

# Good example of nokia company research paper

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



**ASSIGN  
BUSTER**

## **Introduction**

Nokia Company is a multinational communications company, focused on supplying products and services in the wireless telecommunications, wired and information technology industries. It is the largest mobile manufacturer and a leading supplier of fixed networks and digital mobile in the world. The corporation's increasing focus on wireless services and cellular products is accountable for the Nokia success in the last decade. The company is Headquartered in Helsinki, and most successful organization in Finland.

## **Business Strategy of Nokia Company**

The corporate strategy is to reinforce its position as a leading product provider in communication's systems. The organization strategic intent, as a reliable brand, is to create personalized technology on communication that allows people to shape their own mobile world. Nokia is presently creating innovative technology to let people access Internet applications, services and devices instantly, regardless of place or time (Kautto, 2009). Realizing interoperability of network environments, mobile and terminals services are the main part of the company intent. Nokia need to capitalize on its leadership role by continuing to enter segments of the communication's market that believe will experience faster growth or grow rapidly than the industry as a whole. By expanding into these segments throughout the initial phases of their development, Nokia has established themselves as the world's leading players in wireless communications and meaningfully influenced the way in which voice and services have been moved to a wireless, mobile environment. The organization strategy continues to

concentrate on three activities to increase mobile communications in terms of value and volume: drive consumer multimedia, expand mobile voice, and cause prolonged mobility to enterprises. The central strategy of the Nokia Corporation is on efficiency, growth, and profitability and focuses on several things. It also emphasizes on maintainable environmental development.

Nokia has core competencies and resources that can be used to provide the best products to the final customer. The biggest resources are its, research & development, knowledge and production. High venture in R&D is one of Nokia's success factors. Nokia's main competencies consist of their brand development/ brand name, manufacturing. Nokia's brand is related with technologically advanced and well-designed high quality products and friendly customer user service. The decline in telecommunications industry in 2001 did not have much influence on Nokia, with increasing operating profits that increased to \$4. 8 billion and holding 37% of the global cell phone market (Kautto, 2009). The strength of its product can be attributable to its solid performance despite challenging market conditions.

## **Distribution of Nokia Products**

A formidable distribution network has established to proficiently reach its suppliers globally and cooperate to reduce cell phone possession and usage costs. To improve its products and services availability to the customer Nokia has come up with distribution strategy, which involves distributors all over the globe.

## **Nokia's Marketing Plan**

Nokia has launched diversity's models of mobiles at positioning itself as more for more and diversities prices, the same for less and less for much less. They try to bring service differentiation, provide new classic models, product differentiation, features and long lasting batteries. Nokia is planning to lead the commercialization and development of the higher capacity systems and networks required to make wireless content more rewarding and accessible to the end user. In the procedure, the company plan to offer its customers unprecedented choice, value and speed. The company has a contribution history to the expansion of new technologies, systems and products for mobile communications. Latest instances include short-range wireless connectivity with Bluetooth; the opening of mobile alliance commitment; the expansion of wireless LANs for allowing local mobility in fixed LANs; the co-expansion of the new operating system for the upcoming terminals with Symbian; and MMS for allowing mobile multimedia messaging (Steinbock, 2010). Furthermore, Nokia has continued to be dynamic in IP convergence. They have recognized alliances with other service suppliers to make access services of mobile easier for the end user.

## **Competitive Advantage**

Nokia is presently worldwide largest mobile phone manufacturer; thus, they must have important core competencies to gain competitive advantage. The company's competitive advantage " is based on scale, services and brand." The Corporation has achieved competitive advantage by charging higher prices for improved value products and services and providing the same products and services as rivals at lower prices. This has made many

customers stick on Nokia products and services. Nokia successfully attained competitive advantage of its brand organizational culture and the practices and beliefs adopted by the organization.

Nokia's other competitive advantage comprises outperforming rivals through services and developing latest product designs. This is not sustainable, despite Nokia's ventures in research and development. Nokia's product innovation is the main contributor to growth, through sales replacement. This is possible to remain the case as the market is previously saturated, thus Nokia will not maintain this level of rivalry as rival companies would capitalize more into research and development to compete. Nokia making best use of its main competencies to gain competitive advantage must enhance its core competencies to meet developing demands (Steinbock, 2010).

## **Competition**

The corporation faces challenging rivalry within the mobile device industry. This is evident mainly in the smartphone sector with their top rivals being Siemens, Apple, Samsung, Blackberry, Motorola, Sony Ericsson, Panasonic, NEG, Toplux and Sagem (Cullen, & Parboteeah, 2013). With all of these rivals in the market, Nokia should keep ahead of the game by running effective marketing strategies, to do this Nokia must emphasis on the principles of marketing. While corporations such as Samsung and Apple offer smart mobiles at a premium with higher quality, Nokia takes a more conventional approach. Though Nokia had earlier established their position as the most protuberant cellphone producer globally, Samsung has lately exceeded

Nokia's production level. This proves Nokia is declining position in the mobile phone industry amongst its rivals.

## **Products and Services**

Wireless Wizard Nokia is world's leading maker of cell phones, ahead of such competitors as Siemens, Motorola, and Samsung. The corporation's products are primarily divided between four divisions, which include enterprise solutions (wireless systems for businesses), multimedia (set-top boxes, mobile gaming devices and home satellite systems), mobile phones (data devices for personal and business uses and wireless voice), networks (transmission equipment used in carrier networks and wireless switching). "

Nokia Corporation is committed to pursuing solution's accessibility for all, including persons with disabilities," says the corporation's website. As an instance, the LPS-3 Loop and Nokia LPS-1 sets permit people with hearing aids to use digital phones without the typical interference (Xia, 2012).

