

Samsung has launched a new generation of tablets marketing essay

[Business](#), [Marketing](#)



Samsung has launched a new generation of tablets. This document will explain whether the industry presents the company with an attractive opportunity and what strategic issues and problems merit front burner managerial attention. Concluding with recommendations. Declaration: " I hereby declare that this assignment is my own work and has not been submitted for any subject previously." DUE DATE: 19 March 2013

Executive Summary: You have heard about Samsung, one thing that has made you hear a lot about them is their innovation. Samsung Innovation has kept competitors at bay and made them one of the leading manufacturers of electronics and mobile devices. If you have tried or used a Samsung product, you will agree that it is utilizing the strong Samsung Innovation that has been laid emphasis by the company. Samsung has launched a generation of tablets. The question posed is: Does the outlook for the industry present the company with an attractive opportunity? What strategic issues and problems merit front burner managerial attention? In the existing business environment, internal and external, all the businesses irrespective of its size have to face and overcome challenges posed by dynamic external changes, namely technological changes and accelerated globalization. This means it is not innovations per se that matters but innovations which embed within themselves game changing strategies would have to be followed by organizations, creating value could be a necessary condition for the company to survive but not a sufficient condition if they have to compete and win for which they need to change the rules of the game of strategy altogether in a manner that would replace the current ways and methods the businesses have been applying them in creating and appropriating value. In

other words, the game changing innovations should not just stop with products and services but summarize within themselves the business processes, business models, and the way a company positions itself in comparison to its competitors. Through the principals we have learnt and acquired in strategic management, this paper will analyse the outlook for the industry and whether it presents the company with an attractive opportunity. In addition it will find out what strategic issues and problems merit front burner managerial attention? It is important to analyse the outlook for the industry and whether it presents the company with an attractive opportunity because Information technology is both an enormous industry in and it is the foundation of drastically changes in the business sector all sectors at large. The sequence of this paper begins by firstly recognising the outlook for the technology industry and IT industry and the description of Samsung. A brief explanation of the strategic issues, internal and external issues faced by Samsung will also be reviewed. Following this is Samsungs innovation which will covers key points such as strategies for Samsung, strategies for Samsung innovation and development of technology platform. Finally, this paper concludes by underlining recommendations for Samsung.

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The Outlook for the Technology and Information Technology Industry:

Global perception:

Market Analysis:

According to the IT market analysis firm Gartner, "Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company." worldwide "IT spending grew by more than anticipated in 2010, reaching 5.3%, as opposed to the predicted growth of 3.2%, given the fragile state of the economic recovery"(Gartner), together with very low growth in most of the markets that are highly developed, the mentioned number gives some

grounds for hopefulness that corporate are preparing for the rates to increase growth than what the GDP figures around the globe is currently showing up in. (www. gartner. com)In June 2011. The global IT spending will grow by 7. 1% over 2010. (www. gartner. com)Gartner suspects that there is going to be some slowdown in spending on desktop PCs because big corporate delay refreshing their desktop PC infrastructure; however this is more because of the increased spending on servers, storage, and networks. Spending on PCs indicates strong growths when new spending on tablet PCs are included. The growth in global hardware spending in 2011 was predicted to be 11. 7%. This is slightly behind the 12. 1% growth achieved in 2010, in comparison with what was spent in 2009; this represents a significant upward revision on the prediction of Gartner's pertaining to growth of 9. 5% for the hardware segment in 2011. (www. gartner. com)

Continental perception:

Market Analysis in Africa:

Africa is a continent comprised of diverse countries, and each of these countries are developing at a different rate, many of these countries are dynamic up-and-coming economies, some of these countries are essential states to American national strategic interests, one of the countries is South Africa which has been identified by the U. S. (Edward S. Marek)More than ever, the web is part of our daily lives. We live in a world that is linked, this allows us to share and live on the web. One of the major components of technology is internet. Africa has the lowest internet penetration rate globally. The penetration rate is under 7% for countries in the Sub-Saharan

