Samsung Marketing Strategy and Competitive Analysis

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Samsung is a well-known company that is based in South Korea. It is best known as the world's biggest manufacturer of smartphones and mobile phones. Samsung Electronics Co Limited was founded in 1969. Samsung began its move by manufacturing products like televisions, refrigerators, washing machines, and calculators. Today, Samsung surfaces the industry of handsets; mobile phones, smartphones and tablets which mainly use the Android operating system (Turnbull et al.163). It is well known for its Galaxy S series, which has been booming the mobile phone industry and is regarded as a competitor of the Apple iPhone. Samsung Electronics Co. Limited has committed itself to four sectors: telecommunications, LCD appliances, Digital mobile phones, and semiconductors. The mobile phone industry is competitive. It has become an essential industry regarding communication. The mobile phone market is now the best worldwide, and it has the privilege of penetrating the market rate worldwide. Interbrand, an international brand valuation company, in 2017, Samsung was ranked at position six out of the world's top 100 brands with a brand valuation of USD 56.2 Billion. Therefore, this indicates that Samsung is a global brand that is accepted by a huge population.

Samsung Brand Philosophy

From the start, Samsung was required to maximize its resources in order to manipulate customer preferences and perceptions of its electronic products. Dated back to 1993, the company adopted a more aggressive advertising and branding strategy in order to win clients from their competitors. In this regard, Samsung's branding philosophy is founded on several principles, which include world-class designs, innovation, recruitment of the best talents, cutting-edge technology, and internal branding.

Samsung recently has established itself with the popular Samsung Galaxy S series. The Android operating system used to design smartphones, mobile phones, and tablets has been accepted widely around the world, especially in developing countries. Samsung has a good research strategy, with 24 research and development centers around the world (Barra, 2016). These centers have affected well-strategized technical research into place. Samsung smartphones and tablets are available at different prices, depending on their features and sizes; hence, they have something for everyone. Moreover, Samsung is known for its excellent branding, especially in developing countries. In Africa, most people are convinced that the Samsung brand is the best and most reliable. Comparatively, the company has established an effective advertising series through all major mass media and social networking platforms.

Brand Communication

In conveying its brand personality and positioning, Samsung has utilized approximately all the best possible modes of communication. The major brand communication platforms include Samsung experience retail stores, product placements, sports sponsorships, event sponsorship, the Samsung experience gallery, public relations, and Mass media advertising. Samsung's brand communication is mainly designed to cater to several objectives. First, brand communication is reliable in repositioning and maintaining Samsung's credibility, a world-class brand offering quality and premium, and positively shaping the brand in the smartphone industry. Second, it will boost the acceptance by new customers and be at the top of the global charts of consumer electronics brands.

The Galaxy phone series has made it possible for the brand to create and design user experiences and boundaries. Also, this phone series provided Samsung with huge international media attention and coverage, such as Forbes, Wall Street Journal, technology magazines, The Financial Times, and Bloomberg Business Week. Additionally, the Galaxy phones have won several awards for their application of technology and design in innovating better products. Through this exposure, a large portion of the population shifted to Samsung products as the media coverage acted as third-party endorsements.

All these communication channels used by Samsung reflect the desire of the brand to remain at the forefront in regard to the application of new communication mediums, platforms, and channels for marketing its brand. As a result of this, the brand has created and embraced an immersive consumer experience with groundbreaking interactive forms of advertisement. Lastly, the brand has not ignored the significance of traditional media platforms as it commissions a significant portion of its revenue in advertisements through cinemas, outdoors, TV, Radio, and as well print advertisements.

Brand Development Strategies

The company has developed a sustainable strategy that has given it a competitive advantage in the market. Based on the McKinsey 7s model, Samsung employs all the internal elements associated with the method in order to equip the company with a necessary design for obtaining and achieving organizational goals and objectives (Andy, 2018). The strategies articulated by the company ensure that they are well-aligned with the mission, vision, and organizational values. For instance, the Skimming Price marketing strategy adopted by Samsung enables the company to stay ahead of Apple's iPhone by gaining the upper hand over its competitors. Another example is that the company has established "Samsung Strategic Entrepreneurship," through which it exploits the prevailing competitive advantages while exploring potential future opportunities so that the business can prepare and allocate resources. Additionally, the organizational structure of the company ensures that all department and their specific employees have well-defined roles. By having defined roles, the management ensures that all employees can be held accountable for their course of action as well as reducing conflicts caused by overlapping roles.

