



DESIGN MANAGEMENT INSTITUTE

CASE STUDY EPILOGUE

DMIO23

SAMSUNG

Epilogue *March 2008: What* *Actually Happened* *at Samsung Design*

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Emotional Design

Samsung Electronics continued to improve the emotional quality of the design of its consumer products, beginning with the conference in March 2006 for which they were preparing in the case's closing scenario. At this meeting, Samsung's global design advisors shared their knowledge and experience in the area of emotional design with CDC members and other specialists at Samsung. Then the advisors and design managers discussed in depth the differences between Samsung's products and selected top-tier competitors' products in order to identify strengths and weaknesses. Major findings from the conference were published in a comprehensive report on emotional design quality for in-house use. Out of this arose a comprehensive understanding of the nature of emotional design and how to improve the emotional quality of Samsung's products. In late 2007, the company launched a new design philosophy, Create an Emotional Journey.

To leverage its worldwide design connections, Samsung began to collaborate closely with luxury-brand producers and designers, including Giorgio Armani, Anna Sui, Jasper Morrison, Andre Kim, and Bang & Olufsen in developing its capability to produce highly emotional products. This has resulted in equipping Samsung's designers with in-house state-of-the-art design skills in fashion, crafts, and luxury industries. These skills in turn are being applied to Samsung's consumer electronics products.

The Bordeaux Plus TV

An example of these developments can be seen in the Bordeaux TV, which was launched in spring 2006 and helped Samsung to become, for the first time, number 1 in sales of digital TVs in the US market, with a market share that year of 20 percent, up from 14.5 percent in 2005.

In the meantime, the Bordeaux team developed an even more "emotional" design, which was launched in spring 2007 as Bordeaux Plus. Among the new attributes were a transparent bezel with a glass-like curve at the bottom, and several technical upgrades. It was also wall-mountable. Bordeaux Plus received a prize "as a piece of art" at the iSaloni Furniture Show in Milan in 2007. By the end of August 2007, 5,200,000 Bordeaux units had been sold, which put Samsung at the top of the world market share in TVs, with 17.7 percent to Sony's 10.8 percent in the third quarter of the year. (See **Exhibit E1**.)



Exhibit E1: The Bordeaux Plus.

The Twist mobile phone was first released in Korea and China, then in Europe. By the end of 2007, five subsequent models had been developed; see the 2007 model in **Exhibit E2**.

During this period, Samsung also broadened its efforts to meet the needs of the elderly and people with disabilities. One result was the Jitterbug, which had a simple menu and large buttons. (See **Exhibit E3**.)

The Quatro refrigerator was introduced in Korea in May 2006 and quickly attained a sales record of about 2,000 per month. Later in the year, it was released globally. In the US, with only the stainless steel version, the Quatro was selling about 1,500 per month by March 2007. Eleven thousand were sold in North America in 2007, 23,000 in Korea.



Exhibit E2: Twist mobile phone in 2007.



Exhibit E3: The Jitterbug.

Design Prizes

In 2006, Samsung won 76 international design awards, including 3 from IDEA (USA); 31 from iF 2006 (Germany), 18 from red dot (Germany), and 24 from G MARK (Japan). In 2007, the company netted 91 awards: IDEA (1 gold); iF (40, including 4 Golds); red dot (23, including 2 Best of Best), and G MARK (27, including 1 gold).

Personnel Updates (as of May 2008)

Choi Geesung moved from the Digital Media Business to become president of the Telecommunications Network Business in January 2007. He remained head of the CDC.

Kim Jeongmin was promoted to principal designer of the Design Group, System Appliance Division, DAB.

Park Jong-Woo took Choi's place as president of the Digital Media Business.

Yun Jong-Yong stepped down as CEO of Samsung Electronics in May 2008.

Chung Kook-Hyun was promoted to a Executive Vice President in May 2008.

Lee Kun-Hee announced his resignation as chairman of Samsung in April 2008.

Kim Nammi was promoted to a Principal Designer.

Chung Seung-Eun(Erin) (Ms.) Moved from the Design Planning Group, Design Strategy Team, CDC to the SADI to serve as the head of planning.

Lee Seung-ho was promoted to senior designer (manager) in March, 2006, and was awarded a 6-month sabbatical under the Design Power Program.

Kim Sunghan moved from SADI to Samsung Europe Design Center as manager in April 2007.

Kang Yunje was promoted to vice president (Samsung's youngest, at 37) of the Visual Display Design Group of the Digital Media Business in January 2007.

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