
Sony: Business Analysis

Why have you chosen this business?

I have chosen Sony as the business I will investigate innovation and enterprise because they have a wide range of products where they have been the first ones to create them. An example are CDs as storage devices with a capacity of 100 GB. They were the first ones to explore over many ranges of products such as types of technology including radios, speakers, and a cd based gaming consoles which was a very innovative product from Nintendo when it first came out. Evaluating what they have done, we can observe the difference in their technology then which would be creating a radio, to these days which is to be one of the best brand for speakers with a wireless connection. Sony are not only a company that creates they continue to improve on product they have made making them better each version they make. They want to be the first to perfect it and this means they think of new and better ideas faster than any other company. They are constantly improving products like their PCs, TVs, and gaming consoles and now they have multiple version of the product each one better than the other.

History and background

Sony was created by Akio Morita and Masaru Ibuka. The company was first established on 7 May 1946. The first name of the company was Tokyo Telecommunications Engineering Corporation Later in 1958 the organisation's name was changed to Sony. It has introduced products such as the portable stereo or cassette player called the Walkman and the compact disc. In 1949 Sony completed the research on magnetic tape recorder and the next year they released G-Type which were introduced to play magnetic tapes. In the 1960's Japan had a reputation for low quality goods. So Morita moved to New York to learn the language and understand the consumers. He encouraged his executives to learn English to ensure that Sony was to be regarded as a global corporation. Sony was licensing transistor technology from Bell Laboratories and after 4 year of having this they started manufacturing compact transistor radios this was the first instance of Sony being innovative. In 1989, Sony released the HandyCam, a portable, easy-to-use, 8 mm camcorder in 2005 Sony upgraded the Handycam to the High Definition Handycam, creating the world's smallest video camera. Sony is also a major player in the music and film industries through its Sony Music and Sony Pictures divisions. This was so that they could Controlling its own content ensured that Sony's technological innovations would never be thwarted by lack of industry support, as Blu-ray's triumph over the rival HD-DVD format would illustrate.

Timeline of innovation

The first innovative product Sony released on the market was the tr-55 a transistor radio it was japans first transistor radio using 5 transistors it inspired other portable radios. The radio appealed to a large amount of people because it was a cheaper than buying a TV and you could listen to music and the news. In 1960, Sony released the world's first direct-view portable TV the TV8-301. The company continued improving the TV and two years later produced the tiniest all-transistor TV. The Walkman was first released in 1979. The small, lightweight portable

tape player revolutionized the way people listened to music, by making it an individual and personal rather than a shared experience. In 1984, Sony followed the success of the Walkman with the release of the Discman, the company's first portable CD player. This was their way of recognizing the new digital age and try to join it. In 1989 Sony released the Handycam it was a portable, camcorder. In 2003, the company released the world's first Blu-ray disc player. In 2005 made a High Definition Handycam, creating the world's smallest video camera. Sony were the first company to create Blu-ray's CD with storage bigger than the normal CD drive. Sony came up with their gaming line called PlayStation in 1993 followed by the PlayStation 2, which was released in 2000 PlayStation 2 is the best-selling home console to having reached over 155 million units sold this brought in a lot of profits for Sony allowing them to fund other thing in their business like the PlayStation 3. They also released the PlayStation portable this was ahead of it time it was a big success it sold a total of 80 million units worldwide.

How have they used innovation?

Ever since Sony was created it has been an innovative company, they made their first transistor radio and they improved the transistor in the radio so much it was better than any another company's this is why it was successful in America. Around the same time they also released the world's first transistor TV, they did this in an age when people thought TVs were only possible in the living room, this allowed people to think of TVs as portable and opened doors for people to get portable TVs. They were also the first to create OLED TVs they have made TVs with amazing resolution and have improved them dramatically. They were responsible for japans first tape recorder they sold them to the government but then they decided to sell them to regular people and called it the H-1. The Walkman was a revolutionary product in the tech world it was thought that is was going to be a fail but then it ended up being on of their most sold products. As the years went by they thought to innovate on it and they made Cassette Walkman this changed the way people listened to music again. They adapted to the format that was popular and what people had. Their consoles are one of their most well know products they made the first controller with analog sticks this inspire other companies to do the same. They updated their console system and change the shape to match what the market wanted and what the customers liked.

What impact has innovation and enterprise had on the business

Innovation has helped Sony increasing their market growth by making them a good and reliable company The Walkman is on of Sony's most innovative product that Sony released. It brought them success as customers have never seen this type of technology before and the number of sales increased because everyone was curious how it operated. One of the products Sony has innovated was PS3 but because of the bad advertising they had decreased in sales. This product put Sony into a decrease of marketing as the competitor's such as Microsoft who created Xbox 360 in 2005 before ps3 got released and this case put Sony down on marketing as they released their product late. Also Microsoft had Kinetic set on the Xbox which as device that could scan your movements and play the game by your movements. When Ps3 started to decrease the price of the console and add more storage to it started to increase the market share as people could not spend \$400 to a 250GB Xbox console so they were paying \$320 for a PS3 with 320GB of storage. People were also moving from Xbox to PS3 as they will not have to pay online monthly fee.

What changes in the market have they responded to?

In Sony's early stages it created a format called Betamax it was better than Panasonic's VHS but Panasonic was the biggest electronic manufacturer. Panasonic also convinced Hitachi and Mitsubishi to use their format so Sony had to start and make VHS plays but they decided to make it better and portable in doing this they made the Sony Walkman which was a huge success and revolutionised the way people listened to music. When Sony released the PlayStation 2 it was a huge success but when they released the PlayStation 3 people didn't like it because it was too similar to the PlayStation 2 so they decided to change the shape and design. Sony phones in the past years have been falling behind other manufacturers like Apple and Samsung but recently they have decided to improve them. They have introduced the new bezel-less screen and improved the processor to match the current high-end smartphones.

Conclusion

Sony has had great success with innovation it has given it a good name in the tech world. It has established itself as a company that will create a good and reliable product gaining a strong customer base that will support them when they make mistakes in products. Some of their most popular products have been the innovative ones like the Walkman and the transistor these products gave Sony majority of its money. They have had many of the benefits of innovating in a new and growing industry because they have established themselves as a reliable source for good products. They have spent a lot of money on research and development and it has not always worked out for the PlayStation 3 could have been a failure they also lost market share to Microsoft because they released their Xbox 360 which was a big success which drew the disappointed PlayStation users.