



COMPANY ANALYSIS

FITBIT

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EXECUTIVE SUMMARY

Fitbit Inc. is a company located in San Francisco, California, known for its wearable fitness trackers. These trackers, available in several colors, sizes, and prices, can measure steps, calories, and distance, along with users' overall progress. Fitbit has sold 20.8 million products to date, and as of 2014, has amassed \$745.4 million in revenue. The company is currently the top fitness band maker in the world with around 69% of the total market share in revenue, Fitbit has surpassed competitors Garmin, Misfit, Jawbone, and Nike.

The company currently faces several threats, like increasing competition and litigation from competitors, along with several opportunities, like society's increased interest in health and fitness and growing consumer awareness of wearable fitness devices. Fitbit itself has strength in its marketing campaigns and varied product line; its weaknesses are increasing competition for skilled personnel and its issues with product quality. Fitbit's current target market includes technology users with low motivation for exercise. The market is therefore segmented psychographically, by lifestyle.

Fitbit's current marketing mix is very strong. Its diverse, high quality fitness trackers are competitively priced at market. The company currently uses dual distribution, selling its trackers both online and through retailers. Its promotion has recently expanded, with both a successful television advertising campaign and a strong presence on social media.

Fitbit should engage in product development to create a new device: the Fitbit Pulse. These wireless fitness earbuds will sync with the Fitbit app and the user's smartphone. Additionally, Fitbit will partner with Spotify in order to create customized workout playlists; these playlists will be able to adjust their tempo based on users' activity rates. This new product will appeal to Fitbit's primary target market along with Spotify users and music lovers. Therefore, the market will be segmented both psychographically and behaviorally, with lifestyle and usage as their respective variables.

This new product will be priced at \$39.99 and sold both online and through retailers. New promotion will target Fitbit's current target market, current Fitbit users, and music enthusiasts. These earbuds will expand Fitbit's presence in the fitness equipment industry even further, thereby invigorating this thriving company.

2.3 Products/Services

There are several product or services under Fitbit such as watches, trackers and other services.

Fitbit Aria 2 and Aria Air

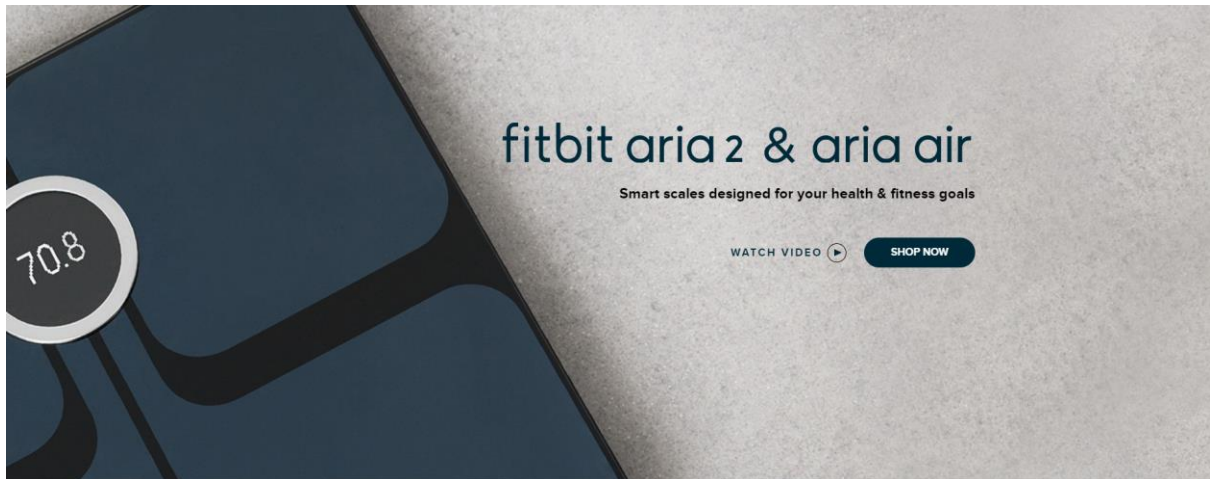


Figure 2: Fitbit Aria 2 & Aria Air

The Aria 2 and Aria Air help users to track weight and let them see their Body Mass Index (BMI) in the Fitbit app. It also can show the result of users' body fat percentage and lean mass in the form of a chart and graph.

It must connect to the app via smartphone's Bluetooth connection to use the scale function. It is easy to set-up because of the wireless syncing. It can be used by eight Fitbit app users while keeping the personal information private.