

Lg electronics company analysis



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In this competitive business world marketing strategies is very important . They are several multinational company run their business over the world so the multinational company must use its own marketing strategies. This analysis describe the macro environment of the organization and its future decision making process. Globally the lot of business to achieve their goal by its own marketing strategies plan. Here the study tells about the LG Electronics and its future plan in the competitive market.

LG Electronics is the one of well known multinational company in this world. This company delivery innovative digital product such as entertainment, games , home media and home appliance to customer. LG Electronics funded in 1958 as Gold Star in Korea. In 1995 its renamed as LG. Its prior product is consumer TV, radio, refrigerator , air conditioner and washing machine. LG electronic introduce some new technology to the digital world such as the first CDMA digital handset, 60 inch plasma TV. LG electronics have good corporate culture some of these “ No excuse, We not I, Fun work place”. LG brand comprised of four basic element value, benefits, promise and personality. This company set the long term goal and work towards the goal. The vision of the company is Global top three in 2010.

LG controls 114 local subsidiaries all over the world . The are 82000 people work for this company. LG accept as true that technological innovation is the only way to achieve the market. So its delivery latest technology to the customer.

MACROENVIRONMENT

Main external and out of control factor that influence an organization decision making and change the performance and strategies The major factor are

1. Political factor
2. Ecomnomic factor
3. Social factor
4. Technical factor

These are the main factor influence the company or organization decision making and its improve or decrease company performance.

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Political factor

Technical factor

Economic factor

Social factor

Political Analysis:

LG Electronics' is the intercontinental Company which has a range of industrialized Units and sources. The company focus the international market for his product . the political environment nothing but how the law and government taxation policy influence an organization . There is a lot of political interaction has integrated in this business and it has operated

between the political and legal factors. This factor may increase the cost of factor some time it decrease the product cost. The LG electronics facing lots of problem while its production and exporting goods to the overseas.

Economic Analysis:

LG has a very big competitive market in world and it have constant development in their innovation in electronics equipment , secondary products, planned process of LG etc.. it have leads to sell goods to other countries . The LG contribute the world wide stock market and money market also. The LG have well and strong economic source and it has capable of introduce some new technology to the electronic market. LG leads the electronics market with enormous technology and economic resource. The below the table shows the financial highlight of LG electronics. The sale of the company is constantly increase the last seven year it possible by the good economic status

The LG has introduce the product with satisfy the customer needs as well as safer environment. The product wont harmful to the environment and people . The LG try to produce green environment that mean it reduce the emission of Gases from their industries and product . The LG mostly use the renewable energy source because safer environment.

Technological Analysis:

The LG has more technology shock towards its electronics product. In every manufactured goods in LG they improve their technology and they became a first world exporter of the country. The LG has a huge technology like LCD, plasma TV, Games and, Laptops, Videos, CDMA Mobile phones with a number

of features. The challenger can't beat its clear imagery technology towards its innovation of product. The 3D Plasma TV, Camera with massive features like clear images and slide activities, high battery etc..

The LG introduces lots of new technology to the digital world such as This business group has entitled more quality product and services to the customer. It has introduced a lot of technology in every business group of product. Recently the LG has introduced 3k model of Camera which has a lot of facilities and clear images. It is an exciting product to the market. And also the company has introduced more innovative products like 3D products, professional cameras, Blue ray Disk, increasing network services etc.. The LG has led its technology and it introduces a number of products with exclusive features to the market.

Socio-cultural Analysis:

LG Corp has introduced the number of products to the different customer into the society. Mainly it has introduced for easy usage with several options of different users. It has introduced a delightful product to the customer. The LG products such as laptop, various electrical products, mobile devices, iPod, iPad, financial services, network system etc. So it has changed the life style of the LG user. LG increases its ethical standards, contributes to Research and development and health of the organisation. It also leads to the image of the country.

LG creates its employment opportunity: After 2009 the LG has created more product services and sales growth. It improves its manufacturing process to various countries. So it creates an employment opportunity to the

country. it develop career expectation to the people and they able to recruit a more number of peoples and it leads to employment opportunity and life style changes of the people. LG product has a number of user form 6 years to 60 years of the people. So in every generation it creates a lot of life changes and life expectancies of the product.

