Marketing Plan

Sprint/Nextel

From the syllabus: ***.* If the content of the paper is poorly developed, lacks headings or if the paper is poorly written, poorly referenced (without a passing grade), punctuated and/or grammatically insufficient, it will be returned without a passing grade.**

**There is no research in this paper. Turnitin percentage is too high**

**Executive Summary**

Sprint/Nextel created a successful wireless communications company. Sprint has a very solid and reputable brand known by many U.S customers as one of the original wireless providers. They created a very successfully concept of offering mobile phone service inside Radio Shack electronic stores.

The current mobile phone industry is very competitive. There are a large number of providers who are often, subsidiaries of larger companies. Currently more U.S. households use wireless services as there sole telephone service. In 2016, 49% of U.S. households are wireless-only. There is also a high percentage of individuals using new, advanced smart phone has to access Internet service on their wireless device. This increases the use of wireless communications and places more necessity on individuals needing and wanting wireless devices.

The market’s competitiveness has increased with the innovation of the company AT& T I-Phone product line. The strategy that AT&T created has been extremely successfully. The I-Phone has become the most desired cell phone to have and when it original was released it was solely available utilizing the AT&T service. This created millions of new AT&T customers and once the customers had the I-Phone, they rarely went to any other brand or service.

Sprint has been able to remain competitive by increasing their range and brands of phones and service plans. Their brand is very well known and this has been a large part of their appeal. The acquisition of Nextel increased their phone coverage and selection and this provided consumers with a great deal of choice and variety in both the phones and the services provided.

The current U.S. major competitors for Sprint are AT&T, Verizon and T-Mobile. These wireless providers have been consistently ahead of Sprint in the last five years. This is due many factors but the primary factors to their success over Sprint include their market brand, their phone elections, features, and their price. If Sprint is going to remain a leader in the mobile phone industry, it will need to work effectively to improve in these three distinct areas.

While Sprint is now able to offer customers a wide range of phones and services even including the AT&T I-Phone its best feature which was its unlimited data, talk and text plan is no longer going to be able to keep them as a market industry leader. Sprint was the only U.S. mobile provider that offered a monthly plan that gave consumers one monthly price for unlimited use of data, text and talk time as other providers who offered this service provided it with many limitations and in only certain market areas. However, major competitor Verizon recently announced that they would now be offering this exact service.

Sprint can regain their customers and remain as one of the most profitable wireless providers in the U.S. if they focus on improving their brand image, creating and maintaining the most innovative, advanced selection of wireless phones and other wireless products, remain competitive in price, and offer more data packages to accommodate a wider range of consumer.

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**Background**

Sprint/Nextel origins started with the Southern Pacific Railroad. The Southern Pacific Railroad Company was founded in 1865 by a group of businessmen who were seeking to find great wealth and establish a company that would become a leader and innovator in the industry (source, year). The company started well in the railroad business and it did not take long for a team of magnates to get interested in the company and in 1868, the original owners sold the company to these magnates (source, year).

The magnates soon believed it would be best for the company to merge with the Central Pacific Railroad system in 1870 (source, year). This created a strong brand and by 1873, the company had built its first locomotive (source, year). They continued to be innovators using refrigerated rail cars in 1886. In 1913, the U.S. Supreme Court ruled that the Union Pacific had to sell all of its stock to the Southern Pacific (source, year p. # or para #). This was only limited as in 1917 the federal government took control of all rail operations in the United States as preparation began for World War 1, however when the war ended Southern Pacific managed to acquire more control of the Cotton Belt Railroad (source, year).

The company had seen success in the railroad industry and in the 1940’s began seeking ways to capture additional income and attract more customers. They decided to expand and formed the Southern Pacific Communications Corporation (SPCC). The company began converting older and obsolete telegraph wires and poles into telephone wires and poles. Unlike many of the communications companies during that time, SPCC utilized their own equipment instead of using the most popular Bell Company communications equipment.

