



Marketing Fundamentals Analysis and Evaluation - Assessment 2

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1. Introduction

Several factors influence the consumer's decision-making process regarding the choice and purchase of a product or service. Many marketing instruments have a large role in shaping his decisions. With the help of many marketing incentives related to the offered product, its price value, distribution and promotion, enterprises directly influence the market of individual buyers and institutional clients.

That is why a clearly defined company's strategy plays such an important role in the evaluation of activities aimed at selling its product. Communication between stakeholders and the company is equally important, as this relationship contributes to increasing the position on the local and international market. It also builds confidence in the market among consumers.

A very good example of the above is the strategic operation in this area of Samsung, one of the largest smartphone manufacturers in the world.

2. The role of marketing in creating value for the customer

Marketing is traditionally the promotion of products or services to the target group (Kotler and Armstrong, 2018: 28). However, not all companies approach the requirement to market their products or services within the same way. These different approaches are called marketing concepts and determine what reasonably marketing tools the corporate will use (Kotler and Armstrong, 2018: 46). The difference from marketing concepts is that they are driven by clear goals that use the price, social responsibility and efficiency of a given market to maneuver off from products to satisfy user needs (Housden, 2010: 67).

While there are five different marketing concepts, Samsung primarily uses the merchandise concept. Companies that apply this idea believe that product quality is that the top priority for consumers (Housden, 2010: 68). this implies that customers are searching for innovation and are constantly searching for the most effective of the currently available (Kotler & Armstrong, 2018: 56). For Samsung, the main target is on introducing new products and ensuring that customer technology needs are continuously met.

The conglomerate also uses the concept of social marketing, due to which it benefits from communicating and delivering value to customers in a very way that takes under consideration their social, ecological, and ethical expectations. Its implementation requires the corporate to investigate the directions of market development, identify segments that social and environmental benefits are important, and take them under consideration within the processes of making and delivering the mean value to buyers.(Gbadamosi et al., 2013: 16) During this case, it focuses mainly on combating poverty, eliminating the fight against social inequalities, and stopping global climate change (Samsung, 2020)

It brings measurable benefits for marketing activities. Thanks to this, the company advertises its products and services with the participation of the society.

For example, a company investing in schools and projects that finance activities for young people could find the right staff. One could say that this is a certain preces to recruiting new employees. On the other hand, by investing in the environment, thanks to the conducted marketing campaigns, it could sell its innovative electrical appliances, such as energy-saving refrigerators or washing machines that consume less water. (Samsung, 2020b)

2.1 Marketing advantages

Marketing aimed toward consumers allows you to push the brand and attract the eye of the target group on the chosen market (Baines, Fill, Rosengren & Antonetti, 2017: 3). Marketing creates increased brand recognition, which over time allows the brand to come back to the fore of consumers (Baines et al., 2017: 4). All this just helps companies increase profits by increasing sales.

2.2 The advantages of branding

For marketing to figure, you would like to form a particular and unique name and image of an organization or product (Clow and Baack, 2017: 43). this is often referred to as a brand. Branding, on the opposite hand, is nothing quite creating an identifiable brand, falling within the consumer's mind, while ensuring a selected level of service or product quality and its promotion. (Onkvist and Shaw, 2004: 310) additionally, it provides legal protection against competition, which is vital for Samsung within the highly competitive market of smartphone technology and low-cost imitators.

In the process of constructing a choice to buy a product, the buyer is faced with the selection of one or more from a good range of products of various categories that can satisfy his needs. When choosing a selected thanks to satisfy this need, he rejects variety of substitutes in favor of a selected product category. because of the limited time and possibility to gather information about each product (its quality and distinguishing features), consumers often depend on a particular variety of information carriers, like brands. The existence of brands is justified, among other things, by consumers' demand for information about products, resulting from such economic trends as, as an example, globalization or new technological trends. (Onkvist and Shaw, 2004: 314)

From the customer's perspective, the brand is influenced by its capital. Positive perception of the brand for consumers and therefore the willingness to meet the promise of its benefits; will result in a better premium that the customer is willing to pay (Jobber & Ellis-Chadwick, 2019: 245). This is often a vicinity that Samsung is using to get higher profit margins due to a loyal following of fans who see the brand's elevated level of status. Which causes the target group to settle on Samsung rather than alternatives on the market.

2.3 Ansoff Matrix

The Ansoff matrix may be a strategic planning tool that helps management create strategies for future growth (Hussain, Khattak, Rizwan & