

Samsung

Business



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After Known for selling low-cost products to Moms which resold them under their own brand names Known for selling high-quality, Innovative products under the Samsung brand Very little value placed on marketing and the Importance of branding Samsung greatly values marketing and it has now become, next to R&D, the largest expense on their books unable to attract the best scientists and engineers to work on product development Samsung spends Billions annually on R&D in facilities in Korea and abroad giving designers and engineers the support needed to produce the latest electronics It took 14 months to move a product concept from drawing board to centralization It now takes only 5 months to move a product concept from drawing board to centralization refreshing its product line twice as often Marketing budgets were set as percentage of current sales Samsung now bases marketing budgets on growth potential using the M-Net program to help determine where to best allocate marketing dollars SEC were using more than 55 advertising agencies worldwide, along with advertising products using 20 different slogans Advertising has been consolidated to a single global agency,

Footnote, Cone & Belling (FCC) to streamline a cohesive brand message across all markets Little emphasis placed on the importance of consumer research and its relationship to developing new products Samsung now has a “ relationship monitor to indemnify how to best reach consumers and provide them with the products they desire 2) Samsung furthered their commitment to manufacturing as a core concept by investing billions of dollars into new chip factories and manufacturing facilities Samsung setup new facilities in India to take advantage of the low-cost human UAPITA in the technology

sector that the country had to offer Shifted focus from software development to hardware and devices Created a great diversity amongst their product line veering away from their competitors who mainly focused on a single product category Samsung was able to cut down on the length of time it took for a product to be commercialized from 14 months to 5 months Seamlessly shifted from analog technology to digital technology which merged multiple technologies onto one major network 3) Should we shift our company strategy of being an OEMO product provider to selling products directly under the Samsung brand name? Is it better for us to be like our competitors and focus on one product category or continue to develop products across different categories? Should we develop software and content or focus exclusively on developing hardware and devices? How do we shorten the length of How do we attract the most advanced designers and engineers to develop our products? How do we continue our commitment to manufacturing as a core competence? What is the next big product innovation that can help us catch our better-known rivals?) How do we penetrate markets that have been dominated by more well-known brands? How do we get our managers to recognize the vital role that marketing plays? How do we streamline our branding to have the same clear message across multiple markets? How do we develop a way to determine where our marketing budget is best allocated? How do we measure and better understand our customer's connection with our brand? What specific advertising and sponsorship opportunities can we do to increase our brand awareness? 5) Kim approached his marketing initiatives with the idea that the Samsung brand is a core strategic asset which is built over time Kim knew that he must first instill the

Samsung brand values internally before that message and identity could become communicable Kim established the Global Marketing Operations (GUM) unit to develop a corporate marketing program to establish the Samsung brand outside of Korea In order to deliver a consistent brand message and positive brand visibility worldwide, Kim consolidated the SEC advertising down to using a single agency; Foote, Cone & Belling (FCC) Kim, along with FCC, launched the Digital as an umbrella campaign Kim teamed with the Warner Brothers blockbuster movie The Matrix Reloaded for a co marketing campaign Kim worked closely with FCC, using consumer search, to better understand how the brand was perceived in specific markets and amongst certain demographics Kim coordinated the sponsorship of the Olympic Games Kim and the GUM developed the M-Net program to systematical approach the Samsung marketing investments to be sure they were targeting the highest return opportunities Kim, working with Samsung managers, devised a way to determine how much local adaptation of marketing and brand-building were necessary for each market 6) The rebirth of Samsung into a brand know worldwide for producing some of the most technologically advanced and high quality products can be directly reedited to the vision and innovation implemented by executive vice president for global marketing, Eric Kim.

Unlike his predecessors, Kim focused on making the Samsung brand a core strategic asset.

He understood that in order to achieve this, he needed to take a very calculated approach that would take great effort and time. In an organization that previously placed little emphasis on marketing, Kim went to great

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lengths to educate the SEC divisional managers on the value of marketing and its direct correlation to turning the company into the most successful brand in the consumer electronics sector. Proving this correlation between marketing and potential profit growth would be key in being able to implement his marketing strategies. Kim also knew the essence of the Samsung brand needed to be fully understood internally in order for that message to be effectively promoted abroad.

This is a strategy that should be duplicated by any company looking to successfully spread a cohesive brand message.

Kim showed his leadership skills by heading up the newly formed Global Samsung marketing efforts. He worked intimately with this 90 member team to develop a clear marketing program of how best to build the Samsung brand worldwide. With Skim's guidance and foresight, the GUM made vital decisions that would ultimately decide the future of the Samsung brand. His direct involvement in the decision to consolidate their advertising with a single global agency in addition to developing the M-Net program, which determined where to best reallocate their marketing funds in order to reap the highest returns, were the two most important steps Kim took.

He also helped to launch effective new advertising and sponsorship campaigns as well as delving deep into consumer research in order to better understand his audience's perception of the brand and what they desire in future rodents. This systematic approach to revamping Samsung marketing produced positive results which instilled a belief amongst the product and

regional manager that Skim's strategies were working thus allowing him the ability to implement his plan to the fullest.

Mr.. Kim was able to transform Samsung into a brand that is sought after by global consumers looking for the most stylish and exciting models of a variety of products. Although Mr..

Kim would leave the company in 2004, it was his revolutionary approach to their marketing that would set the stage for Samsung to become the number one global electronics company in the world today.