

Panasonic ideas for life



Panasonic's Plasma Display Panel factory in Amagasaki, Japan.

Market

Old is gold is not a maxim that is much valued in the world of electronics. In this fiercely competitive space, technologies change in the briefest moment and products date in the blink of an eye. In the 1970s and 1980s, while the international electronics industry was growing with leaps and bounds, India was in the grip of an economy that made it necessary for the government to disallow free trade.

The unshackling of the market in 1991 opened the floodgates. Indians, for long deprived of world-class products, were now anxious to catch up with this very world. Propelled by a growing middle-class, changing lifestyles and rapid urbanisation, the Indian consumer electronics industry is now surging forward at a rapid pace.

Three other factors are contributing to this. The first is India's young population; familiar with electronics, technology savvy and comfortable with things that are digital, this segment, in the main, will drive the consumer electronics business to new records. The second is the lowering of duty tariffs, increased competition and cheaper technology; this will reduce the cost of acquisition and bring more products within the

reach of many more millions. The third is the fact that despite aggressive growth, consumer electronic goods are still lowly penetrated – leaving huge room for growth. In short, India will continue to be amongst the world's strongest markets.

In this bazaar of exceptional opportunity where Rs. 81,000 crore (US\$ 16.90 billion) worth of consumer electronic goods were sold in 2008 (Source: Electronic Industries Association of India) Panasonic is one of the proudest brands.

Achievements

Panasonic has had a distinguished history of introducing technologically advanced products which have been well-received by consumers and industry alike. In fact, with more than 4000 patent applications filed in the last two years, Panasonic is the world's foremost company in developing new technologies and its applications.

The company has been applauded for several pioneering efforts and has won acclaim on the international stage and has been felicitated by scores of world-recognised, industry awards.

The plaudits it has won have included the CNet Asia Editor's Choice award for its Lumix DMC-LX3, an outstanding digital camera and the Viera TH-50PY850, its 50-inch plasma screen television. Viera has also been awarded with the Best Product honour by European Imaging

and Sound Association (EISA) for 2008.

The brand received the much-celebrated Hardware Mag (HWM) Gold award for three extraordinary, single-lens reflex cameras: the Lumix DMC-FZ30, Lumix DMC-LX1 and Lumix DMX-LX3. The latter was also selected the Best Advanced Compact Camera of 2009 by Smart Photography. In its wildly successful Lumix series of cameras, the DMC-G1 has set a record of sorts by winning a number of awards – including the Innovation of the Year 2008 award from Better Photography; the Best Entry Level Consumer DSLR (digital single-lens reflex) Camera of the Year; the Best Technological Innovation of the Year and the Most Prestigious Camera of the Year award in the Smart Photography Awards 2009.

The most coveted photo and imaging awards in Europe are given by TIPA (Technical Image Press Association). In this highly competitive environment, Panasonic has won eleven awards between 2004 and 2009 in Barcelona, Treviso, Geneva, Majorca, Rome and Budapest for products as varied as digital camcorders, photo printers, digital projectors, digital compact cameras – even storage solutions.

The highly prestigious DIWA (Digital Imaging Websites Association) Gold award and HWM Platinum award were given to Panasonic for its digital camera, Lumix DMC-FZ30 and AG-HVX202, the brand's high-definition camcorder.

Clearly, if awards are one of the yardsticks for measuring excellence then Panasonic is at the head of the league table.

History

The history of Panasonic goes back to when Konosuke Matsushita founded Matsushita Electric Devices Manufacturing Company in 1918 for selling duplex lamp sockets. At first, he traded from the rooms above his house, where he also manufactured electric products. The brand Panasonic was not created till 1955 and was at first used as the brand for Matsushita's audio speakers.

For decades, Panasonic with its Panasonic and National brands has been a revered name in the electronics and appliances landscape in India. Over these years, it entered into a series of joint ventures with Indian companies and established its presence in the country. It set up a joint venture company to manufacture CRT (cathode ray tube) TV sets. A separate joint venture manufactured and marketed kitchen appliances, beauty care- and healthcare products while other joint ventures were established to manufacture carbon rods and dry cell batteries respectively.

In the early 1990s, Panasonic's parent company, Matsushita Electric Industrial Co., Ltd. set up its first fully owned marketing, sales and





service subsidiary in India. In July 2006, it was renamed Panasonic Sales and Services India Private Limited. However, with the growing importance of India, a vision was set in place for the company to discharge a greater role. As a result, in October 2008 it was renamed Panasonic India Private Limited.

In the same month, Matsushita Electric Industrial Co., Ltd. adopted the name Panasonic Corporation. This heralded a worldwide shift of all National branded products to the Panasonic brand.

Today, worldwide, Panasonic is a powerful name manufacturing over 15,000 products which are sold in virtually every country of the world. It employs close to 300,000 people within a complex of more than 600 companies and joint ventures. By value, Panasonic is the fifth largest manufacturer of electronic products in the world.

Product

The power of the Panasonic brand can be attributed to its range of products that provide solutions to a multitude of needs. Broadly speaking, Panasonic is organised into five verticals: home appliances, consumer electronics, office automation, automotive electronics and components and devices.