African for internet users and for broadband it is below 1%. About 20% of Latin Americans and Caribbean, and East Asia and Pacific countries are internet users. Countries in the North of Africa countries have a rate of 40.4%. However, in the North of Africa broad band's penetration rate subscribers is merely 2%. In Egypt, Kenya, and South Africa most internet penetration is through low speed dial-up connections. South Africa, Egypt, Morocco, and Algeria are where more rapidly speed broadband connections through Asymmetric Digital Subscriber Lines (ADSL) are mainly found. (www.samsung.com/africa) Africa had the world's greatest growth in new mobile phones in 2008. Some Sub-Saharan countries had some growth of 40% yet overall penetration rates remain low. There are also important differences between Sub-Saharan countries, the diffusion rates in coastal countries that are rich in resource and coastal countries that have scarce resource at about 50%, compared 15% in resource scarce closed in countries. (www.samsung.com/africa)

How South African citizens relate with technology, IT, and Samsung:

Amongst other mobile companies, Samsung continued to govern mobile phones in 2011. Samsung is considered trustworthy by many South Africans. The company believes to have established itself as the ultimate company when it comes to style and design. Samsung's target is to dominate the whole South African consumer electronics industry. Samsungs competitive edge is difficult to beat when we base it on its trendy designs and innovative products. According to the latest figures from market analytics company IDC (International Data Corporation) The overall IT spending in South Africa has

increased by 7.1% year-on-year during 2011 reaching a total of more than R111.6 billion. The growth in IT services spending was determined by the economy recovering, business confidence increasing, expanding bandwidth availability, and different infrastructure investments that were made in the country in 2010. In a recent research report, IDC cited that 40% of the South African IT services market is outsourced; this represents the largest market share of all IT services foundation markets. (www.led.co.za)13% is projected for the South Africa IT market compound annual growth rate. This number represents the Major IT infrastructure projects generate spending at provincial levels. A projected improvement in South Africa's broadband infrastructure and international bandwidth is also seen as an important market growth driver and will help drive demand for cloud computing solutions. (www.led.co.za)Samsung:

2.1 Description of the company:

Samsung Electronics Co., Ltd is an international leader in digital media and digital convergence technologies; Samsung is the globe's largest company having the highest brand value. Samsung is functioning in more than 50 countries in the world. Their global strategy involves eight main regions Southeast Asia, Central Asia, Africa, and Middle East, China, North America, Europe and Latin America. Samsung's headquarters are in Seoul, South Korea. (www.thetechstorm.com)Strategy is long term planning to get the goals. It is a roadmap of future actions. After market researching the global market, Samsung gets plenty of feedback from its customer and employees. Samsung needs to advance its products promotional activities, customer

service and online business since it is very important to satisfy its customers. Samsung strategic growth plan aims to fulfil the needs and wants of customers, expectations of employees and all other stakeholders. It requires focusing all its resources on increasing technological innovation and market share growth but the industry's infrastructure and labour skills at that moment were too unfavourable for Samsung to accomplish these and become competitive in the world market. In order to attain this, Samsung reinvented itself by primarily keeping on track with its customers' needs and wants.

2. 2 Samsung Tablet:

Samsung Mobile is one of the five units within the Korean Samsung Electronics. It is the second largest phone manufacturer and one of the largest technology companies by sales in the world, producing different devices including phones, TVs, cameras, computers, stereo systems, etc. The below information has been extracted and it has been directly quoted from an article that was written based on Samsung Africa Forum 2013. Samsung Electronics announced the launch of the world's first 8 inch tablet, the TAB 10. 1. The whole of section 2. 2 has been quoted due to technical terms.

(www. thetechstorm. com)

2. 2. 1. A smart diary for life on the go

The Tablet is slim and dense enough to be the desired on-the-go work and playing tool, the Tablet 10. 1 supports the toughest lifestyles of individuals through bringing powerful. The intention of the tablet is to store and administer personal and professional data capably; the tablet allows for a

perfect pocket-sized hands-on organisational tool. Furthermore, its planner feature helps to manage tasks every day; this includes the management of meeting notes, to-do lists, and even personal diary entries. All the content can be entered and updated in detail. (Staff writer: Wed, Mar 13th, 2013)

2. 2. 2. New content and services

There are upgraded Chat-On which provides instant messaging and group chatting in numerous formats, formats comprising of: images, video, voice, contacts – for easier communication. The flip board developed a modified version of the application only for Samsung's TAB 10. 1. Finally, the Smart Remote gives off a general remote control and electronic programming guide that allows users to manage TV and video watching faultlessly. (Staff writer: Wed, Mar 13th, 2013)

Maximising mass multimedia consumption

The innovative Dual View feature Creative multi-tasking with the TAB 10. 1has made it effortless; it allows users to facilitate multi-screen usage through the two multi- window options. The Dual View's split screen accommodates maximum operation of different applications, allowing content to be resized, dragged, and dropped as you wish. (Staff writer: Wed, Mar 13th, 2013)

2. 3 Future Plans:

Samsung Electronics Co., Ltd., the world leader in advanced memory technology, announced on the 05 April that it is now mass producing Ultra High Speed–1 (UHS-1) interface micro SD cards that support the highest performance levels required on advanced LTE (Long Term Evolution) smart phones and tablets. (Seoul, Korea on Apr. 5. 2012)

In the future, Samsung plans to expand its micro SD card offerings with higher density solutions that reinforce its position as the leading market innovator for NAND flash.

