

Business studeis market analysis

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



Business Studies- Market Analysis Homework “ Thorough market analysis is essential for a company like Samsung in order to achieve its market objectives. ” Discuss (18marks) Market analysis - The process of gathering, analyzing and interpreting information about a market, about a product or service to be offered for sale in that market, and about the past - present and potential customers for the product or service; research into the characteristics, spending habits, location and needs of your business's target market, the industry as a whole, and the particular competitors the business may face.

One reason why market analysis is essential for a company like Samsung to achieve its marketing objectives, is that market analysis acts as a sales booster, as it builds direct relations with consumers - therefore knowing their demands, by Samsung knowing what the customers want and need they are able to optimise their profit, which may be a marketing objective, if quality market analysis were to be taken out by Samsung then specific products could be put on the market, such as their new Smart Tv's or their Galaxy S3 smartphone, from these products it is clear Samsung take great care in their customer's needs via creating slightly niche products, helping them to gain the competitive advantage over rival companies such as pioneer, LG, or Apple in the telecommunications industry.

In doing so Samsung would build a customer base, and if sales were to increase more intensive research could be carried out as to ascertain more ideas from customers for future products. Furthermore it is essential that Samsung meet their customer's demands, this is so that the company can become more efficient, by doing so, waste can be eradicated and

inadequacy also. Therefore costs can be lowered within Samsung, increasing the amount of profit that can be made, with the eradication of waste this also lowers marketing costs, as the amount of products needed to be marketed is lowered. Here it is therefore evident market analysis is essential as this allows Samsung to savemoney, optimising their profit margins.

The success of the company in the case of meeting customer needs and becoming more efficient, relies mainly on that of market analysis which contributes to objectives in these areas being met. In addition, on the other hand market analysis is not always essential when achieving market objectives, this is clear as, in the case of Samsung their market and competitors are rapidly changing frequently, so therefore market analysis would be pointless and time would be wasted, time = money, thus meaning money would be lost on research which wouldn't be useful in the long term for Samsung but merely the short term. This would therefore make it hard for Samsung to achieve its objectives.

Samsung's market is constantly changing and the demand for new products is constant. Not only is the market rapidly changing but competitors also - as stated, for example Samsung's competitors mimic and undercut Samsung's promotional offers and match their prices, thus meaning market analysis would not be the best option for them in achieving objectives, this would not allow Samsung to gain the best possible competitive advantage over competitors, but simply aid competitors in gaining the competitive advantage over themselves, the best way for Samsung to complete a market objective associated with profit would be to copy the actions of competitors and also use penetrative pricing to undercut them.

Another reason why market analysis may not necessarily be the most effective way in achieving marketing objectives is that when retrieving research the retrieval of secondary research proves to be costly, although cheap it is often useless, and out of date, and in the case of Samsung's rapidly changing market then the use of secondary data would certainly not be an option for consideration, this therefore results in Samsung basing their research solely on Primary research via that of customer feedback or questionnaires, which is the most costly of the two, however proves most effective when put into action and contributing to marketing objectives. In conclusion, in the short term I believe it is best for Samsung to use market analysis to its full potential to gain the competitive advantage needed, although costly it may pay off in the long run, however in the long run I believe that it will become costly though, as market research would need to be carried out on frequent occasions in this case of Samsung and therefore would prove too costly for the company, and this money spent could be used elsewhere perhaps on the production of more products.