**Table of Contents**

**Introduction………………………………………..........**4

Target Market…………………………………………….4

Product Design…………………………………………..6

**Pricing Strategy………………………………………......7**

**Distribution Strategy…………………………………....8**

**Promotion Strategy…………………...........................8**

**Competition Strategy ……………………………….....9**

**Sales Strategy……………………………………….......10**

**Conclusion ………………………………………….......10**

**References ……………………………………………….11**

 **Appendix ………………………………………………...12**

**List of Figures and Tables**

Figure 1: Components of IDS………………….………7

**I. Introduction**

Timon prepare a marketing plan for its product IDS to have a guide in arketing processes. In this report, we firstly define our target market and customer by the help of survey. After determining target market, product design is explained. Pricing, distribution, promotion, competition and sales strategies are defined. We are expecting to have a better marketing processes with this plan.

**II. Target Market**

**Market Research**

Our product IDS is a safety system for cars and drivers so, the overall market of Timon is considered to be automobile safety systems. The market of the safety systems have been growing since later of 80s. Car producers have been implementing various new safety systems like Anti-Lock Breaking System (ABS), Electronic Stability Control (ESC), airbags etc. with the help of developing technology. Additionally, driver alert systems are new trend of the market. Big companies like Volvo and Mercedes developed new safety systems in their latest productions. Moreover portable safety products entered the market in latest years.

**Target Customer**

To determine our target customers we conduct a survey among 54 people. The survey can be seen in the Appendix A. 36 of the participants are male and 18 of them are female.

Ages of 60% of our participants are between 40 and 60. All the participants have driver license and at least a car. According to the survey results all of our participants give importance to safety systems in cars and most of them are willing to pay extra money to these systems. We asked whether they drive long distances or not since IDS is a sensor to detect sleepiness of a driver and the probability to fall asleep is higher while driving for long hours. We give necessary information about our product IDS and asked whether they would use IDS or not. Most of the men said that they would prefer to use IDS. Especially men whose age are between 50 and 60 thinks that they are more likely to get tired and fall asleep while driving for long hours. Young participants are generally self-confident and think that IDS is not necessary for them however they also think IDS increases the safety of the drive. On the other hand some of the female participants concern about the physical appearance. In addition to these, all of the participants agree that bus drivers, private drivers and logistic drivers should use IDS. They said that they would prefer companies which serve customer safely and which cares customer’s safety. That is to say they would prefer companies that make its drivers use IDS. Besides there are some bus drivers involved our survey. They also think that it is necessary to use IDS for the companies to ensure customer safety and to increase the profit.

We, as Timon, want our customers to be all the drivers however at first to be more specific we conduct a survey and according to the result we determined our customers’ profile. Most of the drivers think that IDS increases the safety however drivers who are older than approximately 35 are more willingness to use IDS. Moreover, people whose job is to drive thinks that IDS increases the quality of their service so, they will be our target customers at the beginning. As a future development there may be a system that informs the managers if drivers do not wear the headband or falls asleep. Informing the company guarantee the usage of IDS and also make our service more accurate. Besides, we may design the headband with an extra cost for people who concern about the physical appearance. This may also increase the usage of IDS.

**Buying Decisions**

People who drive personally in their private cars will make the buying decision according to their needs. On the other hand for people whose job is to drive decision will be made by their companies. Managers of the bus companies, logistic companies etc. will make the buying decision if they think IDS increases the safety of their service and also their profit. For the current system of IDS, drivers should be willing to use it since there is no feedback system. In the future developments when IDS sends information to the manager, usage of IDS by drivers will be guaranteed.

IDS is a long lasting product. We, as Timon, have not determined the warranty period of IDS yet however we know that IDS process at least for couple of years. Besides, problems can be fixed so, life of the product increases. That is to say customers will purchase IDS once or twice.

Finally, detailed information of the purchasing process of IDS like from where to buy or how to pay the price is given in the fallowing parts of the report that are “Design of The Product” and “Distribution”.

**III. Product Design**

The aim of our company is to provide an accurate product to our customers. Therefore, the product design should have an appropriate design.