Strategic Issues:

3. 1. INTERNAL ENVIROMENT:

3. 1. 1. SWOT (environmental) analysis: Strengths and Weaknesses

Swot analysis is the most important and first stage of planning. SWOT analysis is potential mechanism to come up with strategically planning for any company. SWOT analysis comprises of Strengths, Weaknesses, Opportunities, and Threats. The internal part of the business is analysed through the weaknesses and strengths whereas the external environment of business operation is analysed through opportunities and threats.

Samsungs electronic strengths are:

A strong international brand. It is the leading consumer's electronics brand in the world. Their quality is excellent . They ensure their quality and range is the same worldwide. The vision of Samsung is to lead the digital convergence resolutions. It means they want to be the leader of the

electronic items internationally. Their concept is strong, they offer good design products, good quality, and they offer medium prices to their customers. Their products are diversified and they have a variety. This means that they manufacture the same items in diverse ways for in diverse countries. Samsungs technology design is very high; their pricing is aligned to the quality of products they produce. Samsung has good reputation among customers, they claims that they have well-established brand equity. They have performed well since the past decade particularly from 2000 onwards. They have a variety of innovative products that have value-added features and functionalities that has been launched by Samsung. The company strongly believes in playing to its strengths. (Samsung Group Timeline and History 2007).

Weaknesses for Samsung are:

The global scale of Samsung's operation indicates that it has severe implication on its management system. To control a business in just one location is easy but for a worldwide operation is complicated and could be challenging. Base on the double digit decrease of its operating profit against the previous year, it indicates that its operating cost had also increased by more than 20%. Its operation had not been efficient enough to produce good profits. Samsung as a South Korean company is reckoned by most customer as only next to any Japanese firm since Japan is always considered as a high tech country in the world. Although companies strive to penetrate new markets, its concentration remains more on a few countries in Europe and North America. Samsung mobile focuses more Kingdom and United States

compared to other countries. Although the diversified workforce is an asset to the company, many cultural and linguistic differences arise which lead to group conflicts and interpersonal grudges. Communication between individuals belonging to different nations may not be as efficient as between those who share the same culture and social background. Samsung is investing into expansion of newer markets and segments. They are intending to detain as many markets as possible in minimum time. However, instead of them taking thoughtful and careful steps for them to reach their desired position, they seem to be rushing to launch products, segments, and marketing campaigns.

3. 2. EXTERNAL ENVIROMENT:

3. 2. 1. SWOT (environmental) analysis: Opportunities and Threats

Opportunities

A business uses its strengths to take advantage of the opportunities that arise, opportunities for Samsung are: Increases mobile and computer marketGlobal growth. Entrance of new technologiesA strong customer demand and good design. There is an increasing need of faster, dependable, and easy communication. Samsung sees a great opportunity in this. The technologies are advancing at a fast pace. The business, by gaining a deep insight into consumer preferences and needs, can develop products according to what the market needs and desires. Samsung Mobile has plenty opportunities to cease particularly with the rise in global population and the need for rapid communication. (EFFIE/ The Best Brand 2006).

Threats

When a company knows what its potential external threats, they can deal with it by coming up with new ideas to counter it or alternatively they can use their strengths to defend against threats in the market. The threats on Samsung are as follows: Social Trends changing: Samsung is trying to build on line help to guide their customers to a more relaxing life. Any change introduces requires better staff competencies by training and online business and website promotion entails cost. They have strong competition: other Korean company such as LG, KTF pose strong competition for Samsung, besides foreign competitors like Sony Panasonic. It's easier to make Smart phones now more than ever. There is definite room for new entrance in the market, and competitors. Samsung contractors can even scheme around patents to devices that are similar. Samsung has linked product lines; meaning that if one product line fails, the other product lines will experience the same failure. The operations of Samsung could be hindered by new regulations and increased trade barrier.(<http://www.studymode.com/essays/Samsung-Opportunities-And-Threats-1196466.html>)

