

Marketing strategy of samsung mobile phone.

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



When determining what the strategic implications are for global interactive advertising under this form of marketing, one finds that the concepts of global marketing and global interactive advertising are no longer utilizing an ethnocentric perspective. Instead, global marketing should be considered polycentric or geocentric (outward looking). Global marketing acknowledges and uses strategic intent to coordinate the combination of centralized corporate or brand directives with more localized adaptations in interactive advertising placement and execution decision-making.

Thus, global marketing does suggest that reaching global consumers is a strategically intended outcome of a hybrid strategic approach. In more details, four main factors included in the above-mentioned approach are product, price, place, and promotion. In other words, when marketing their products, whether locally or globally, firms need to create a successful mix of: * the right product * sold at the right price * in the right place * using the most suitable promotion. 1. 1. Product decisions A product is defined as: "Anything that is capable of satisfying customer needs".

Then the product is the central point on which marketing energy must focus. Finding out how to make the product, setting up the production line, providing the finance and manufacturing the product are not the responsibility of the only marketing function. However, it is also concerned with what the product means to the customer. Marketing therefore plays a key role in determining such aspects as: * the appearance of the product - in line with the requirements of the market identified through market research.

Businesses need to regularly develop new products and markets for future growth. A useful way of looking at growth opportunities is the Anions Growth Matrix which suggests that there are four main ways in which growth can be achieved through a product strategy: (1) Market penetration - Increase sales of an existing product in an existing market (2) Product development - Improve present products and/or develop new products or the current market (3) Market development - Sell existing products into new markets (e. . Developing export sales) (4) Diversification - Develop new products for new markets One thing should be pointed out is how a product appears in relation to other products in the market, or how importance the brand of a product is. Brand is a mixture of tangible and intangible attributes symbolized in a trademark, which, if properly managed, permits a business to differentiate its products and services from those of its competitors, add extra value for consumers who value the brand and improve profitability.

Professor David Jobber identifies seven main factors in building successful brand: Quality Quality is a vital ingredient of a good brand. Remember the "core benefits" - the things consumers expect. These must be delivered well, consistently, etc... Research confirms that, statistically, higher quality brands achieve a higher market share and higher profitability than their inferior competitors. Positioning Positioning is about the position a brand occupies in a market in the minds of consumers.

Strong brands have a clear, often unique position in the target market. Positioning can be achieved through several means, including brand name, image, arrive standards, product guarantees, packaging and the way in

which it is delivered. In fact, successful positioning usually requires a combination of these things. Repositioning occurs when a brand tries to change its market position to reflect a change in consumer's tastes. This is often required when a brand has become tired, perhaps because its original market has matured or has gone into decline.

Communications Communications also play a key role in building a successful brand. We suggested that brand positioning is essentially about customer perceptions - with the objective to build a clearly defined position in the minds of the target audience. All elements of the promotional mix need to be used to develop and sustain customer perceptions. Initially, the challenge is to build awareness, then to develop the brand personality and reinforce the perception. First-mover advantage Business strategists often talk about first-mover advantage.

In terms of brand development, by "first-mover" they mean that it is possible for the first successful brand in a market to create a clear positioning in the minds of target customers before the competition enters the market. There is plenty of evidence to support this. However, being first into a market does not necessarily guarantee long-term success.

Competitors - drawn to the high growth and profit potential demonstrated by the "market-mover" - will enter the market and copy the best elements of the leader's brand.

Long-term perspective This leads onto another important factor in brand-building: the need to invest in the brand over the long-term. Building customer awareness, communicating the brand's message and creating

customer loyalty takes time. This means that management must "invest" in a brand, perhaps at the expense of short-term profitability. Internal marketing Finally, management should ensure that the brand is marketed "internally" as well as externally. By this we mean that the whole business should understand the brand values and positioning.

This is particularly important in service businesses where a critical part of the brand value is the type and quality of service that a customer receives.

1. 2. Pricing decisions element of the marketing mix that generates revenue (product, place, and promotion are all about marketing costs). Put it simply, "Price is the amount of money for which a product is bought or sold". The factors that businesses must consider in determining pricing policy can be summarized in two categories - internal factors and external factors, in which the four most important elements are costs, competitors, customers and business objectives. 1) Costs In order to make a profit, a business should ensure that its products are priced above their total average cost. In the short-term, it may be acceptable to price below total cost if this price exceeds the marginal cost of production - so that the sale still produces a positive contribution to fixed costs. (2) Competitors If the business is a monopolist, then it can set any price. At the other extreme, if a firm operates under conditions of perfect competition, it has no choice and must accept the market price. The reality is usually somewhere in between.

In such cases the chosen price needs to be very carefully considered relative to those of close competitors. (3) Customers Consideration of customer expectations about price must be addressed. Ideally, a business should

attempt to quantify its demand curve to estimate what volume of sales will be achieved at given prices (4) Business Objectives Possible pricing objectives include: * To maximize profits * To achieve a target return on investment To achieve a target sales figure * To achieve a target market share * To match the competition, rather than lead the market Distribution (or Place) is the third element of the marketing mix.

