

History of samsung refrigerator



**ASSIGN
BUSTER**

Samsung Refrigerators is the second largest manufacturing unit in the world in terms of costing. Samsung Manufacturing unit is in Noida, Uttar Pradesh started its operation in 2003. It is a venture of Samsung Electronics Korea. It was the first manufacturer to launch frost free refrigerator with 4 star energy efficiency rating.

AIM: It aims to become the world leading company devoting on human resources and technology to create superior products and services.

VISSION & MISSION: It believed in single vision that technology innovation today, Samsung fulfilled the solutions they need to address the challenges of tomorrow.

The Mission of it is that to be the best digital company.

TARGET MARKETTING SEGMENT:

The markets are not homogeneous. Thus a company cannot connect with all the customers in diverse, large or broad markets.

STP (Segmenting, Targeting and Positioning):

As one of the world leader in using digital technology Samsung is moving forward in the product development in order to build a strong relationship and full support from the suppliers and customers using their product. The Refrigerators produced by Samsung experiences the new freshness by using the digital technology and innovative design. Samsung “ FRESHTECH” range of refrigerators is developed which has unique benefits when compared to others that is it offers retaining the freshness and nutrition value of the fruits

and vegetables being stored in it. Samsung also launch “ FRESHTECH ULTIMA” which is the largest ‘ 5 Star’ rated refrigerator in the Indian market which is an eco-friendly product. It also contains ‘ Cool Pack’ feature which is developed by the Company’s R&D team in India. The Cool Pack features in refrigerator section, maintains coolness even during a power cut/failure and prevents food from melting or getting spoilt.

To suit all classes of consumers the Samsung manufactures comprehensive range of refrigerators which matches the requirements and expectations. It has various categories of refrigerators like Frost-free refrigerators, direct cool refrigerators, Bottom refrigerators and side-by-side refrigerators. Here the Side-by-side refrigerators are a premium product which targeted on niche market it has huge space to stock different varieties. The Frost free series targeted to fulfill the needs of middle class consumers and is also appreciated by them. The Samsung targeted on lighter pocket consumers with direct cool series which is a basic refrigerator which do not have any partitions. Thus the Samsung is offering pioneering technology which suits all pockets which always develop the customer oriented products.

For the sake of target marketing the company used the promotional activities which include advertising, public relations, direct marketing, motivates the sales force and sales promotions to provide knowledge and information to the customers. Samsung used promotional activity to establish confidence and trust among Indian consumers. It used sales promotions to attract new customers, to increase the purchase rates of occasional users and to reward the loyal consumers.

Refrigerators models:

Fig a: Side-by-side refrigerator Fig b: Top Freezer refrigerator

Fig c: Direct cooling refrigerator Fig d: Bottom refrigerator.

COMPETITIVE BRANDS OF SAMSUNG:

The major competitive brands are LG and Whirlpool. The competition between these three brands is more because these three brands have great market share. But compare to Whirlpool the market share for LG and Samsung companies have more than half of the market share in India. They not only occupied the market share they also earned respect from the consumers. And it's difficult for Indian consumer to choose the product between the LG products and Samsung Products.

MARKET SHARE OF THREE BRANDS:

At present the market share of LG is 23 percent where as the market share of Samsung and Whirlpool is 19.49 percent each. This shows that these three brands as market share closer to each other.

The BEE (Better Energy Efficiency) rating is that which is used to know the efficiency of the product.

BEE RATINGS:

BRANDS

BEE RATING

SAMSUNG

5 star (highest possible rating)

WHIRLPOOL

It ranges between 4 and 5 star rating

LG

5 star rating.

Thus according to table it says that these three are really worth full products and their BEE rating is also closer to one another thus it shows there is more competition between these three brands.

The prices of different products of these three brands are:

PRODUCTS

MINIMUM PRICE OF THE PRODUCT IN DIFFERENT BRANDS (in Rs.)**SAMSUNG****WHIRLPOOL****LG****DIRECT COOL****10, 200****9500****9, 500****SIDE-BY-SIDE****53, 000****50, 300****56, 500****FROST FREE****18, 100****19, 200****15, 500**

Source:

Here in this we can absorb that the minimum price of different products in three different brands are not same but very closer to each other with the same features to gain the market share and to attract consumers. Thus we can observe that if the price of the product in one brand gets changed then

other brands also change the price of their products according to the others. It is nothing but Dominant Strategy.

The three brands do promotional activities like advertising, sales promotions, public relations, direct marketing and motivating sales force in the same manner as one another to attract the different categories of consumers and to get loyal consumers.

The marketing strategies used by three brands:

Marketing Strategies of Samsung:

- a) It is a market based management which wants to strengthen the range of home appliances.
- b) It wants to attain the digital leadership by introducing the digital products.
- c) It set up a Research & Development center at its factory in Noida.

Marketing Strategies of Whirlpool:

- a) It discovered the customer associated refrigerator with ice and cooling.
- b) It merged two findings to create ice campaign and hummable ice.
- c) It tries to get the foothold in the highly competitive marketplace by using Push Strategy.

Marketing Strategies of LG:

- a) To reach the potential customers the company appointed the more distributors and Participants.

b) It set up the company presence in naval canteen and department of the Army.

Thus each company uses different marketing strategies to attract the customer concentration by its branding.

TANGIBLE AND INTANGIBLE FEATURES:

There are some important brand Tangible and Intangible features used by the customers to decide which brand to purchase are:

TANGIBLE FEATURES:

- a) Quality.
- b) Price.
- c) Color.
- d) Branding.
- e) Design.
- f) Size.
- g) Safety.