The appliances division is split into two segments: domestic or large appliances and small appliances. Large appliances comprise refrigerators, washing machines and air-conditioners, while small appliances comprise kitchen aids such as rice cookers, mixers, microwave ovens, thermo pots etc, vacuum cleaners, standby lights, shavers/epilators, hair dryers, curlers, electric irons etc, and health-care products including digital blood pressure metres, digital thermometers, massage loungers etc.

The consumer electronics segment comprises Panasonic's acclaimed Viera range of plasma and LCD flat panel television sets, plasma display panels, CRT televisions, home audio and visual systems, digital cameras, AV accessories, projectors, security systems and more.

In the office automation segment, Panasonic



offers a complete range of solutions such as EPABX systems, facsimile machines, telephones, laser multi-function copiers, notebook PCs, imaging products and interactive white boards amongst others.

Automotive electronics are made up of in-car entertainment (audio and visual systems), while the components and devices segment comprises dry and rechargeable batteries, electric motors, factory automation and electronic devices such as printed circuit boards, capacitors etc.

It's easy to see that Panasonic is a hugely diversified company. What is,

however, less apparent is the fact that it is a company deeply committed to manufacturing not just products but solutions which are safe, reliable, easy-to-use, eco-friendly and in sync with Panasonic's philosophy of 'Ideas for life'.

Recent Developments

Panasonic has had a long history in India. Today, however, it has revamped its entire India strategy and expects to use the high-potential of this market as the arrowhead for future growth.

The results are already coming in. Almost all product categories are witnessing double-digit growth. Its air-conditioner sales have quadrupled in the last one-year and its presence in IT, security systems, printers, projectors, white boards and laptops is seeing a near-100% increase. Reassured by the overwhelming response, Panasonic has drawn up plans to bring to India a range of products from its international smorgasbord of offerings.

In preparation for this, it is working on increasing the consumer interface by growing its brand outlets from 53 to 100 in 2009 and its dealer network from 3300 to 5700.

Promotion

Panasonic reaches out to consumers in several ways. However, it is proudest to support the Olympic Movement which aims to promote world peace through sports. Panasonic has been an Official Worldwide Olympic Partner in the Audio and Visual Equipment category for more than 20 years – indeed, ever since the concept of the Olympic Partner was introduced at the Calgary Olympic Winter Games in 1988. In 2007 Panasonic renewed the partnership with the International Olympic Committee through to the Summer Olympic Games to be held in 2016 in Rio de Janeiro, Brazil.

The brand has also been closely associated with Formula One racing and has been Toyota's title sponsor since the team's debut in 2002.

It is now aggressively seeking to increase its share-of-voice and reach consumers with creative campaigns. As a first step, it has signed up with the young film icon, Ranbir Kapoor, as its brand ambassador. As the face of Panasonic, Ranbir brings a new zest to the brand and its communications. Panasonic's unique 'Bollywood Dreams' campaign will give Ranbir's fans an opportunity to share the screen space with him.

On the more fundamental level, Panasonic realises that the world is besieged by the larger

threat of global warming. Caused by indiscriminate use of fossil fuels and chlorofluorocarbons, global warming has already resulted in shrinking snowlines, the march of deserts, the El Nino effect and the depleting ozone shield.

Panasonic is a responsible corporate citizen. While it is contributing extensively in lowering carbon emissions at its manufacturing facilities and making products that are reliable and energy-efficient, the company is also leading a crusade to create awareness and develop audience participation.

The company launched the India-chapter of its worldwide exercise by co-sponsoring the India International Film Awards (IIFA) as its 'green partner' at a function in Macau in the middle of 2009.

Panasonic has also recently announced its new green initiative in India called 'Eco Awareness'. This initiative aims at sensitising people towards the harmful effects of using products that contains hazardous substances as also the importance of energy-efficiency in day-to-day living. Panasonic is determined to change people's mindsets and drive individuals to assume greater responsibility in their communities by being responsive to environmental issues.

Panasonic has also initiated environment education programmes in schools to promote awareness of global warming and environmental safety amongst school children.

Brand Values

The very essence of Panasonic lies in its basic management objective which decrees that the company will dedicate itself to the progress and development of society and to the well-being of people. Through this, it expects to

enhance the quality of life and create a world that is culturally rich and environmentally safe.

Of the thousands of brands which dot the international landscape, Panasonic must almost certainly be amongst the few which truly care for the environment in which they operate.

On this front, therefore, it adheres to a self-imposed eco-declaration enshrined in its three 'eco-ideas' principles to minimise environmental impact:

to produce energy-efficient products; to reduce carbon dioxide emission in all its manufacturing sites and to spread environmental activities worldwide through collaboration with its stakeholders and awareness programmes that will engage the younger generation.

www.panasonic.co.in

Things you didn't know about Panasonic

- Panasonic is a combination of the words, 'Pan', and 'Sonic', which means 'sound for all'
- The world's largest plasma display panels are manufactured by Panasonic
- Panasonic has pledged to reduce carbon dioxide emissions in its plants by 300,000 tonnes by 2010
- 'Toughbook' is the brand name for Panasonic's dust-resistant and shock- and water-proof laptops designed for extreme working conditions
- 'Toughbooks' are famously used by the US Army and several of its state police forces