

Samsung – swot analysis

Business, Company



First quarter 2003 announced biggest market share gain of any company in handset sales (9.3-10.5), however at lower prices- fall in 1st CTR profits of 41% to \$million on sales of \$ban. Investors globally set to loose if earnings soften as with \$41 ban (foreign investors hold more than half) in market Cap Samsung is the most widely held emerging stock in the world. Shares have risen tenfold over 5 yr to \$273. CNN, USA Today- Samsung ads first to pop up Matrix Tie inn's Strengths I ask for a report on what Samsung is doing every week (Sony Pres) Quintile And.

Sony noted Samsung aggressive restructuring and said Sony must follow. Samsung - SOOT analysis By Marinas It is used to huge swings. Cells kept bag price at \$191 versus \$154 Monika \$147 Motorola. Cash rich (With nearly ban in cash Samsung has plenty to spend on R.) Vertical integration at work (semiconductors, telltale, digital appliances and digital media- all fit into the latest cell phone) Driving success is CEO Yen Gong Young (since 1997). (ferocious drive). Less bureaucracy in product approval, marketing- gives them flexibility to seize opportunities.

Speed- Average of 5 months concept to roll of new product. Compared to 14 months 6 years ago. After Samsung persuaded T-Mobile (Us-German) to market new Amerada phone last April, in 4 months they had a prototype for the VIVA, flew 30 engineers to Settle to field test on T-Mobile servers and by November the phones were rolling out, since then sold 300, 000 a month at \$350 each. (This is estimated as half what the Japanese wooed take.

Innovation- Plans to introduce 20 new phones compared to 12 from Motorola.

Similarly, another whiz at snapping out new models are based on 2-3 platforms of basic design. Samsung will introduce 130 models on 78 platforms. Motorola changes product line every 12-18 months, Samsung does it every nine months. Uses Korea as a test market (70% homes have broadband) 20% of population buys a new cell phone every 7 months. In Korea already selling video-on demand phones at \$538, planned by Verizon to introduce to the US by this fall. In 2002 won 5 design excellence awards for its digital appliances- total matched only by Apple computer.

Chief of User research is An Young Il 34 years old! Customized memory chips (60% of its chips are custom-made), Samsung gets 17% higher than industry bag prices for products like Dell servers. MS Oxbow and Monika cell phones! Hiring the right people in the right market AT and Vivisection guys, tie ups T-Mobile, media Matrix. Sprint PCS started selling Samsung in 1997, Sprint was CDMA. Pulled off products from Wall-Mart and Target and put them in Best Buy and Circuit City. Weaknesses Lack of software content?

Refuses to enter the software business. Challenging the assumption that proprietary software and content gives you higher margins and a longer lead time over rivals. Entities to sink millions in building big factories, not outsourcing manufacturing. (Apple, Motorola, Ericson have learnt the perils of the hardware way) Over the long run this model does not work, must keep investing heavily in R&D to keep the upward trend. \$billion over last 5 yr into new chip facilities. Rivals buy from small companies rather than tying up capital.

Opportunities To unseat Sony as the most valuable electronics brand and most important shaper of trends. To dominate the digital home competing with Sony and Philips. Capitalize on reputation, image Threats Cheaper production of rivals Ability of others to mimic and copy design (LEG) Trades at a discount to its global rivals due to Koreans history of Corporate scandals Even though its considered one of the most transparent emerging companies)- foreigners will always suspect numbers.

SOOT Table Strengthens architectural integration (manufacture everything bureaucracy's of deliberating into youthfulness Jammed sidestepping of pronunciations R visionaries reengineering (me-too 2 high end)Marketing (pop up ads)Key tie collaborations (T-Mobile, Jewelry and customistaionConsistencyWeaknessesLow software back up Heavy capital investment in hard stalagmite (me-too)Low quality reputation know as total solution provider Life style(Monika or Sony)To internal in their structure no outsourcing! Emily Opportunities unseat Sony as a digital home solution overgrowth's markets Imprecates Congregationalist's age for products (teens)Terpsichorean governance- Korean corporate scandal repetitiousness quality representational changes, trends and user friendlessness's production by ravishingly strategy Leg and theoreticians Economic denominationally of being bought out. Almanac of CARS and its revival