

Task: Describe the innovative approach of Seiko company.

Topic: Seiko's Innovation

Type: Analytical Essay

Length: 11 pages

Formatting: N/A

Requirements: Analyze the progress Seiko's innovation has made in its segment of the market. Support your claims with analytical corroboration.

Name of Student

Instructor's Name

Module Title

Date

Seiko's Innovation

Introduction

Seiko has grown within its industry segment to become a leading force in watch manufacture and electronics. The leadership in the market by Seiko is attributed its innovative structure rooted in the founding owner. The need to focus on a standardized innovation processes was important for Seiko because a market niche had been identified that required the emerging product. The transition to mainstream mass production was achieved in 1969 with the introduction of Astron. The quartz technology was the headlining innovation in Astron in 1969, which provided groundwork for future innovations. The watch was expected to be priced at a relatively higher cost indicating that a unique technology was in the market ahead of other market players. The introduction of the chronograph was done in later and augmented by the merger between Seiko and Orient. The focus on detail required a consistent defined by the Rpp Framework where the organization focused on an in house production unit ensuring the organization's mechanical and electronic appliances were in synchrony with setting market trends.

Innovation Strategy

The major market opportunity for Seiko is anchored on exclusivity in terms of technology and market positioning. The focus on high performance sports is a standard target for Seiko based on the need to provide a product that keeps time amidst intense continuous activity. The inclusion of reliable battery life and sustainable technologies as a market opportunity for Seiko is also an important segment because it supports the needs of the market demographics it targets. The long-term innovative strategy is clear based on the company's adaptations of new technologies that focus on better performance each time. The Tri-synchro Regulator is one such technology that offers a promising future for the company. New products such as the Seiko Spring Drive under quartz have already integrated the Tri-synchro Regulator, which indicates the need for accuracy even in environments of near zero gravity. The nature of the technologies is important because it is inclined toward the personality traits of customers rather than providing a simple watch for the market. The Spring Drive mechanism and the kinetic technology provide the long-term property in corporate development because such technologies are expected to galvanize the market and investors to keep the company ahead of the competition.

The organization has a clear path aimed at attaining a progressive business opportunity for its products. The business of watch making is driven by the need for precision where opportunity is integrated with performance, status, and product design. Seiko has integrated attributes such as the fast-winding system and the long-lasting battery life to augment its position in the target market. The opportunities in the market are based on segmenting the market based on technology and modernity in terms of the targeted market. The transitions in sports is now associated with luxury as incomes keep growing to push the lid for more exclusive products. Middle-income earners provide the biggest target where sport makes a big part of the company. For instance, the company has looked into sponsorships and partnerships that include football

clubs and Olympic Games as a marketing strategy and as a means to developing its corporate reputation. However, this does not limit the reach of the Seiko products because other relatively cheap products can be pushed to the low-income earners. This indicates that Seiko has a chance to transition into other segments that have been left out by the company. This defines the innovative process for Seiko where products that address customer needs in the lower income tier have been included in line with those that have high performance capabilities. The lifecycle is tracked through the various technologies that Seiko integrated into its products citing the quartz mechanisms, the Spring Drive, the Tri-synchro Regulator, and Kinetic technology.

The technological incentive provides the greatest motivation for Seiko within its market niche. The other strategic moves such as focus on business strategy and product development set in once the technology strategy has provided the groundwork. The technological aspect of development is expected because the company has been a leader in innovative technologies in every aspect of developments in the target market. The company's lifecycle in terms of technology is expected to define the adopted strategy. The Seiko Spring Drive is expressed as a mechanical breakthrough to sustain the organization's business strategy. Every technological breakthrough is treated as a means toward gaining a foothold on the market citing the deliberate inclusion of such technological features in promotion of the products. The Tri-synchro Regulator is also marked as a turning point in the organization because it is used to make a move for the market ahead of other players at the time focusing on precision, durability, and stability. The development of the Kinetic Direct Drive provided an insight into product development centered on a technological strategy. The interaction between the customer and the watch was expected to provide the ultimate experience because the watch could generate energy based on wrist movements.

Trends in the watch industry favor technological innovations that Seiko has strived to achieve. The need to make the market robust in terms of market segments that are covered keeps integrating customer needs that have not been explored in the past. For instance, the Chinese market provides varied customer segments that are not necessarily hinged on high-end products. However, within the specialized segments such as sports, a response has been made focusing on transitions in sports where precision timers are designed while responding to the mass market where the Pulsar and Lorus brands are making progress. Other regular products to meet growing demands include bedside watches, optical products, sports life, and Seiko instruments. The need to accessorize through jewelry is a standard inclusion in normal product design because watches involve gold and diamond encrusted bands. The regular watch market has increased the competition in quality timepieces, which seems to limit Seiko's grasp on early trends where technology headlines product development. The concept of reliability regardless of product uniqueness is a customer need now than luxury. The poor development of the brand in other global markets has kept the product behind schedule as other brands takeover the industry. Aggressive marketing strategies will enable revival of the brand going back to the basic quartz technology with the Seiko brand. The high prices that characterize the Seiko products are also limiting progressiveness in the market that is responding to brands such as Swatch and Casio.

