Google Glass Marketing Plan

Introduction:

Google Glass is the newest development in wearable technology. The device is worn as a pair of glasses and syncs to the user’s smartphone. It has a hands-free, voice-activated system that allows it to function as a smartphone used on a daily basis through the simple phrase: “OK, Glass.”

The objective of the marketing plan is to capture a market share of at least 70%. This can be accomplished through breaking into the market before competitors and by marketing the product based on word of mouth and social media marketing.

A behavioral objective of Google Glass is to change the societal stigma of constantly looking down at a smartphone. With Glass, we hope to increase face-to-face interaction through the product’s hands-free capability.

Industry/Market Overview:

Two men, Larry Page and Sergey Brin, first developed Google Inc. in 1995. Both Page and Brin met at Stanford and they began working on a search engine called BackRub (Google). It wasn’t until 1997 that Google, Inc. finally became registered as Google.com (domain). Over the years, Google, Inc. has developed into a large company due to new innovations. For example, in 1998 Google launched Google Newsletters. By 2001, Google images was already established offering about “250 million images” to users (Google). Since its creation Google, Inc. has remained as a well-known search engine but was not seen in terms as a company that offered tangible products and services such as big companies like Apple.
Google Inc. began to offer products starting in 2002. The first product that Google, Inc. offered was “Google Search Appliance, a yellow box that businesses can plug into their computer network to enable search capabilities for their own documents” (Google). Additional products and services that Google offers are Google AdSense, Google Grants, Google Print, Gmail, Picasa, Google maps, Google Mobile Web Search, and Google Chrome, etc. Most of these products and services are not physical products, however. Google Inc. launched its first open platform for mobile devices, also known as Android, which then phone companies like T-Mobile used for phones like the G1 (Google).

The needs that Google’s products and services satisfy vary on the actual product and service. For example, Gmail satisfies the needs for users that want to keep in contact with others and prefer more storage for their electronic information. Google Glass in this case serves the needs of people that want a technological device like their phones, but translated into a simple pair of eyeglasses. Similarly, the industry serves the common public; especially the generation that is tech savvy and understand the dynamics of technology in a broader spectrum.

Competitive Analysis:

Google, Inc. has grown into a company that serves several aspects and is not just focused on one product or service. The fact that they have made this possible allows for Google to have competing firms. In terms of email and search engines, Google’s competing firm would be Yahoo! and Bing owned by Microsoft. Whereas for physical products that Google offers such as phones, and Google Glass, Apple would be their number one competitor. For market share and profitability, Yahoo! Inc. is currently worth
Samantha Linnett, Yarmine Fernandez, James Natalie, Kai Wu, Jingyi Wu

$25.6 billion in comparison to Google’s $339.4 billion worth (Yahoo!). Apple Company is a stronger competitor to Google because its shares and profitability equates to $520.56 billion (Google).

The products and services offered by Yahoo! Inc. are email, Flickr, Tumblr, and it has partnerships with ABC News, CBS, NBC, and Hulu, etc. By contrast, Apple Company offers products and services such as the iPhone, iPad, iPod, iMac, and Mac Book, etc. Yahoo! Inc. is targeting the common public (both female and male ages 15 to 50) like Google because it essentially offers the same search capabilities. For Yahoo! Inc. no price, sales and locations where they sell, can be determined because it just serves the goal of a search engine/website. The way in which they promote is through their partnerships and commercials, which has significantly decreased over the years. Yahoo! Inc. compared to Google has very little strengths and a lot of weaknesses. One major weakness is that it has become less popular to use and people are more likely to create a Gmail account because of storage size. Their strengths include news updates and weather forecasts, which is accessible and accurate information.

Finally, for Apple Company the prices for their technological products can range from $99 up until $5000, which is dependent upon the type of product. For example, their iPad Air costs about $500. In regards to Apple Company’s target audience, they target a more tech savvy public, such as both females and males aging from 17 to 40 (Apple). Apple currently sells in all 50 states and in 14 countries, including Italy, Hong Kong, and Canada. Apple Company promotes through commercials, their website, billboards and advertisements. Apple’s strengths are reaching a large number of people to buy their products and the effectiveness of their products. Apple’s weaknesses could potentially be
how overpriced their products can be and how advanced their products are to the point that an older generation might not understand how to use it.