### **Nokia's S. A. Market**

Nokia targets all kinds of markets all over the universe. Consequently, Nokia S. A has responded to the demands of all types of individuals such as the teenagers, fashionable, and businesspersons. The features, high technology and the prices of the products of Nokia should be suitable for all levels of customers.

## **Effort to meet changing Market Conditions**

The Finnish based handset maker is refurbishing its marketing strategy to present itself as a competitor in the industry. The organization's Chief Marketing Officer Tuula Rytila has been given the duty to light a spark under

the corporation's name. Ryttilä states that from 2011 to currently, Nokia's aim was to make all people aware of the Lumia brand (Cullen, & Parboteeah, 2013). This comprised showing off the brand at retail places. The corporation has strongly concentrated on strategies of targeting developing markets with lower-priced smartphones. This has helped to meet any changing market conditions in the globe. Currently, Nokia is changing its focus though that might not indicate that Nokia itself will be paying more money on advertising.

## **Corporation Division**

The corporation operates in three divisions namely Enterprise solutions, Multimedia, and Networks division. The multimedia division emphasizes on designing and developing advanced communication devices including WCDMA, 3G mobile devices and solutions. The Enterprise solution division functions on spreading the use of mobile phone from a data communicating device and basic voice to a device useful for safe mobile access, significant and useful applications and content. The network division offers network service platforms, professional services to service providers and operators and network infrastructure.

A corporation has a centralized organization with a robust matrix across areas. This structure is usually known as the center-led organization that bends process standardization; spend leverage, knowledge and resource sharing qualities of centralization with the local empowerment and implementation characteristics of a decentralized model. Nokia has a typical management and leadership tactic based on the Nokia Way at all levels (Cullen, & Parboteeah, 2013). This creates passion, commitment and

inspiration through coaching and collaboration, and ensures efficiency and focus by fulfilling goals, setting targets and reviewing results. Personal growth through self-leadership offers the foundation for effective management and leadership practices. Employees are encouraged to be responsible for their own growth and to take advantage of the many development opportunities available.

## **Corporation Success**

The past few years, the corporation, has represented less success, but a continuous struggle for Nokia to reclaim its footing in the mobile phone industry, and to compete with manufacturers of Android phones. In an effort to win back a share of the market, Nokia unrestricted its own Symbian policy to favor a Windows operating system (Kautto, 2009).

## **Likely Challenges in Future**

The mobile landscape has essentially shifted, and some of the Nokia core beliefs and strengths are already shaken. There are some serious challenges that Nokia have to face in the future. These include

- Threats from its direct competitors
  - Rapid change in the market that can result to rising of costs, new standards, regulations and rapid obsolescence of cell phones,
  - Challenges from overcapitalized market and emerging competitors
  - New companies are entering the market from computing giants such as innovative vendors in Asia-Pacific Region and Microsoft to big brand names.
- The Asia/Pacific region signifies the major challenge because of Nokia's limited presence in South Korea and Japan; as it has been unable to dislodge



Motorola in China (Xia, 2012). Thus, Nokia will need application developers and businesses to hedge commitments to Nokia platforms because of stiff competition outside its dominant market.

## CONCLUSION

The factors that resulted to Nokia's success can be described as the creation of a straightforward and clear strategy, creation of an inspirational work atmosphere, consistent execution of strategy, the recruitment of talented employees and the most significant- the identification of high-development business area. Nokia's management position is a result of disbursing close attention to market requirements and taking chances at the right time.

Nokia's core-competencies of R&D, marketing, production and brand name have also played a significant role. Currently, Nokia is at a significant point in its history. Having industrialized many areas for growth during the important years of the mobile phone industry, the market that Nokia is acquainted with is adopting diverse rules. Competition, market saturation, is interferences in the success path of Nokia. Therefore, Nokia should expand through strategic alliances to sustain market growth. Nokia has always believed in the hopeful solution that could be a joint alliance with one of the main competitors in a way that both could gain specific welfares from each other. The core competencies transfer from one big corporation to another can work to sustainability for both of the corporations in the mobile communication industry.

The ability to overwhelm the technical problems of the 3G phone with GSM standard may offer a much-needed boost for Nokia. Nokia products had a universal recognition, particularly among young consumers. Nevertheless,

there are many potential markets, especially in Asia-Pacific, that could help upsurge Nokia's sales volume. This would need the corporation to transfer resources and produce entry-level products. Lastly, Nokia should be able to reliably exceed customer and consumer prospects by producing value-added products and services, such as easy-to-use phone services and user-friendly phones.

## References

- Cullen, J., & Parboteeah, K. P. (2013). *Multinational management*. Cengage Learning.
- Kautto, P. (2009). *Nokia as an Environmental Policy Actor: Evolution of Collaborative Corporate Political Activity in a Multinational Company*. *JCMS: Journal of Common Market Studies*, 47(1), 103-125.
- Steinbock, D. (2010). *Winning across global markets: How Nokia creates strategic advantage in a fast-changing world*. John Wiley & Sons.
- Xia, B. S. (2012). *Nokia Siemens Networks company: a case study of service visibility in global procurement*. *International Journal of Procurement Management*, 5(6), 753-764.