INTANGIBLE FEATURES:

- a) Temperature adjustment.
- b) Power consumption.

c) Customer services.

d) Installation.

e) Freezing.

f) Capacity.

g) Space.

h) Maintenance.

These are some features considered by consumers before purchasing a product.

Brand Image of Samsung:

Samsung has created a strong brand name by using the latest technology techniques in developing the products, world class designs and latest innovations. To grow its brand image, Samsung used a design competition to excite customers. To boost the brand image of Samsung, it manufactured refrigerators which suit all types' customers to satisfy their own needs.

Samsung used promotional activity to establish confidence and trust among Indian consumers. It used sales promotions to attract new customers, to increase the purchase rates of occasional users and to reward the loyal consumers. Samsung who is involved in high advertising and brand promotion activities, created a niche in the premium segment customers.

Samsung used such activities in order to achieve 2 benefits mainly.

Firstly it emphasizes Samsung's strong connection for the brand building by hooking up medium income and medium high income customers on to the brand.

Secondly, Samsung reinforces its brand image by using latest technology for its latest innovative design products which will attract the customers.

In this market of branded refrigerators, these innovative marketing methods involves the brand image which offers great benefits to get sustained with long term brand equity. As consumers knows which brand to select for the right product they can surely notice the good and developing features of Samsung refrigerator. Samsung Refrigerator has different types of designs that will benefits the demands of the consumers. Whether the consumers need a refrigerator for normal storage purpose or for any special function Samsung is the one which wins the hearts of all sort people. Samsung refrigerators offers special freezing feature which maintains the coolness for the food and beverages. These refrigerators ensures whatever you put inside it will be preserved and have its freshness. Samsung manufactures the refrigerators in such a way which automatically makes ice for the beverages and included additional buttons for adjusting the inside temperature. It also ensures that all the products are tested once before it reaches the consumer. All the needs and demands of the consumer are fulfilled in terms of power supply to storage capacity by Samsung products.

Samsung also concentrates on the technical support as when it comes to refrigerators the repair and maintenance issues, consumers should know how long the product will sustain with good performance. The technical

support number is available 24 hours a day for catering the customer's needs. This is the important factor Samsung is focusing on when the refrigerators are not functioning well then the technicians can be sent to the consumer's premises and work on the problem. Customers will be provided a user manual regarding the basic functionality of the refrigerator at the time of purchase. Consumers will always be very convenient in using the Samsung products as they mainly focus on quality and safety.

The Major competitors of Samsung are Whirlpool and LG. Whirlpool is the most recognized brand for consumer durables in India. Whirlpool brand and image always speaks about its commitments towards quality of their products. Whirlpool has understood the Indian market so well and has been launching the products according to the needs and desires that satisfy the consumers. Whirlpool segmented the market on basis of price and capacity. Whirlpool also has segmented its refrigerators into three segments direct cool, frost control and frost free.

Whirlpool target market is highly based for households, shopkeeper's etc that is in form of direct cool refrigerators, Frost control segment is for middle class customers and the Frost free segment is for upper or high class consumers which include people with high income. Whirlpool's prime target customers are mainly house wives. Whirlpool is spending more than Rs. 70 crores only on advertising and promotion of their products.

LG is also one of the market leaders which as equal market share when compared to Samsung and Whirlpool in consumer durables which uses the latest technology in developing their products. LG spends lots on advertising

mode as its refrigerators has lined up a major campaign on red fm for promoting their innovating product " Green Ion Door Cooling" technology. LG also ensures that all the products are tested once before it reaches the consumer. LG also concentrates on the technical support as when it comes to refrigerators the repair and maintenance issues, consumers should know how long the product will sustain with good performance. The technical support number is available 24 hours a day for catering the customer's needs. All the needs and demands of the consumer are fulfilled in terms of power supply to storage capacity by LG products.

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Market share of the major brands in the industry are as follows

Perceptual Maps of Refrigerators when compared to Samsung

Perceptual mapping is a technique used by the marketers that attempts to visually display the perceptions of the customers using their respectable products. Typically the position of product, product line, brand, quality, market share is mentioned in the perceptual maps. When plotting a perceptual map two dimensions are commonly used.

If we plot the Refrigerators market of India we can identify some brands which are price and sales. Samsung, LG and Whirlpool are plotted as low price and high sales, Godrej is plotted as low price and low sales and

Electrolux is plotted as low price and low quality range. Once completed the perceptual map then we consumer can identify where an organization could launch a new brand at medium price and high quality range.

High Price

Low Price

High sales

Low Sales

Whirlpool

Electrolux

Haier

Samsung

Videocon

LG

Godrej

If we plot the Refrigerators market of India we can identify some brands which are based on promotional activities and market share. Samsung is plotted as high market share and less promotional activities, LG and Whirlpool are plotted as High market share and high promotional activities, Godrej and Electrolux are plotted as low promotional activities and low market share and Videocon and Haier are plotted as low promotional activities and low market share low price and low quality range. Once

completed the perceptual map then we consumer can identify where an organization could which is with high market share based on quality of product.

High Promotional Activities

Low Promotional Activities

High Market Share

Low Market Share

Whirlpool

Electrolux

Haier

Samsung

Videocon

LG

Godrej

Conclusion

Samsung has created a strong brand name by using the latest technology techniques in developing the products, world class designs and latest innovations. To grow its brand image, Samsung used a design competition to excite customers. To boost the brand image of Samsung, it manufactured refrigerators which suit all types' customers to satisfy their own needs.

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