Most businesses use the third parties or intermediaries to bring their products to market. They select a distribution channel which can be defined as " All the organizations through which a product must pass between its point of production and consumption". Why does a business give the Job of selling its products to intermediaries? After all, using intermediaries mean giving up some control over how products are sold and ho they are sold to.

The answer lies in efficiency of distribution costs. Intermediaries are specialists in selling. They have the contacts, experience and scale of operation which means that greater sales can be achieved than if the producing business tried to run a sales operation itself. Functions of a Distribution Channel The main function of a distribution channel is to provide a link between production and consumption.

Organizations that form any particular distribution channel perform many key functions: Information: Gathering and distributing market research and intelligence - important or marketing planning Promotion: Developing and spreading communications about offers Contact: Finding and communicating with prospective buyers Matching: Adjusting the offer to fit a buyer's needs, including grading, assembling and packaging Negotiation: Reaching

agreement on price and other terms of the offer Physical distribution:
Transporting and storing goods Financing: Acquiring and using funds to cover the costs of the distribution channel Risk taking: Assuming some commercial risks by operating the channel (e. G. Holding stock) All of the above functions need to be undertaken in any market. The question is - who performs them and how many levels there need to be in the distribution channel in order to make it cost effective. The choice of distribution method depends on a variety of factors: Market factors: An important market factor is " buyer behavior"; how do buyers want to purchase the product?

Do they prefer to buy from retailers, locally, via mail order or perhaps over the Internet? Another important factor is buyer needs for product information, installation and servicing. Which channels are best served to provide the customer with the information they need before buying? Does the product need pacific technical assistance either to install or service a product? Intermediaries are often best placed to provide servicing rather than the original producer - for example in the case of motor cars. The willingness of channel intermediaries to market product is also a factor. Retailers in particular invest heavily in properties, shop fitting etc.

They may decide not to support a particular product if it requires too much investment (e. G. Training, display equipment, warehousing). Another important factor is intermediary cost. Intermediaries typically charge a " mark-up" or " commission" for participating in the channel. This might be deemed unacceptably high for the ultimate producer business. Producer factors: A key question is whether the producer has the resources to perform

the functions of the channel? For example a producer may not have the resources to recruit, train and equip a sales team. If so, the only option may be to use agents and/or other distributors. Producers may also feel that they do not possess the customer-based skills to distribute their products.

Many channel intermediaries focus heavily on the customer interface as a way of creating competitive advantage and cementing the relationship with their supplying producers. Another factor is the extent to which producers want to maintain control over how, to whom and at what price a product is sold. If a manufacturer sells via a retailer, they effectively lose control over the final consumer price, since the retailer sets the price and any relevant discounts or promotional offers. Similarly, there is no guarantee for a producer that their product/(s) are actually stocked by the retailer. Direct distribution gives a producer much more control over these issues.

Product factors: Large complex products are often supplied direct to customers (e. G. Complex medical equipment sold to hospitals). By contrast perishable products (such as frozen food, meat, bread) require relatively short distribution channels - ideally suited to using intermediaries such as retailers. Exclusive distribution: (1) Intensive distribution aims to provide saturation coverage of the market by using all available outlets. For many products, total sales are directly linked to the number of outlets used (e. G. Cigarettes, beer). Intensive distribution is usually required where customers have a range of acceptable brands to choose from.

In other words, if one brand is not available, a customer will simply choose another. 2) Selective distribution involves a producer using a limited number

of outlets in a geographical area to sell products. An advantage of this approach is that the producer can choose the most appropriate or best-performing outlets and focus effort (e. G. Training) on them. Selective distribution works best when consumers are prepared to "shop around" - in other words - they have a preference for a particular brand or price and will search out the outlets that supply. (3) Exclusive distribution is an extreme form of selective distribution in which only one wholesaler, retailer or distributor is used in a specific geographical area. 1. . Promotion tools It is not enough to have good products sold at attractive price in the right place. To generate sales and profits, the benefits of products have to be communicated to customers. Therefore, "Promotion is all about companies communicating with customers". A business's total marketing communications programmer is called the promotional mix and consists of a blend of advertising, personal selling, sales promotion and public relations tools: Mix Element: Advantages/ Disadvantages Advertising: Good for building awareness Effective at reaching a wide audience Repetition of main brand and product positioning helps build customer trust

Impersonal - cannot answer all a customer's questions Not good at getting customers to make a final purchasing decision Personal Selling: Excellent for communicating complex / detailed product information and features Relationships can be built up - important if closing the sale made take a long time Costly - employing a sales force has many hidden costs in addition to wages Not suitable if there are thousands of important buyers Sales Promotion: Can stimulate quick increases in sales by targeting promotional incentives on particular products Good short term tactical tool. If used over

the long-term, customers may get used to the effect Too much promotion may damage the brand image Public Relation: Often seen as more "credible" - since the message seems to be coming from a third party (e. G. Magazine, newspaper) Cheap way of reaching many customers - if the publicity is achieved through the right media Risk of losing control - cannot always control what other people write or say about your product Each of the above components of the promotional mix has strengths and weaknesses.