived our name from the Greek mythology legend. The moral of the story is when Icarus' father, Daedalus, a master craftsman develops wings for his son Icarus to escape. Upon his flight, he warns Icarus of complacency and pride. Daedalus final instructions to Icarus before his attempt for flight is neither fly too high or too low. If Icarus flew too high would result melting of the wax holding his wings together and crash into the sea, flying too low would result in dampening his wings, also resulting in crashing into the sea. Icarus was challenged by already following the SIM strategy and with low cost baring him down he tried to soar up and differentiate himself, causing the original concept design of his wings to fail, thus ending his life. This fable reflects our price point and the high cost accrued when we tried to use differentiation in our product features.

With this fable in mind, we started our concept dream car with the generic strategy of being a low-cost leader in mind. We then fell into the same trap as Icarus and tried to differentiate ourselves by adding features to our car.



This in turn, offered little to low value to our car with raising the price. Thus unfortunately not making our vehicle distinctive enough to be differentiated and causing our low prices to soar, therefore not being a cost leader, hence being SIM dream car. Listed below are the main features of our dream car design:

- Curling Strap/Bar Steering Wheel *
- Weight Bench Car Seat *
- Stairmaster Keyless Ignition with Resistance Band Gear Shifting *
- Motivational Coach/ Trainer Replacement Radio Surround System *
- Non UV Protectant Sun Reflecting Tanning Mirrors for Side Windows and Sunroof * **Patent Pending*

All these features make up the truly fitness mobile - Icarus. Our Curling Strap/Bar Steering Wheel will allow our drivers to weight train as they drive. Steering becomes more difficult and strenuous curvier the road becomes, allowing for that extra pump to your routine drive. The Weight Bench Car Seat allows for you to get those crucial sets in while you wait in traffic for those pesky red lights to turn green. The Stairmaster Keyless Ignition is motion activated when you start you putting your "foot to the floor" and gas it, starting your day and your vehicle manually! Resistance Band Gear shifting allows you control exactly what gear you desire and improve resistance. As all these kicks in then, your voice-activated surround sound system is kicked into high gear when your own motivational coach / personal trainer yells to you about GAINS and mentally blocks you from hitting those drive-thrus. No Pain No Gain. Finally, you get to show off that buff bod with a beautiful tanned and toned skin. Separate yourself from looking yellow and staining your car seats from lame spray-on tans and get yourself the real deal tan with our revolutionary self-tanning mirrors that double as a sunroof and windows. We cut out the UV Ray protectant for your benefit and absorb all the beauty that the Sun's rays inflict on your skin.

TARGET MARKET

We will be targeting those individuals that are between the age ranges of 16 - whenever you get your Drivers License revoked. We want to target those that are in shape, want to get in shape, are thinking to get in shape, stay healthy, be healthy, and get healthy.

Consumer demographics:

- 16- Till License Revoked for Age
- Below-Average-Above average Income
- Educated - Little to No Education
- Single or Family-Oriented
- Any Lifestyle

MSRP: \$17,999 * ** price before any amenities added*

We have priced the car at \$29,999 with amenities included since our car is SIM, we must be on both fronts of the price marketing strategy - cater to both, the affordable and entry high priced cars. Our target market is consumers who are into fitness and health. Our advertising slogan is “Drive Icarus to gain, and a more fit body to maintain.”

MACRO - ENVIRONMENT

Social-Cultural: One social-cultural factor that can support this strategy is the shift in consumer lifestyles to a more active and healthier one. Consumers are looking to increase their physical activity and improve their eating habits. Social-cultural factors can also threaten the strategy as not all individuals might value physical exercise and healthy eating habits.

Technological: Technological innovations can support this strategy by allowing a more efficient manufacturing system. Inventions of new machinery and parts can help in the production process.

Demographic: Demographic can support or threaten our strategy. Depending on which market is targeted, it can increase our opportunities to present the value to the consumer. If we choose to market the product (in this case a vehicle) to a demographic, such as an elderly population of 80+ years, it would not have much success as this vehicle is designed for a younger target market.

Political-Legal: As for the legal ramifications of our dream car design, we need to have all owners sign a full and general release of liability should they have an automobile accident while driving our car. This ensures that we are not sued should they have an accident due to them not paying attention to the road conditions. We also have to keep in mind the California Emissions requirement and stick with the standards that the state of California has adopted for all automobiles that are registered in the state.

Environment/Natural: Environment can become a big support to our dream car promoting more efficient ways for consumers. For instances driving a car with high mileage contributing to the nature and environment. Shortage of raw materials also won't affect our DCD due to manufacturing efficiency.

SPECIFIC SKILLS & RESOURCES

Three specific resources that we would use are: marketing, production, and R&D. For marketing, we will utilize our advertising slogan “Drive Icarus to gain, and a more fit body to maintain.” Our commercials will feature well-known athletes driving our car and stating our slogan as they drive by. Infomercials will highlight the main features of our car as well. We will also have the opportunity for different people to try the cars at random locations and get their input as well. Our guiding concept for marketing is to let the public know about our car and the features that it has.

During production, we will purchase our gym equipment directly from the manufacturers for a fraction of the cost to the normal public thanks to our contract. In fact, the gym equipment manufactures will be able to adapt their equipment molds to our specifications once they have been completed. The Icarus can be produced in 10 hours once all the gym equipment has arrived at the plant. We would also offer the public the ability to come look at the cars being manufactured once a month. With production, we want to keep costs low enough to make a small profit.

As for research and development, we will continuously look for ways that could benefit our consumers. For instance, we may find that we can come up with alternative materials to build the car in the future in-house rather than outsource the gym equipment that we need. Our slogan in the R&D department is innovation for cheap.

FEATURES OF ORGANIZATION

The first feature of the organization would be our manufacturing system. We manufacture products that are similar to others within our Industry. Our goal is to manufacture relatively similar products to competitors. We don't want to differentiate our product and confuse our potential customers. Our company has tried differentiating our products in the past but consumers didn't view our product as being differentiated. Being that our products are not unique enough, it creates the problem of consumers not being convinced to purchase our product.

The next feature of the organization is focused on marketing structure. In our marketing structure we do not believe in targeting a specific market segment. We have neither a wide or narrow potential customer. With our marketing segment not being directly focused toward a specific customer, it has risen our product costs to the middle of the pack of the car industry.