LG's New Customer and New Geographies:

At presently, LG has concentrated the end user of its consumer. The Company has introduced lot of technologies and it has followed by their competitor. The LG has analysis in a different perspective of different customer. Based on the experience of the consumer the product has developed. It has developed not only by the technology impact, it also based on the usage of customer. The company also reinvest into their retail sales to various countries. It leads to improve customer contact and to get a feed back about the product directly. LG “ Make believe” the brand image has increased its lot of brand image of the product. The new customers are increased into the market and it has increased more geographic are in retail market.

Future Market:

LG has increased its various technologies and various marketing strategy to capture the future market. LG product has easier product and it has so much of coverage in the world. If the company has to leads its competitive markets means, it must increase its capability of marketing strategy and best customer services than the competitor. In future it has increased play station network and it has increased its core value, games and videos etc. The market has in wide area and it must cover whole classes of people. So day

by day it has increased its technology upgradation and cost price movements. Then only it will be able to sustain its sales growth in future market. LG has separated as a three business groups and it increased its more strategy towards its business. It increase more products and services like, deploy LG online services for the network infrastructure. And also it has increase the network product and it enhance more customer for future period.

There is more competitor company like Dell, Apple Inc, HP, Samsung etc. to enter into the market. The LG must leads its competitor and fulfill their customer satisfaction. Most of the competitor has same product and same features with less price of the product. The LG must be differentiate its product among the customer. So it has introduce more technology with the quality conscious and Music player has more effect than the competitor product. LG management has re invest in retail market and it increase its cost cutting strategy to reduce its price movements. This has lead the future market as a competitive way. I hope the LG Corp has leads its future market.

PART – II

Marketing Mix of its LG Corp.:

Every company has increased its marketing mix strategy to improve its sales growth among competitor. The LG Corp also has marketing mix like Price, Place, Promotion, Product, people, process, physical evidence etc. The LG has also used its more strategic alliances and performances of its product.

Price:

The LG has enormous technology and it has used the more electronics and quality spares for its products. So the price of the product has increased. After some period the LG has realized and it give more quality and services for its expensive product. None of the competitor has increased its effectiveness in the sounds and videos. In 2008 because of the recession the LG has reach its low sales market and it has declined in the various products and services. After the recession in 2009 they started the to cut cost materials and it provide a variety of pricing strategies. The price of the LG has give some effects to the customer and it leads to sales growth for some period.

Place:

The LG Corp “ make. believe” the brand image have a world wide to produce more customer to enter into the market. The LG product has sales around world. But some of the product has not reached into the some of places like china and some of the countries are not allowing getting the product into the market. The geographic are must be increased world wide. The manufacturing company is in Japan, U. K, U. S etc.. It has increased its product range and it sales around the world. At present the retail market has developed and it increase its competitive advantage towards its customer.

Promotion:

The LG different product has a different range of effects and it has many offers it depends upon the product range and products. The LG has provided a different Advertisement to the different countries of same product, because the people and customer views and culture will be different into a <https://assignbuster.com/lg-electronics-company-analysis/>

various countries. The advertisement and promotion strategy has been formulated by LG management to increase its sales growth by nature.

Product:

The LG corp. has a product portfolio. There is a number of product and brand images among the LG and it has more effective strategies towards its business. There is 3 business groups and it has increase its product services to the market and it increase its effectiveness of networking system. The product has segmented as electronic goods, financial services, networking system, health science R & D etc.. the different product has a different ranges and quality effective towards its customer.

People:

The LG's employee has more skills to produce more quality product to the customer. The LG has sustained its innovative technologies by their way of employee. Presently the LG has play a vital role in delivering the effective technology and innovative product to the customer. It happened because of the staff and employee of the LG Corp. Recently, the LG has innovate in the flow cytometry in life science in health sector, because the LG has a skill and talented staff to invent such a product. The employee has up grade their technology and improved their innovative skills. Without a employee of the LG corp it cant achieve its goals and the entire organisation has believe their employee workstation.