Situational Factors:

Outside of competition, there are other factors that will influence the market for Google Glass. One of those factors is technology. Google Glass has been in development for years. The concept of wearable technology is something that all of the major technology companies are working to make their own. The technology exists, Google Glass just happens to be the one having the most success at taking advantage of it.

This high level of technology creates a high cost to entering and exiting this market without having been already established in it. This leaves the market of wearable technology to the advantage of big technology companies like Google and Apple to race against each other to create the best product. This limited competition could be a major factor when it comes to the pricing of these different products.

The market open to wearable technology is huge, but certain consumer trends will reduce this size. While there are a large number of technology enthusiasts who are eager and excited to have this new kind of wearable technology available to them, there are also a great number of technology skeptics. Many people, with the release of Google Glass, will wonder just where the advancement of technology stops. Even some smartphone users are likely to be weary of the device and what effects it will have on society’s views and the use of technology. This will make it ever more important to highlight the advantages of the device over the societal technological risks.

Legal issues, of course, play into this skeptical role. Google Glass is essentially the consumer’s smartphone right in front of their face. Although you have to look up at
the screen for it to be in your field of view, the ease of access poses certain safety
problems, especially while driving. Google Glass Explorers, people chosen to test out and
market the prototype of Google Glass, have already been pulled over and ticketed for
driving with the device on. It poses a large risk of distraction and will likely cause issues
in redefining laws about the use of cell phones while driving.

Opportunities and Threats:

Google has a huge opportunity to take advantage of the timing of Google Glass. The sooner it can release the product, the better. While competitors such as Apple are
developing different forms of wearable technology, such as a touch-screen smartphone
watch, they are not as close to being able to release them as Google is, and they are not of
the same form. Many of the competitors developing products promote ease of use and
hands-free capability in the same way as Glass, but none are as unique and convenient.
Google needs to seize the opportunity of capturing a major portion of the market share
for wearable technology by getting in the game before its competitors even have a
chance.

The biggest threat that Google will face in the marketing of Google Glass will be
to overcome the legal issues of safety. Google Glass is safe to have on while driving, and
works as an extremely convenient, voice-driven GPS, as long as the driver isn’t misusing
it. However, the knowledge that is dangerous in the form of a distraction when misused
will be a legal issue that isn’t likely to be won. It will be crucial for Google to focus on
the hands-free advantage of Glass and steer away from references to use while driving.
Marketing Strategy Statement:

Google Glass, as an innovative product of high technology and high quality, should be able to evoke a revolution in electronic device markets. Combined with a Google+ account, Google Glass will provide its users with joyful experiences through the use of similar functions as a smartphone such as hands-free technology. As Google is a world-renowned search engine and relevant online service company, this brand is of great credibility. Just as Jonah Berger stated in the book “Contagious,” one of the ways to popularize a product or an idea is to “make private public.” With its unique look and the unbelievable functions, it can draw the attention of many people, especially the young, who may define it as cool and try to imitate it, and the brand equity of Google Glass can stand out among other products if it can sustain its advantage as a multifunctional high-tech glasses with a distinct look.

To develop and enhance the brand equity, Google Glass can co-brand with optometrists and eyeglass stores as well as co-brand with communication companies like AT&T and T-Mobile, since it is capable of syncing to a smartphone.

Facing the fierce competition from the electronic device market, Google Glass should not only be viewed as a high quality, high-tech, innovative product, but also as a revolutionary means of communication for people. Ever since the start of social media like Facebook and Twitter, people’s means of communication has changed. The face-to-face communication transitioned into the posting of personal comments and sharing interesting information online to friends. The launch of Google Glass can mark the beginning of the next era for communication. With the help of Google Glass, people no longer need to look down at their phone frequently to check text messages or e-mails, and
can spend more time hanging out with their friends rather than sitting in front of a computer screen the whole day.

