

Introduction about the lg corporation marketing essay



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Nowadays, there are many successful companies in all around the world and in the different branches of technology such as, Microsoft, Nokia, Samsung, Toyota and Toshiba. They are always trying to discover new ways to make people's life easier. Today, there are many companies that are working in many branches of technology such as, mobile communications, home appliances, and technology innovator in consumer electronics. LG Corporation (LG Corp.) was established in October 1958[1]. LG is a Korean company and their headquarters is located at Seoul. LG is most commonly associated with the catch phrase " Life's Good" but the name LG is actually the abbreviation of " Lucky Goldstar". This name came from combining the work Lak-Hui(pronounced as Lucky) from Lak-Hui Chemical Industrial Corp. and Goldstar from GoldStar Co.(currently known as LG Electronics). During the past few years LG Corporation has introduced new technologies such as hard disks, computer monitors, laptops and cell phones to compete with other companies. LG Corporation has plenty of reasons for being successful, but we will discuss the importance of Internet Social Changes, Changing Nature of Organisation and Business organisation and it's Environment.

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Internet and Social Changes:

Nowadays, Internet becomes a common thing in our life that playing important roles. Internet is one of the most powerful tools that have so many advantages, disadvantages and effects on numerous things in our life such as, Online Banking, Online Shopping, and Online Medical Advice and so on[2]. These kinds of services have made a new way in today's world. In the present time, many companies, shops and stores are connected to the internet for do their daily works. Having internet service is extremely necessary for every company. Internet is exactly like a service that is able to change everything in society. LG Corporation is just the same as other companies; they also have their own website which is <http://www.lg.com>[3] that contains many useful services for customers to connecting to the company. Having that website has a lot of benefits for LG Corporation. They include sharing information about all their products and company progress as well as advertising.

Internet allows every company, businesses users and customers can connect in all around the world without any accessible problems. LG Corporation is able to share all necessary information about all products and progress of the company in their own website. This is because they explain every detail about their products on their website. On the other hand, every costumer is able connect to LG Corporation's website to view the new products. In addition, server administrator can show all necessary information such as price, specifications and technology used in the website. It is because it can help customers to find products which suits their own preference and budget.

In the present time, there are many ways for advertising such as through Televisions, Newspapers, Billboards, Wall Painting and Posters. To do these needs a lot of investments but today there is an alternative way which is way cheaper. Internet advertising is another thing that created a big change to the society and many strong companies. LG Corporation also uses internet advertising; it is because doing that kind of advertising has increased the company's profit. According to research that we have done from different websites we have discovered LG's purposes of doing internet advertising which are:-[4]

(1) Finding new costumers and presenting new products.

(2) To increase sales.

(3) How to use new products and how those products can change the customer's life by making their work easier.

Besides that, there is another benefit of using the Internet on society. All customers can contact a support representative or send a message to Customer Service and Support of LG Corporation at any time of the day and they will respond to the costumers as soon as possible.

All costumers from all around the world after connecting to the LG Corporation's website to obtain information as well as getting the location of local LG distributers nearby the customers. One of the benefits of this society change is making shopping easier for all costumers.

Changing Nature of Organisation

GoldStar (currently known as LG Corporation) was formed in 1958. GoldStar then changed their name to LG Corporation in the year 1995. Their objective is to make customers happy through creating digital products and providing good service. Before this, their goal was to be the global top 3 companies dealing in electronics and telecommunications. To achieve this, they had several strategies in hand. Among this is Fast Growth. Fast Growth is done by expanding their earnings quickly as well as to improve the quality of their products instead of the products quantity.

Besides that, they also have core capabilities which are divided into six. They are Product Leadership, Market Leadership, People Leadership, No Excuses, 'We' not 'I' and Fun Workplace. As for Product Leadership, it refers to their capabilities to invent top-quality products as well as using new technologies. Market Leadership is their ability to make LG the number one brand worldwide. People Leadership is their staff's abilities to perform extremely well. No Excuses refers to the company as well as its staffs to not blame anything for not achieving goals. 'We' not 'I' is to strengthen team work as well as not crediting work as only a person achievement but crediting the work to the contributing team. Fun Workplace is the workplace created by the company where staffs have their freedoms respected as well as a fun working environment.

LG Corporation is a Public Limited company. This means that their shares are sold publicly and their major stockholders are given the companies yearly report. In 2008, LG Corporation paid out 57, 232 million Korean Won to their shareholders. Another characteristic of a Public Limited company is they

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must have at least two directors with minimum age of retirement of 70. At the moment, LG Corporation has seven directors. These seven directors are divided in to two, Internal Director and External Director. There are three Internal Directors whom are Yong Nam(Vice Chairman & CEO, LG Electronics), David Jung(CFO of LG Electronics) and Yu Sig Kang(CEO of LG Corporation). The four External Directors are Sang Hee Kim, In Ki Joo, Kyu Min Lee and Sung Won Hong.