Disruptions that Seiko Caused in the Market upon Entry

The market disruptions that Seiko caused are major because during the inception of the company few market players had ventured into technological trends in watch making. Seiko makes a difference in every technological implementation while focus on creating a robust product portfolio was evident upon market entry. For instance, Seiko's Astron was considered a pioneer in quartz watches that targeted at an exclusive market based on the branding and pricing

strategies adopted. The introduction of the quartz chronograph was considered the market's first which positioned Seiko as a leader in its market segment. The partnership with Orient was considered strategic in terms of penetration into new markets outside Asia, which was considered the primary market. Focus on manufacturing timepieces as jewelry accessories has opened a leading market among the higher income earners citing the Seiko branch in the United States that specializes in high-end stores. Seiko sought to brand watches are defining an individual's personality and capable of defining character before any other brand could make such a decision. The integration into major sporting events as a sponsor and official timer augments Seiko's market entry as a disrupting because people had not viewed timepieces in a manner that could define sports professionalism. Major sporting events that have helped position Seiko a leading watch make include the FIFA World Cup, IAAF World Championships, the Olympic Games, and sponsorship for the F1 Honda team. This can be defined as a new market disruption because it pioneered in every product differentiation endeavor.

The “Technology Push” and “Need Pull” Concepts

The technology push comprises a large part of Seiko's approach to the market. The new technologies at Seiko are considered the motivation in development of new products in the watch industry. The research and development at Seiko is augmented by the realization of a new product and later introduction into the untapped market. Fewer resources are invested in market research when an organization focuses on technology push resulting in products that are expected to create a new demand in the target market. The Spring Drive and Kinetic technology are the pioneering technologies for Seiko that made a difference in the market without necessarily seeking to perform market research to understand trends or customer needs. This has allowed Seiko to focus on its product portfolio in terms of what to push into the market rather

than the market dictating terms. Products such as the chronograph are considered a classic example of technology push because their success rate was limited to a certain high-end class while the design of the product did not generate the needed demand because digital appliances with similar capabilities became instant market hits. However, a few market exceptions have been made for the product citing usage in submarine timings, F1 racing, and hospital usage.

The need pull has sometimes worked in favor of Seiko based on various market segments demand for luxury products. The art of time telling is unique because the use of watches keeps transforming based on the associated use as an accessory. The encrusting of diamonds, gold, and platinum to watch casing is an indication that watchmakers are responding to a market need. This requires market research aimed at addressing a particular need identified within the target market. Potential customers are identified based on market researches, which is a resource intensive venture. For instance, focus on luxury products such as the Grand Seiko, the Credor brand, the Galante, and Phoenix. These watches are considered luxury products based on their expensive technologies and inclusion of rare and highly polished metals in the casing design. The bulk of the products include designs that are targeted on celebrities such as movie stars and sportspeople with high spending power on products that Seiko offers. Seiko has deployed focus groups when testing a product citing their regular inclusion in sports stars such as Novak Djokovic where a new customized product is marketed to generate market buzz. The application of the “technology push” and ‘need pull’ concepts has led to better positioning of Seiko products because each product line is crafted to create a certain demand based on the technology strategy while certain needs define product development.

Learning

Seiko Company has been successful in the watch industry based on its learning process that has culminated into high levels of efficiency. The company prides in having system problem solving and quality philosophies. The management is keen on driving efficiency among employees by ensuring they have disciplined and innovative mindset. The learning experience at Seiko has been a combination of different strategies from experimentation to own performance analysis. Experimentation involves the use of other scientific methods to upgrade their quality and product portfolio. The success at Seiko Company has accelerated over the years because of its ability to learn from their past setbacks. The failures they experienced in the past when developing their products have been important in making future adjustments to their products and processes. For instance, they learned to improve their kinetics in the watches when they discovered the source of premature failures. The auto relay watches have been perfected since then because they learned by embracing their mistakes.

The learning curve at Seiko has been a series of observations on their milestones, failures, and overall performance. It entails an array of strategies that the company has implemented in order to improve its total quality performance. The half-life curves have been important in boosting the short-term performance objectives. These half-life curves have been essential in eliminating the problems in their quality and improving their areas of weakness. Through the learning evaluation for Seiko, it is evident the company has had a faster learning curve in the last decade especially after learning to maximize on their mistakes. The gentle learning curve of the company has led to innovative smart watches competing with companies such as Breitling and Bell & Ross. The company has been able to develop watches for different segments in the market ranging from stainless steel to diamond as the key materials.