Our product IDS is a sleeping detector that has four main components which are a head band, IDS station, an application of Android cell phone and a dock station for the phone. Components of the IDS can be seen in the Figure 1. IDS is in the size of 4cm x 7cm x 15cm and it is portable.

If the driver wants to use IDS in different cars it is easy to place IDS station in every car. Dock stationis a 19 cm × 9 cm unit. It is placed on the dashboard to detect blink duration of eyes of the driver. It weights 82 gram. Additionally, to observe the duration of the blink of an eye, an Android cell phone with a cam is adequate and the phone is also portable. Android cell phone is not in the package of our product, it is any Android cell phone of customers. But providing the application is in our responsibility. There will be a package for IDS station and dock station which is same for every car. And there will be a package for headband and its design is optional for customers. As a result customer will take the IDS station and a headband which he or she wants. The package of the product will be attractive but it also should preserve its serious look. The package of the headband will include its color option on it. And the company name, product name, contact information and the picture will be also on the packages.

In the short term plan of our company, we are planning to sell IDS from Ankara office and internet. If the purchasing is from internet, transportation will be via cargo. And an appointment for assembling can be given to the customer after purchasing if customer wants to IDS station invisible in car. Otherwise, customer can use without any assembly for IDS station. When the customer purchase from the office they can get the product from office. If any breakage or spoilage occurs during transportation, Timon will be responsible for this situation and provide a new product for the customer. As a long term plan of our company, by the increase of our sales we are planning to work with distributors.

An operating manual will be given with the product. This will guide the customer while using the product and avoid a wrong usage.



 Figure 1: Components of IDS

**IV.Pricing Strategy**

We, as Timon, considered different strategies to determine the price of IDS. First of all we considered the price of the products in our target market which is sleepiness sensors. Products can be classified in two types in the market. First type of the sleepiness sensors assembled to cars in the production process like in Mercedes and Volvo. Second type of the products is portable and can be used in every car in anytime. First type of the sleepiness sensors is more expensive than the second type. For instance in Volvo and Mercedes there are integrated technology packages and their prices are approximately $2,100 [1]. On the other portable products are cheaper compare to them. Price of the Anti-Sleep Pilot is $250 and price of Anti Sleep Alarms is $9, 47. There is a variety in the prices of our competitors’ products. Our aim is to set our price close to the price of portable products.

Moreover we considered the survey results. We asked people how much they would pay for IDS. The results show that most of them would pay approximately $300. Finally we considered the production and additional costs like marketing and distribution cost, R&D cost and the profit. Price of the components of IDS and the required numbers as follows;

* AD621 is $5,20 dollars and 2 pieces are needed
* Arduino Mini Pro is $21,20 and 1 piece is used
* RN-42 Bluetooth is $38,95 and 1 piece is needed
* Active Electrodes is $12 and 2 pieces will be used

Total Cost of raw material is approximately $105. The shipping cost will be approximately $8 dollars per part. Rent of the place will be approximately $8 dollars per part. Labor costs will be $9 dollars per part. Advertisement cost will be $5 dollar per part. Besides some other additional costs would be $3 dollars per part. Our aim is to introduce our product to the market for the first year so we do not want to make much profit. Adding these costs and profit we concluded the price of IDS to be $180 dollars. In the future when Timon starts to lean manufacturing raw material cost will reduce 50% of the current cost however the profit that Timon wants to make will increase. The price will be approximately $140 dollars[2].

**V.Distribution Strategy**

As it is mentioned before, in short term Timon is planning to sell IDS from its Ankara office and internet site. In short term we are expecting lower sales. Therefore after a period when our sales increase, we are planning to make agreements with distributors.

There will be no distribution cost in short term. However in the long term we have to plan the distribution cost. And there will be advertisement cost in the distribution process. We sell in wholesale to distributors and customers can reach to IDS from our distributors. This will increase our sales.