In the 1970’s the company was sold to GTE, General Electric purchased SPCC and in 1983 with the inspiration of creating a larger company that would be able to compete with the largest communication company of the time AT&T (source, year). The company was named GTE Sprint. In the 1980’s another merger with US Telecom would create the new company, US Sprint (source, year). The company begin to use fiber optic cable lines and build their own fiber network.

United Telecom became the primary owner of Sprint in the 1990’s, expanded the company, and created Sprint International. Sprint International focused on handling international long distance calls. It then decided to purchase the company Centel in 1993, which allowed Sprint to provide local service to 18 states, and this put them on the wireless cell phone market.

It was in 1997 when Sprint collaborated with the electronic store Radio Shack that the company really begin to expand. This partnership placed Sprint stores inside Radio Shack to offer communication services and products throughout the U.S. This solidified Sprint’s brand in the mobile phone industry. There is no research cited anywhere in this section. Every time you cite a fact you must cite a source. I have indicated a few examples of this, but you need to include in-text citations throughout this section for the final paper

The company was successful at keeping ahead of the current market and as wireless communications grew and expanded Sprint decided to acquire the company Nextel. The acquisition of Nextel made Sprint the fourth largest provider in the U.S. mobile phone industry.

Currently a Japanese telecommunications company Softbank owns Sprint. Softbank is ranked as the 62nd largest public company in the world and the third largest public company in Japan.

From the syllabus: **Plagiarism occurs when written work; 1) fails to cite quotations and borrowed ideas from outside sources, including the World Wide Web and other student work; 2) fails to enclose borrowed language in quotation marks; and 3) fails to put summaries and paraphrases in the writer's own words**

**Industry Analysis**

Currently the US wireless industry is responsible for 3.8 million jobs and has an increase of more than 200,000 over the past six years and these accounts for 2.6% of all U.S employment. This shows that the wireless industry in the US is extremely vital and highly in demand. There is a place for Sprint if they stay on top of current trends and utilize their Japanese ownership by working to create and promote the most innovative and advanced wireless phones and other wireless devices. It is in their best interest to work to create a specific brand market wireless device that is new, exciting, and highly associated with Sprint as AT&T created with the I-Phone and other I-products such as the I-pod and I-pad.

The wireless industry is now larger than the publishing, agriculture, hotels and lodging, air transportation, motion picture and recording, and motor vehicle manufacturing industry segments and rivals the computer systems design services and oil and gas extraction industries. This shows that Sprint is part of an industry that will remain in high demand for many years to come and it remains up to them to continue to improve and enhance their products and services to target a wider and more diverse segment of the target market.

**Major Competitors**

The main competitors for my organization are first, other cell phone carriers. These include; AT&T, T-Mobile, Verizon, Boost Mobile and Cricket. The other competitors I believe are the wide variety of cell phone apps that offer free texting and calling such as FaceBook Messaging, What’s app, Skype and Imo. These are competitors because these apps allow users to call and text for free without having to subscribe to a monthly service as long as you have Wi-Fi service on your phone and while this may not stop consumers from signing up for a basic cell phone plan it may lure them away from adding on data and texting packages.

Sprint is not yet the industry main leader and they are facing going even further behind if they do not start to get ahead of the current needs of the consumers. Currently consumers do not think of Sprint/Nextel first when they think about cell phone carriers because other carriers currently offer better phones, better features and many are far cheaper.

**SWOT Analysis**

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| **Strengths**   * Sprint has a strength of being a well-known brand with a long running history and that is important in today’s market of new, quickly rising companies. * They also have a strength of offering unlimited plans, which is something the other carriers are not offering at all or offering in only a limited capacity. * They also do carry a wide selection of phones including the AT&T iPhone, Samsung, HTC and LG. * They also have phones and plans to suit all consumers. | **Weaknesses**   * The weakness is that they are quickly becoming a forgotten brand. Current consumers are now seeking new and innovated services and features and even though Sprint has these services and features; consumers are not taking the time to notice * They also will quickly not be the only service to offer unlimited plans to consumers. |
| **Opportunities**   * Sprint will need to increase their mobile broadband service as well as work to ensure they can offer the faster service with the largest coverage areas * They could also seek ways to collaborate with other large companies such as Goggle, Amazon and Facebook, companies that many of their consumers are aware of. * They could utilize the most innovative products to produce and create new and exciting wireless phones and other wireless products | **Threats**   * The market varies depending on the status of the US economic so the economic always remains a threat * They are facing more competitive pressures from current players, AT& T, Verizon and T-Mobile. * Technology changes daily so they must remain on top of current advances. |