3. 2. 2. Changes in the external environment

External Environment:

Factors outside the company are the external environment of a company. It is the factors that affect the ability of the company to function and operate. Some external factors call for the company to make adjustments and others can be manipulated by company marketing. Court Battles all Across the Globe One of the components of Samsungs external environment is their

competitors. Competitors have a significant effect on how they do business and how they strategically address their target market. Apple has decided to take on the competition, Samsung directly in the same target market. The UK isn't the only place where Apple and Samsung lawyers are fighting. Apple and Samsung are fighting this fight across the world in nearly every country where Apple products are sold. Apple is tired of Samsung creating products that are very similar to what Apple puts out. Apple has won some of these battles while Samsung continues to pick up speed. (Laughtin, A.) Samsung has no control over this, as this is the market environment, what the company can really do is to adapt to the situation and fight the best way the knowhow. The public perception of Samsung can potentially decrease sales. Samsung can use public relations professionals to release strategic information in order for them to influence public opinion, it's vital for Samsung to monitor public opinion to try and resolve potential issues that could come up and potentially start spreading. (Laughtin, A.) The ultimate question is: did Samsung copy Apple or did Samsung simply come up with its own products that just so happen to look like Apple's? It's tough to say which company came out with the concept of an " iPad-like" tablet first. (Laughtin, A. (2011). Samsung overtakes Apple as top Smartphone maker: www.digitalspy.co.uk, Tech Mobile Phones: Accessed on Oct, 30, 2012)

Marketing mix of Samsung

The marketing mix is one of the tools available to businesses to acquire the response to its target market in relation to its marketing objectives . The marketing mix comprises of the 7ps. The 7ps consist of price, place,

promotion, product, people, process, and physical evidence. It's manufactures a range of designs which is vital to the contentment of customers. Samsung has high quality, capitalizes on packing branding, and having adequate warranties. Samsung technology is high and of good value. The products of Samsung are electronic goods, these are goods such as TVs, Computer, notebook, washing machine, microwave etc, and the latest product is the tablet. Samsungs pricing strategy is neither high nor low; this means that the prices are affordable. All Samsungs new products have schemes offers, they offer during festive seasons, new years, when a new product is launched and on its anniversary, which helps to stimulated psychologically to customer. The following explanations of 4ps are of Samsung, its vision as well as mission of marketing strategy is elucidated

Product: All Samsung product ranges are the same worldwide, these included CTVs, audio and video products. IT products, mobile phones, and home appliances. Samsungs product range covers all the categories in the consumer electronics and home appliances.

Place: Samsungs global strategy involves eight main regions brands and they have 25 production base worldwide and more than fifty sales subsidiaries in about 50 countries. They also sell its product through retailers that are independent. Customers can see and handle products they are taking into consideration of buying.

Price: Pricing has played an important role in Samsung's success. They offer various pricing structures to reach out to different customers groups. The price plans are available on a monthly basis and a prepaid option.

Promotion: Samsungs advertising platform is advertising on TV, in magazines and in other media outlets; this type of advertising allows them to reach large

audiences and spreads the brand image and the message very successfully. Every store has special offers, promotions, and posters showing sales offers to attract customers inside the store to buy. ([http://www. phonearena. com/phones/manufacturers/Samsung/tablets](http://www.phonearena.com/phones/manufacturers/Samsung/tablets)) A description of Samsung Innovation and Innovative Strategies for Samsung:

A explanation of Samsung Innovation and two new strategies for Samsung

The innovations that this paper has recommended and suggested here are recommendations that are different in the sense they are not preoccupied with short-term oriented competitive victories, they are focused on oriented competitive advantage which is long term. These recommendations chalks out a 'new future' for the company based on integrating intelligence instead of separating it out through different learning where in the final, the output would be innovations. I have made an assumption in this that Samsung's crucial point would be more and more into the Information Technology and Communications (ICT) oriented business and as a result accords and place the maximum priority to technology driven innovations. In the same breath, it presumed the company would focus on deriving the most gain from the emerging Internet opportunities that are current. ([https://sites. google. com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation](https://sites.google.com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation))