Process:

The LG has concentrated in every activities of business till its reach to customer and after services of the product. LG has more effective quality

and more price movements in delivering the goods. The company has followed its effectiveness by the process of product movement to the customer. From the spare parts assembling to the electronic goods and it reached to the customer, its every process has depending upon their classes and services. It also includes technological process for time and cost saving of the product. The product must reach its customer satisfaction. So LG has included its technology factor into its process that reaching to the customer.

Physical Evidence:

The LG has increased its infrastructure at every movement. It has several showrooms and retail market to increase its sales growth and it should impress the customer to buy the product. Hope it make a enormous physical quality to the LG. The every movement of LG's workstation has increased its quality range in infrastructure facility and it have more stylish in nature. It has increased its profitability in hardware, software and networking system.

Competitive Strategy of LG:

This study has formulated the Porter's competitive strategy. The LG Company has lot of competitor and it has a lot of strategy to leads its competitor market. The competitive strategy has concerned the lower cost strategy and the differentiation strategy.

LG adapts cost leadership and Differentiation competitive strategy:

LG Corp has a lot of competitor and it have to lead its market. Before LG has a lot manufacture and process to do the lot product innovation and it introduced into the market. In 2008 because of the recession the LG has

reached its declined stage and the sales of growth has very low into the market. So the LG has take a effective decision of cost cutting system. It implemented the cost cutting system into the market. Many manufacturing unit has cut the process of product and it decreases the manufacturing product for some period. It leads to cutting the prices of product and it become a more sales by the segment of low prices. The LG devices like Mobile phones, ipod, laptops especially in W series of models has high cost than the competitive. But it has more features than the competitor. This segment of LG has focusing the particular quality customer to buy the product. The cost leaderships strategy has increase its product effectiveness and sales growth to the company.

LG has more feature than the competitor product. The devices like LG digital camera, LG Vaio, LG mobile phones, PCs, Networking system etc., it has used the various technologies and it includes various features. Every product must differentiate from the competitor product. Presently the LG introduced the 3D products its play station and it games etc. It increase its product designs, technology, features etc to leads its competitive market.

LG also its developed its market in wide range by introducing networking system of the company. The LG corp has more marketing strategies to increase its promotion strategy towards its customer. The product has a wide market, so it must want more place strategy and promotion strategy to reach its end user of the customer. LG “ make. believe” it implies the LG brand has more innovative product and it increase its lot of marketing strategy. And also it associated with brand image, features, technology, dealer network and direct networking system etc.

Growth Strategy:

There is a diversified market in the strategy. The LG Corp has horizontally increased their product to the market. Day by day company has expanded in business growth by the way of increasing product segmentation and various product services. The LG has a wide market towards its market and it has increase its growth strategy towards its business. The Concentrated in the wide range of activities and it has increased its strength and effectiveness in their price and markets. They are diversified their market by improving both related products and unrelated products like life science, financial services.

Recommendation and Conclusion:

The analysis of LG has comprises that it has more quality services and market sustainable capability towards its business. The company still its has some unlike movements in some markets. The LG must improve its price strategy and promotion strategy at the movement. The LG announces the core capability and environment development product to develop in a certain level. This makes LG a wide brand image of the product. Eventhough LG employee was a many skills and talented to increase its innovative technological products to customer. But still there is some lacking into the marketing mix like pricing strategy and promotion strategy to reach the customer. In future the LG must improve its pricing strategy like to cut the cost of the exiting product by the way of minimizing its process and it must increase time utility. There is a many competitor has arise for LG product. So the technology has concerned it should increase to implement in timely mannar. This will increase to capture a more market in future. I hope the LG

electronics and other components have more capability to reach their customer.

Conclusion:

The review has explained about the Macro environment analysis and Marketing mix strategy. It comprises the LG future development and this review has provide more detail analysis about the LG Corp. I hope in future the LG has a very good capability and sustainable maintenance in sales growth. The LG has entered into the more related and unrelated products into the market. This is a good beginning of LG to increase its market capability to its wide ranges.