**From the homepage:**

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| **[Reminder](https://metrostate.ims.mnscu.edu/d2l/lms/news/newedit.d2l?ou=3474025&newsId=5399314&Global=0" \o "Edit Reminder)**Actions for Reminder | Feb 16, 2017 11:10 AM | - | Published |
|  | When conducting a SWOT – the most problematic area for students has been the opportunity section.  Opportunities must be external to the organization.  While you might believe that expanding a product line or changing advertising are great opportunities, they are not opportunities.  These would be examples of marketing strategies that are based on an external opportunity (such as demand from consumers is increasing, coffee bean prices are falling, technology is changing at a rapid pace).  Make sure when you work on your SWOT that the points listed for opportunities are external and not based on the 4 ps (product, price, place and promotion).  External factors include Political, economic, sociocultural, technological, legal and environmental (PESTLE). Take a look at this article for further discussion <http://pestleanalysis.com/external-factors-affect-business/>  Here is a SWOT on Target that provides a great example of analyzing external opportunities <http://pestleanalysis.com/swot-analysis-of-target/> | | |

**Strengths**

Sprint has a strength of being a well-known brand with a long running history and that is important in today’s market of new, quickly rising companies. They also have a strength of offering unlimited plans, which is something the other carriers are not offering at all or offering in only a limited capacity. They also do carry a wide selection of phones including the AT&T iPhone, Samsung, HTC and LG. They also have phones and plans to suit all consumers from those who have bad credit and need a prepay plan and those who credit is not an issue and they want to be constantly online with an unlimited talk, text and data plan.

**Weaknesses**

The weakness is that they are quickly becoming a forgotten brand. Current consumers are now seeking new and innovated services and features and even though Sprint has these services and features; consumers are not taking the time to notice.

**Threats**

Sprint is currently not the industry leader and this is a major threat for their company. They are facing going even further behind if they do not start to get ahead of the current needs of the consumers. Currently consumers do not think of Sprint/Nextel first when they think about cell phone carriers because other carriers currently offer better phones, better features and many are far cheaper.

**Market Opportunity Analysis and Final Statement**

I believe that Sprint’s competitive advantage is their wide selection of current phones and their unlimited data plan. The millennial market seeks constant connection, they are a large number of the consumer market for Sprint, and they should be the focus. They should show their competitive advantage as offering an unlimited talk, text and data with a plan for everyone with all the best phones.

Sprint has the potential for success. They have a solid foundation and I believe they have all the necessary starting tools that it takes to succeed. They will need to focus on analyzing the current market, finding, determining current trends, and working to stay on top of these trends. They must also spend more time on market research to ensure that they are in line and in favor with the millennial target market group because this is the best target group they need to help them stay in the top as a market industry leader.

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| **[Market Opportunity Analysis](https://metrostate.ims.mnscu.edu/d2l/lms/news/newedit.d2l?ou=3474025&newsId=5419564&Global=0" \o "Edit Market Opportunity Analysis)**Actions for Market Opportunity Analysis | | Mar 2, 2017 8:16 AM | | - | Published |
|  | | The questions for the Market Opportunity Analysis are at the bottom of page 49 in the textbook. | | | |
| [MOA](https://metrostate.ims.mnscu.edu/d2l/lms/news/newedit.d2l?ou=3474025&newsId=5421537&Global=0" \o "Edit MOA)Actions for MOA | Feb 15, 2017 10:30 AM | | - | Published | |
|  | Answer the 5 questions from the bottom of page 49.  Make sure to type questions into the paper and then answer.   Include research. | | | | |

**References**

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The paper has no research in the text, little attempt at APA and several instances of plagiarism. 0/100

0/10 APA