

Reflection on samsung battery explosion case

[Business](#), [Company](#)



Samsung was founded in 1938 by Lee Byung Chul. Samsung is the largest consumer electronics maker in South Korea. They have a high reputation in a lot of countries for their products. Samsung is very well known for manufacturing household products such as TV, washing machines, A/C, laptops, refrigerator and other electronics. In August 2016 Samsung unveiled their greatest smartphone phablet of 2016 "The Note 7". This phone was the successor of the Note 5. It had everything a phone is supposed to have in a 2016 phone plus additional features such as water resistance, expandable storage, curved display and huge battery. The phone had a huge demand as The Note 7 had a record breaking pre orders in South Korea which later delayed the international as there was a supply shortage. The Note 7 got really good reviews from the critics praising the built quality and the premium feel on the hands. But on 2nd September 2017 Samsung suspended sales of the Note 7 and recalled every unit sold. This is because they had a major defect in the battery and it overheats excessively which sometimes causes the battery of the phone to explode internally. There were around 17 consumers complaining about the battery issue and one of the major issues was when a battery exploded in an airplane.

Luckily nothing happened to the people or the plane as it wasn't a big explosion. I believe Samsung has used the proactive method because the major issue for the company was it had such big reputation to handle. They recalled the unit and tried to fix them but the problem lasted even with the refurbished units. Samsung said that their batteries came from a different supplier and the problem didn't show up until it reached their customers. The phone had passed all kinds of tests they have conducted. On October

Samsung has completely stopped the production of the note 7. The note 7 had the shortest life span of any Samsung phones ever created. This move that Samsung made shows that the company used the proactive method. The company went through a huge loss as one their focused phone and well named product has failed to deliver its purpose. The major recall in the 3rd quarter of the year has resulted in a 33% profit down in comparison of the previous year. The estimated loss was around 17 billion USD in revenue.

I completely agree with the action they have taken. It is for a number on reasons, first being the safety of their customers. Samsung has taken care of the situation before it could have gotten any worse. Samsung refunded everyone that has purchased the phone in any condition. Another reason for me to agree is that they have such a big reputation that they built over the years. A phone creating such a chaos would affect the brand image highly. Samsung having such a huge profit can cover up the losses that this phone made but getting back the same brand image would be a lot harder so, discontinuing the phone and calling ever units back was a smart choice. The proactive stance has saved Samsung from all the major complains and also saved them from facing the court for injuring lives of their customers. Thus saving Samsung the millions of dollar they had to compensate for the incident that might have happened if they haven't recalled all their units. Some major incidents like the airplane could have gone worse as it could have caused a huge explosion and could have killed many people. to save their brand image and gain customer loyalty Samsung has provided their customers full refund or an exchange for another flagship phone and a \$25

gift card. This incident has made Samsung more focused on the products they make and to be more careful about their future.