The target market of Google Glass is the smartphone users, and the age of its consumers, should be college age and above. Google Glass may not be a luxury electronic device, but it is still not affordable to everyone. For teenagers, they have to rely on their parents for getting one, and Google Glass might be distracting for them, as they’re too young to have self-control. Thus, Google Glass should be fit for adults who are frequent smartphone users, and can afford it.

Right now, the price of Google Glass for explorers is $1500. This price is expected to fall to around $600 in 2014, which would lead to a large growth in sales. According to the BI Intelligence, unit sales of Google Glass are going to climb sharply in the next few years, to about 21 million units in annual sales by year-end 2018. At $500 per unit, this equates to a $10.5 billion in annual market opportunity.

Objectives:

As Google Glass is the first and the only product in the industry, we want to capture as much of the market share as possible. We want to keep the product in a higher-than-average price, so it will be important to keep the product at a high quality. To compete with the substitutes and the other entrants in the future, Google Glass needs to keep a reputation as innovative, easy-to-use, multi-functional, and high quality.

Additionally we know that mobile phones are distracting to people in many different situations. We can find people checking their phones when they gather together and avoid talk and eye contact. To introduce Google Glass to the market, we want to change people’s behavior and encourage them to look into others’ eyes and show
friendliness. People won’t be tempted to check their phones when they receive messages because with Google Glass, they could see the new message instantly. Google glass can also free people’s hands because it is voice activated. People simply need to say “OK, Glass” to reply to a message, make a phone call or take pictures and videos. People will be safer because they won’t have look down to their phone and they can pay attention to the environment around them. Our objective is to change the way people live by introducing Google Glass.

We will measure our success through customer satisfaction, the percentage of market share, the growth rate and through activity on social media. Our goal is to get at least 70% market share in the market and maintain it. We also want to make Google Glass the favorite product among other wearable high-tech products.

Competitive Advantage:

The competitive advantage of the product is that Google Glass is developed by the pre-established, well known company—Google. Google also has Google+, Google Map, and Gmail, all which could be supportive applications of Google Glass. Google Glass can work more effectively and efficiently with these applications. People may choose Google Glass instead of other products just because they like and are regular users of the other applications developed by Google.

Marketing Tactics:

Given that Google Glass is the only product of its kind, it already gives it a competitive advantage. In the vein of BzzAgent as described in Contagious, research and development has been conducted by Syracuse University’s own Dr. William Ward of the S.I. Newhouse School of Public Communications. Dr. Ward has given students free trials
of the Google Glass for them to try it out for themselves and spread the word on the product.

As for distribution, we plan to sell Google Glass as a part of packaging plans within phone service stores such as Verizon, AT&T, and T-Mobile, in which people would be able to purchase it with their new phones. We would ship Google Glass to all respective locations in high-market areas such as New York, Los Angeles, and Chicago first to see how well the product does and expand accordingly. We would make it available online on the Google Glass website and phone service providers’ websites in effort to reach those who do not reside in such high-activity markets. In addition to this conventional distribution method, we will also implement another strategy that we believe would be novel and advantageous. We plan on selling the Google Glass within these markets’ local optometry offices and eyeglass outlets to allow the product to be fitted to an individual’s prescription glasses and be purchased there.

As for pricing, we will use a value-based strategy for Google Glass. Since it is the only product of its kind, we believe people will see Google Glass as a very valuable item. The current estimated price for Google Glass once it reaches the retail market is between $200 and $600. So given our value-based strategy, we will price it at $400. However, we will provide $100 discounts on the product when it is purchased with smartphones or upgrade plans at the service provider locations it will be sold at. In an effort to take advantage of scarce promotions and further entice consumers, we will offer a novel home-town price of $300 for the product to those who reside in Mountain View, CA and the greater-San Francisco area – Google’s headquarter location - for the first month of the product’s release.
Lastly, to advertise and promote Google Glass, we will rely heavily on word of mouth and social media marketing given the product’s self-marketability with its distinct lens-free, single-bar frame look. When emails are sent we would include a message at the bottom saying how the email was “sent from Google Glass.” We believe the main trigger for Google Glass – glasses – will also greatly help us because they are extremely public and seen multiple times daily. Google Glass will definitely evoke awe and excitement and we think its hands-free convenience can be practically valuable to certain users. For example, people who are physically disabled would be able to easily operate Google Glass given its voice-activated command system. This factor could allow us to incorporate meaningful stories into our advertisements.