Internationalization

The process of internationalization has many challenges because of increased competition and other consumer laws in destination countries. Like many other Japanese corporations, Seiko embraced globalization in order to expand its market size and revenue base. After evaluation of its learning curve, the company management realized that their internationalization strategies should be well managed in order to avoid becoming liabilities. Based on this realization, Seiko has collaborated with different companies across the globe in order to capture international markets. For instance, Seiko Corporation collaborated with FC Barcelona in order to increase its marketing strategies and boost its visibility in the global arena. The choice of FC Barcelona is based on its success in the football industry. FC Barcelona chose the Seiko Sportura as its element of choice in order to market its partnership with Seiko. This partnership reflects a number of possibilities because the two companies believe in the same objectives. Seiko has been successful because of the determination to be self-reliant in making all the watch components without relying on other suppliers. The long-term investments made by the company have enabled it to empower its employees to learn more and perfect their skills. The development of internal controls has triggered the company to develop a special place in the global market especially by realigning itself to global leaders such as FC Barcelona. Despite the challenges in competing with international brands such as Rolex, and Rado among others, Seiko has been able to mark its position in the market.

Recommendations

The Seiko brand has never matured out of its primary market in Japan. This has been its downside that the company should correct. Luxury brands such as Credor, Grand Seiko, Galante, and Phoenix have not emerged out of the Japanese primary market based on a move to open subsidiaries in Europe and the Americas where newer brands are already being produced but not

representative of the organization's culture. The subsidiary branches outside Japan should be focused on brand continuity to accentuate reputable Japanese brands instead of creating new brand lines that lack the luxury property that Seiko aspires to incorporate.

The competition from Swiss and Germany watchmakers is intense based on their appeal in the global markets that Seiko is yet to penetrate. The segmentation according to prices has worsened the marketplace for Seiko citing the possibility of increased competition in a relatively small market base. This has led to dwindling profits, which could spell doom for measures toward capital growth. The organization should look into expanding its market segment to include low-income earners to make it a sustainable brand even in terms of becoming a household name.

An introduction of new product portfolio would be important because it offers the customers a wide array of products to choose from depending on the needs, preferences, and income. The organization focuses on innovation attributes defined under the Seiko 5 series, which defines the competitive advantage. This includes attributes such as water-resistant, day display, date display, and shock resistant, and automation. The transition into luxury brands has influenced the innovative processes targeting sportspeople, celebrities, and intensive activities such as diving. The kinetic watch incorporated self-energizing properties marketed as the Seiko Kinetic watch. These developments have been monumental in the success of the company but Seiko needs to add the scope of target audience through a plethora of products that reveal its commitment to the wide range of customers not just luxury items.

Strong copyright laws and patent agreements should support operations in various markets. This has the prospect of countering entry of counterfeit products that could taint Seiko's brand name. Adoption of copyright laws should include markets not covered by the company in terms of subsidiary branches through use of international trade laws that crackdown on fake watches. This move will be based on Seiko's marketing activities seeking to increase its market base into the global platform. Brands such as Galante and Phoenix are rare but highly available in Japan indicating the poor nature the watchmakers marketing strategy.

Seiko also needs to implement new marketing strategies that are aggressive in nature in order to penetrate different markets across the globe. The idea of internationalization is lucrative but may be impeded through intense competition and geographical constraints to their customers. It is important for the company to embrace the internet as its main marketing tool especially through the social media sites. The digital marketing will give the company access to many people at the same time. It will also be possible to attain feedback from customers within a short span of time that will enable Seiko to change its operations or improve their products or services. Use of the internet is also essential in helping the organization to conduct online surveys on the popularity of their watches. Such information is pertinent in ensuring constant improvements in their operations.

Seiko needs to focus on obtaining many global partnerships in different business realms. Part of the growth of the company has depended on the partnerships of organizations such as FC Barcelona. By associating itself with world business leaders, Seiko is able to make a statement to its prospective customers. These partnerships can be exploited as a way to increase investment base in the company or market its products. The company needs to solicit partnerships or

collaborations from other successful organizations in order to enrich its brand image and sustain a competitive position in the industry.

Conclusion

The transition to mainstream mass production by Seiko has transformed the manner which other watchmakers view the market. The quartz technology was a headlining innovation while other exquisite mechanical inclusions have made the necessary technological inclusions to differentiate the product. The focus on luxury as a market segment is defined by the watchmakers' exorbitant prices, which align with its unique technology. The organization focuses on innovation attributes that seek to create the need before testing market demands.

Overall Impression

I think this paper is not poorly written, but some typos were present and punctuation could have been a lot better. The writer seemed to use commas awkwardly and words were missing at some intervals. Also, I think some of the information could have flowed better, as some paragraphs seem like a mass of information without a single message. Not a bad essay, however.