The company considers all the marketing factors in establishing, maintaining, and exposing its brand. They include political, economic, social, technological, legal, and environmental factors while making a framework for marketing and overall business operations. Politically, the company examines the political systems and situations as well as how the political condition can positively or negatively affect the business. Obviously, the company prefers countries that provide a conducive political environment in order to protect its assets and employees from adverse political instability. Subsequently, the company reviews the extent to which the government influences the economy through policies. Based on comprehensive research before launching products and branches, all Samsung centers are based in countries that formulate policies that promote the industry.

In regards to economic factors, the company has established an important policy that ensures that the company takes into account all the micro-economical and macroeconomic factors while adapting marketing strategies. Subsequently, Samsung employs socio-cultural aspects in places where it operates. This is done by examining the attitudes and beliefs of the target population. Also, the company is trying to adapt to technological changes in the industry by constantly innovating and adopting new technological advances. From a legal perspective, the company ensures it adheres to all restrictions, standards, product safety, regulations, and other government policies established in the market. Lastly, the company has adopted a responsible and ethical operation strategy that aims to protect the environment.

Samsung Online Presence

The firm has established an efficient online platform through which its customers can access, interact, share ideas, and give feedback at their own pleasure. Additionally, through this platform, experts provide direct customer care when required. Having a solid online presence has boosted the company into creating a huge customer base as it acts a crucial marketing strategy which aims at attracting and retaining potential customers (Chaffey and Ellis-Chadwick, 2016). In this essence, Samsung puts extra effort into ensuring the effective design of the online content of their platforms. They are of high integrity and are appealing to the customers in the most profitable way. Moreover, Samsung Company focuses on strengthening its online presence by ensuring a strong customer commitment, refining the web experience, and guaranteeing the provision of great online content.

In regards to online presence, the brand has a well-defined social media strategy that incorporates all social media platforms such as Facebook, Twitter, Instagram, and YouTube, among others, through which it has been able to expand its client base in huge margins. For instance, Samsung's Facebook page consists of over 5 million followers, and their profile page always incorporates the upcoming Samsung launches.

Brand Balance Scorecard Analysis

Comparatively, the management uses the scorecard for marketing, planning, improving technology and innovation, and entrepreneurship skills, as well as for promoting and maintaining its brand popularity. It also incorporates the learning and development of employees. A balanced scorecard approach ensures that any strategic action implemented matches the desired outcome by clarifying and simplifying the organization’s mission and vision. In consideration of improving performance, Samsung employs the scorecard by offering the company four objectives for it to achieve its goals successfully. The company’s objectives are to increase its profits and revenue steadily, to understand the firm’s customers, to value customer service over self-interest, to encourage knowledge sharing among staff, to communicate with each other, to empower staff to make beneficial decisions for its customers, and to seek staff diversity. These established objectives are the main driving force of Samsung’s operational success.

Samsung Weakness

Compared to Apple Inc., Samsung has yet to meet marketing strategies for smartphones, especially in the USA, where Apple Inc. is dominating. The significance of its market is deteriorating, and it remains recognized only in developing countries in Africa and India. In this case, Samsung has to check on the quality of its products. Other companies are overtaking Samsung’s quality (Sunghee, 2017). Specifications and features like the size of the device are challenged. With the popularity of social media, Samsung ought to perfect its camera features to satisfy today’s generation. There has been a question about Galaxy’s safety around the world. It has been reported that a number of them have caused explosions. Swelling batteries, burn incidents, and overheating are just some of the cases that have been reported by users. Moreover, there is an overwhelming number of online complaints, and this shows that Samsung has a weakness in adhering to its customer’s worries.

Brand Opportunities

In promoting its brand, Samsung has the opportunity to invest greatly in developing economies like Africa and India. In these areas, Samsung can do well with its Android smartphones because users in such areas are not yet conversant with complicated PCs. In this case, as the middle class grows, the market consumption will increase in such areas. With the growing digital marketing, Samsung can do well if it designs apps and features to propel online marketing around the world. The app, ‘Samsung Pay,’ is an opportunity for Samsung to succeed in all areas. It should broaden its market by innovating its hardware and software.

Conclusion

In conclusion, Samsung has established a successful business operation, which has resulted in Samsung owning a significant market share, gaining a positive public view, and establishing its brand in various markets where it operates. Based on Samsung's performance analysis, the company has recorded high returns, which are achieved by maximizing resources using a low-cost strategy and a strong online presence. Samsung's brand strategies are transferred into specific, measurable objectives that enable management to view performance in all areas of the organization. However, maintaining the Samsung brand architecture and consistency will be challenging for the company due to emerging and existing smartphone competition.

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