Conclusion:

Google Glass is the first of its kind, developed by a well-established brand. It is high-tech and high quality, making it of great value to its users. Its unique design and voice-activated functions make it easily identifiable and convenient to use. The target market is smartphone users in college and older.

The objectives are to capture the majority of the market share and to change the social stigma of looking down at a cell phone in social situations. We will do this through releasing Google Glass into the market ahead of competitors releasing similar products and by advertising the novelty and practicality of the product through word of mouth and social media marketing.

Distributing the product to phone service providers and to optometrist and eyeglass outlets will provide a wide range of availability to customers. Offering them
Samantha Linnett, Yarmine Fernandez, James Natalie, Kai Wu, Jingyi Wu

online will also make it easier for customers in less high-market areas to obtain the product.

Google Glass will succeed because people get excited about the remarkability of new technology. The fact that Google is a well-known and credible brand will help back up the product. Based on the popularity of recent technologies and how quickly they have been integrated into people’s daily lives, we have no doubt that Google Glass will have similar prospects.

Reflections:

For a product to be popular, we have found that having a form of positive social influence on people’s habits and activities is a big reason for the success. An ease of integration into daily life will make it more appealing to the general public.

We were surprised to learn about the different developments of different technology giants into the next level of technology: wearable technology. We also learned a lot about Google Glass’s functions and how it can be used in daily life. We thought that Google’s use of Glass Explorers and the Google Glass Tour will be a successful marketing tactic, similar to the use of BzzAgent described in *Contagious.*
Appendix:

I. Early Development of Google: Timeline

1995-1997

1995
Larry Page and Sergey Brin meet at Stanford. Larry, 22, a U Michigan grad, is considering the school; Sergey, 21, is assigned to show him around.

1996
Larry and Sergey begin collaborating on a search engine called BackRub. BackRub operates on Stanford servers for more than a year—eventually taking up too much bandwidth.

1997
Google.com is registered as a domain on September 15. The name—a play on the word “gogol,” a mathematical term for the number represented by the numeral 1 followed by 100 zeros—reflects Larry and Sergey’s mission to organize a seemingly infinite amount of information on the web.

1998

April
Larry launches a monthly “Google Friends Newsletter” to inform fans about company news. (We’ve since shut down Google Friends Newsletter in favor of blogs, Google+ and other methods of sharing news.)

August
Sun co-founder Andy Bechtolsheim writes a check for $100,000 to an entity that doesn’t exist yet—a company called Google Inc.
Before heading to the Burning Man festival in the Nevada desert, Larry and Sergey incorporate the iconic Man into the logo to keep people informed about where the Google crew would be for a few days—our first doodle.

September
On September 4, Google files for incorporation in California. Larry and Sergey open a bank account in the newly-established company’s name and deposit Andy Bechtolsheim’s check.
Google sets up workspace in Susan Wojcicki’s garage on Santa Margarita Ave., Menlo Park, Calif.
Larry and Sergey hire their first employee. Craig Silverstein is a fellow CS grad student at Stanford who works at Google for 10+ years before joining education startup Khan Academy.

December
“PC Magazine” reports that Google “has an uncanny knack for returning extremely relevant results” and recognizes us as the search engine of choice in the Top 100 Web Sites for 1998.

2001

February
In our first public acquisition, we acquire Deja.com’s Usenet Discussion Service, an archive of 500 million Usenet discussions dating back to 1996. We add search and browse features and launch it as Google Groups.

March
Eric Schmidt is named chairman of the board of directors.

April
Swedish Chef becomes a language preference in search. We offer several “joke” languages, including Klingon.

July
Google Images launches, initially offering access to 250 million images.

August
We open our first international office, in Tokyo, Japan.
Eric Schmidt becomes our CEO. Larry and Sergey are named presidents of products and technology, respectively.