In today’s world online shopping is becoming more popular way to shop. So e-commerce is a good decision for Timon. In online shopping transportation costs are not too much. IDS has not a big package so transportation via cargo is not expensive for us. As it is mentioned in pricing strategy part, shipping cost per part is 8$. E-commerce can have advantages in terms of increasing sales by reaching customer easily. Advertising from internet has also advantages. Sales will be from directly Timon website to manage directly. And this will not have too much cost. Maybe in long term agreements can be made by some online shopping sites. As a result e-commerce is the best channel for Timon.

**VI.Promotion Strategy**

After determining our target market and distribution channels, we decide promotion stratagies according to them. Our main aim is to reach our target customer and express our product apparently. Our fist distribution channel is our Ankara office. We should promote IDS to make people come and buy our product from office. For this aim our strategy should be effective. We are planning to use automobile magazines to reach our customer. Advertising via TV is more effective. However as a new started company, we an not afford its high cost. Therefore in short term magazines and newspaper is appropriate for us. The other way is sending email to customers. These people can be determined us.If we can reach e-mail adresses of people from car manufacturers. The other distrbution channel, e-commerce, requires advertisement from internet. We are planning to use internet to promote. Because we can esaliy explain our product and make our brand remarkable in people’s mind. Videos of the usage of IDS, images and influential advertisement can help us. People use generally social network web pages.

Therefore, we can choose these web pages to promote IDS. Timon also will have brochures, include explanation of product. These brochures can be distributed as insertion to people’s houses.It is determined in the pricing part that advertisement cost per part is 5$. As a long term plan, Timon is planing to attend car fairs and technology fairs to promote IDS. And agreements can be made with buscompanies as a long term plan too.

**VII.Competition Strategy**

As it is mentioned in the “Organization Plan” of Timon, our product is in the automobile safety systems market. The competitive enviroment based on the accuracy of the system. Competitiors of Timon are generally car manufacturers and they provide sleepiness sensor as an additional option of their product. Mercedes and Volvo are the main competitiors which gives this service as a package. There are not many competitors in this field. Therefore, degree of rivalry is not high. This can be seen as an advantage for our company. Besides having few competitors, having few but dominant firms can be a disadvantage. For these reasons we use this monopol situation as an advantage. We can reach customers who can not afford a Mercedes or Volvo car. In addition to this having a more accurate system is an advantage for Timon in competitive environment. And having a portable system is an aspect that Timon differentiate from its competitors.

Our other competitiors is Anti Sleep Pilot and Anti Sleep Alarm systems. These systems are portable but they are not accurant enough. Therefore our target customer can see the difference between them and our company in terms of complexity of the system. As a strategy, we should use the situation that we provide a system that is a more accurate and cheaper system than powerfull competitors have.

**VIII.Sales Strategy**

Timon give utmost importance to the sales strategy to increase its profit. We will have one employee in the ofiice who is responsible from sales and two employees responsible from e-commerce. These employess should have knowledge about IDS and have ability to persuade customers. These employees can be from the existing group of Timon due to financial reasons. And we have the best knowledge about IDS. Beside having a sales team, our company should have a technical service team. This team should be educated very well. The training cost of technical team should be considered. This team will give service if customer wants assembly or any tecnical problem occurs. For the long term plan, our company should have an another sales team which is responsible from sales to distributors and mor employee as a support to e-commerce.

**IX.Conclusion**

This marketing plan is a guide for Timon in terms of market, price, distribution, promotion and sales strategies. We will implement these strategies in our short term plans. And Timon will continue with an updated marketing plan for long term.

**V.References**

[1]  **Specs and Costs,** <http://www.edmunds.com/car-safety/technology-aimed-at-helping-drowsy-drivers-stay-awake.html>

 **[2]**<http://www.gizmag.com/anti-sleep-pilot-monitors-driver-fatigue/17439/>

**Appendix A**

SURVEY

1. What is your age?
2. What is your gender?
3. What is your education level?
4. How much is your income per month?
5. Do you have a car?
6. Would you prefer paying extra money for the safety systems of a car?
7. How often do you drive long distances?
8. (IDS is explained) Do you want to use IDS?
9. Do you prefer bus companies that make its drivers use IDS?
10. Are you able to afford a Mercedes or Volvo car?
11. How much money would you pay for IDS?