Business Organisation and its Environment

As we know, every company has its own controllable environment and non-controllable environment. Controllable environment refers to the internal environment of the company and Non-controllable environment refers to the external environment of the company. The controllable environment and non-controllable environment plays a big role with the company. This is because it can influence many things such as sales, production, perception and many others. Therefore it is important for a company to maintain its proper internal and external environment.

LG Corporation also maintains its internal and external environment.

Internal Environment

For their internal environment, LG Corporation is able to maintain the main four contents of internal environment which are labour, money, materials and equipment.

At the first, Labour refers to people who perform manual work and Manual work refers to work done with hands. LG Corporation has more than 82, 000

employees whom work in many different fields of work in over 110 different countries. How does LG Corporation ensure that their staff will stay happy and loyal to the company? Firstly, LG Corporation provides training to their staff for both work related and ethics related. This is to meld the staff to be able to perform as well as to be an ethical person. This ensures that their staffs are kept up to date with the current technologies and methods to increase productivity of work. Secondly, LG Corporation provides rewards to their staff based on their performance. Besides that, LG Corporation has their own unique rewards system which rewards staff based on several factors such as working conditions. This is to give motivation to their staff to perform better when doing their jobs at work. If the staff at LG Corporation were to rebel, chaos would occur at the work place and production will decline and less work will be done.

Second, Money refers to a medium the company has which they can use to exchange for materials, services and many other things. Money is the most important item a company must have since it is the medium used for trade. Since LG Corporation has been having profits for the past few years, they do not have to worry about not having enough money. LG Corporation uses money to purchase goods, materials, pay staff's salary, pay taxes, open new branches, pay for land, pay shareholders and many more. Without money, the company is considered bankrupt and will have to go through court order. The company will have its business stopped and all of the company's assets will be sold and the money obtained from selling those assets will be used to pay off all of the company's debts.

Materials refer to the raw materials needed to build or make items. LG Corporation requires a lot of materials. For an example, LG Corporation uses cold cathode fluorescent lamps (CCFLs) to make LCD screens. Without materials, a company cannot make any of those items which the company produces and work will be set to a halt. Therefore, without the CCFLs LG Corporation is unable to produce the LCD screens and the production of LCD screens will be stopped. LG Corporation is also up to date with the e latest energy saving and environment friendly materials.

Equipment refers to the items used to produce or increase productivity. LG Corporation uses a lot of equipment to increase productivity as well as reduce work needed to be done by their staff. For an example, staff at LG Corporation uses laptops and computers to increase productivity so they do not need to print and file up so many documents as the documents can be stored in the systems server.

For their external environment, LG Corporation is able to maintain the main three contents of external environment which are competition, technology and ecosystem.

Competition refers to companies which produce similar products which the company is competing to be the better producer. Among the ways to get more buyers is to reduce the price of the item. LG Corporation has many competitors. Among them are Samsung, HTC, Acer, Hitachi, Philips, and many more. To be ahead of their competitors, LG Corporation has to be innovative and produce new technology or items faster than their competitors. For an example, LG is releasing the first Windows Mobile 7

phone before HTC. Without competition, a company is considered to be 'king' and will dominate the market with a particular product or service. They could take advantage and sell their products for a higher price.

Technology refers to the new application of science. Technology is important to our lives as it makes work easier and gets done faster. LG Corporation also uses and produces new technologies. In the year 2000, LG Corporation launched their first Internet refrigerator. This refrigerator has a 37 centimetre touch-screen LCD monitor and users can listen to music, make phone or video phone calls as it has a camera and microphone attached to it, watch TV, surf the Internet and even use the fridge as a whiteboard. Without technology, we would require more energy to do work as well as work takes a longer time and more effort.

Ecosystem refers to the biological and non-biological things in an environment. Nowadays, people are becoming aware of the ecological problems around of us. Therefore many companies have become aware of their role to the environment. LG Corporation also has their eco-friendly products. LG released the GD510 phone nicknamed "pop" which is a phone that runs on solar energy. Besides that, LG also released another phone called Remarq which is a phone made from 87 percent of recycled materials and 19 percent of it is recycled plastic.

Conclusion:

In summary, we discussed about the Internet social changes, Changing Natural of Organisation and Business organisation and its Environment.

These are the three main points that Company of LG following. We believe

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that, if each company with respect to these arguments can be a success company with a high profit for future.