December
We release our first annual Google Zeitgeist, a visual look at what millions of people searched for over the year just ending. It’s a revealing look at the year that was, from “Harry Potter” to “Osama Bin Laden.” We continue to release Zeitgeist every year.
2003

February  We acquire Pyra Labs, the creators of Blogger. Nearly as old as Google itself (Blogger started in 1999), today more than 300 million people visit Blogger every month.

March  We announce Google AdSense, a new content-targeted advertising service that enables publishers large and small to access Google’s vast network of advertisers. (The following month, we acquire Applied Semantics, whose technology bolsters the service named AdSense.)

April  We launch Google Grants—the nonprofit edition of AdWords, which provides nonprofit organizations with $10,000 per month in in-kind AdWords advertising to promote their initiatives.

October  Registration opens for programmers to compete for cash prizes and recognition at the first ever Code Jam. Today, Google Code Jam attracts tens of thousands of contestants each year, and the finals have traveled to Tokyo, Dublin, London and New York City.

December  We launch Google Print (now known as Google Books), indexing small excerpts from books to appear in search results. In 2004, the program expands through digital scanning partnerships with libraries. To date, we’ve scanned more than 20 million books.

2006

March  Google Finance launches—complete with interactive charts and related headlines from Google News—to help people to find financial information more easily.

April  We launch Google Calendar to help you keep track of events, special occasions and appointments, and to share schedules with others.

Google Translate launches, offering translations between Arabic and English. Today our machine translation service provides translations between 70+ different languages.

May  We release Google Trends, a way to visualize the popularity of searches over time.

Gmail launches in Arabic and Hebrew, bringing the number of interfaces up to 40.

June  We announce Google Checkout, a fast and easy way to pay for online purchases which paved the way for broader payments with Google Wallet.

Picasa Web Albums enables Picasa users to upload and share their photos online.

The Oxford English Dictionary adds the word “Google” (as a verb).

August  Google Apps for Your Domain is released. This suite of applications, including Gmail and Calendar, is the precursor to Google Apps Premier Edition, which launched later in the year and brings cloud computing to businesses. Today, more than 5 million businesses are using Google Apps.

October  We launch Apps for Education; our first deployment is to Arizona State University. Today Apps for EDU has more than 25 million users, and is being used by 74 of the top 100 universities.

We release web-based applications Docs & Spreadsheets (now called Docs and Sheets). Docs is a reworking of Writely (acquired in March).

We announce our acquisition of YouTube.
II. Implementation/Action Programs:

- Google Glass Explorers
  - Give free trials and spread the word about the product and ease of use

- YouTube Story Videos
  - Disabled person using Google Glass to take pictures and video
  - Parent taking pictures and videos of children

- Google Glass Tours
  - Representative of Google make stops in different cities across the United States with Google Glass to let people test it out

III. Resources Required:

- Google Glass Explorers – hundreds of people across the U.S.
Samantha Linnett, Yarmine Fernandez, James Natalie, Kai Wu, Jingyi Wu

- Training of Google employees to market the product on tour
- Transportation costs of tour
- Videographers
- Costs of video creation

IV. Timeline:

- January 2013 – Glass Explorer Program Launched
- October 2013 – Glass Tour starts in Durham, NC
- November 2013 – Glass Explorer Program Expands
- November 2013 – Glass Tour goes to Atlanta, GA
- December 2013 – Holiday YouTube video (taken with Google Glass) releases
- December 2013 – Glass Tour goes to Orlando, FL
- January 2014 – Parent/child YouTube video releases
- January 2014 – Glass Tour goes to Austin, TX
- February 2014 – Glass Tour goes to Chicago, IL
- March 2014 – Disabled person YouTube video releases
- March 2014 – Glass Tour goes to New York City, NY
- April 2014 – Glass Tour goes to Washington, D.C.
- May 2014 – Glass Tour goes to Los Angeles, CA
- June 2014 – Glass Tour goes to San Francisco, CA
- July 4, 2014 – Google Glass is released
- July 4, 2014 – YouTube video of fireworks released (taken with Google Glass)
V. Projected Sales:

![Google Glass Annual Unit Sales Graph](imageurl)