

# Steep analyses for nokia essay sample



**ASSIGN  
BUSTER**

Nokia Corporation engages in the manufacture of mobile devices and mobile network equipment, as well as in the provision of related solutions and services worldwide. The company has four main business functions or segments: Mobile Phones, Multimedia, Enterprise Solutions, and Networks. STEEP analysis identifies the social, technological, economic, environmental and political factors that of which directly affect a company.

### Social factors

Socio-culture focuses on the next factors: culture, social classes, diversification of different classes among consumers, lifestyle, income level, different demographic and psychological factors. With Nokia mainly operating in the Western market it is important for them to fully understand the social factors. For instance, Consumers are always after the most innovative and best looking Smartphone because in today's culture people are judge on how fashionable they are by their choice of mobile phone. The increasing trend in Smartphones means when consumers purchase new mobile phones less and less consumers are choosing the standard mobiles phones over Smartphones because of the social trend in today's society.

The rise of the so-called information society has made telecommunications increasingly more important to consumers, both in terms of work and leisure. Users are more aware of mobile phone handset choice and advancements due to increased information availability. Now it is necessary for people that their mobile phones satisfy all recent trends. Nokia will be aware of this and may now spend the majority of their efforts developing a Smartphone that

can compete with their rivals' products, in order to keep up with the trends of their consumers.

### Technological Factors

The technological advances in the industry are vital to the success in the market. But level of competition rises, that is why Nokia must ensure that their phones are at the highest level of innovation. Nowadays the strongest competitors of Nokia in the market are Apple, Samsung, HTC. People are waiting for their new products, as a result these companies often launch new products. Moreover, their customer-retention rate is really high.

As well as function more and more consumers are looking at the software running all the functions as a key indicator of the success and quality of the Smartphone, so Nokia's alliance with Microsoft for their latest Smartphones seems a very good move as everyone are aware of the technological capabilities of Microsoft and the value they can add to any technological product. With functions such as camera, internet, social networking and email all necessities on Smartphones Nokia will have to think of other functions to help differentiate and stand out from its rivals. Otherwise competition will win.

### Economical factors

As far as Nokia is concerned, the economic system is critical as it can control what the organization is to produce, how it should produce and the category of recipient who should use their end products. On one hand, aspects of international trade is important for Nokia being the global supplier of mobile

phones and on the other hand, the knowledge concerning the nation's economic status. With incomes rising, people have more disposable income, which enables consumers to be more selective with their choice of mobile phone.

#### Environmental factors

In today's culture it is very important for organisations to be seen as environmentally friendly and ethical with its manufacturing, because of the global effect it has on global warming so Nokia must ensure that they operate in an appropriate manner. With mobile phone recycling organisations becoming more and more popular, this demonstrates how important people are regarding it. The main issue with mobile recycling is the disposal of the batteries in the phones as these can become dangerous if not disposed of appropriately.

#### Political factors

Intellectual property is the key to any technological business and must be cared for and protected to the fullest amount to ensure the business does not lose out to rivals. As Nokia have manufacturing plants in a various countries it is extremely important that they abide by the laws and regulations set by the different countries as the laws will differ depending on the country, these can be employment laws, Health and Safety or even trade restrictions.