Two Samsung innovation uncharted innovative strategies

The first innovative strategy that this paper suggests according to Routledge Alex, focuses towards the development of software that will ultimately

incorporate the Smartphone with mobile payment system (e-wallet) which has implications and challenges that are far beyond from the way the existing mobile payment system functions. Meaning, the range and opportunities that this area presents has not been exploited even by the stakeholders that are in the industry. The second is pertaining to the expansion of a ' technology platform' that would comprise the present and potential requirements of smart phones. (<https://sites.google.com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation>)

Outlook Samsung innovations

What is essential to the development of any economy is a monetized system that makes business and personal transactions capable, rapid, and timely. Technology is advancing in such a speedy phase, electronic payments may in the next few years have the possibility to substitute in a considerable manner the legacy payments. However, in order for that to occur, the stakeholders that are in the industry would have to be aware of what drives the market for electronic payments. There are numerous solutions which are at disposal that supports connecting bank credit/debit card accounts to on-time practical transactions; however suffering occurs from the restraints of not changing the fundamental value proposal which will be at the customer's convenience. This type of value proposal can be appropriated only if the existing restrictions of smart phones as an instrument for mobile payment are moved through expansion of software that could make the contactless payment system possible. Capturing and appropriating the value proposal

would make things easier in the form of a diverse competitive strategy.

(<https://sites.google.com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation>)

Growth of technology platform

The mobile telephone and Internet were functioning as two entities that are not related, before the smart phones were introduced, through this introduction, customer's mobile internet today. The merging of smart phones and the Internet has made this possible. Samsung is one of the companies that are involved in the manufacture of computers systems, mobile telephony and personal digital assistant devices (PDAs), utilizing the potential that the smart phone industry offer and capturing the value they have shaped is considered to be a key to future growth and profits. The value proposal that I am discussing in this paper is not merely on the using the existing operating system as Android or what Samsung has developed in its own stable, the news that Samsung has copied Apple by taking over its sales in the Smartphone segment in July-September, 2011 quarter has not highlighted another aspect that can go against the company in the long term. It has to do with the operating system (OS). This may have created value for Samsung in the short term but no critical issues for the future are addresses. Samsung doesn't have a strategy as yet to capture the 'lock-in value' of the customers and if it has to lock up the value created by it. This issue should be addresses as another innovative strategy. In this context to capture the value by 'locking-in' the customers, Samsung should pay attention on creation a 'technology platform' for the existing and future

mobile devices. According to Afuah, A he winners in the technological competition are the ones who have don't only the best platform strategy but whom also the best ecosystems to back it up. This indicating that if Samsung has to win over in the smart phone industry with a complete edge by capturing value and appropriate it in the form of revenues and the innovation of technology platform should comprise its second strategy. (<https://sites.google.com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation>)

4. 4. Conclusion on Samsung innovation

This section of the paper has not only through its logical analysis has not only shown it but also mentioned two new innovative strategies which Samsung Tablet would have to take up and practise to secure its place as a future driven company.

In addition, this section has shown that Samsung Innovation is real and they have brought up very innovative products and concepts to the market. The Samsung Tablet Innovation has allowed them compete with larger companies like Apple. (<https://sites.google.com/site/bestreviewsandarticlesxz/others/samsung-innovation-strategic-insightful-information-on-samsung-innovation>)

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Recommendations Samsung is one of the famous global companies (www.samsung.com). The company has manufactured electronics goods and other tangible goods. Samsung service, innovative reliable product has made them become a well known brand. The relationship they have with their

stakeholders and excellent employees and their relationship has also played a vital role in making Samsung a well known brand. Their approach to business is responsible and global citizenship and globalisation with their stakeholders, partners, and customers. The world is being taken in progressive direction for new generations through Samsung tablets. Samsungs mission is to be the best digital electronic company (www.samsung.com). Samsung meet the terms with low and principled standard cares environmental health and safety. They strive to maintain an organized culture value within the company and show reverence and respect to all stakeholders namely, customer shareholders, employees and socially responsible co-operative citizens. Samsung is striving to be the most excellent brand in the field of electronics materials in the world through improving its size, price quality, capacity, or power of the devices. Samsung products and tablets specifically are of high quality. To control standard and quality could be quite challenging and hard. 1. Samsung should increase mobile and computer markets. 2. Samsung should increase international expansion, the size, and extent of global business: Samsung should be increase their size and scale of the global business of electronic brands. 3. One of Samsungs strategies should be to increase online business and give more details. 4. If Samsung wants to stay on to in the market they will have to start being innovative and come up with new, unique products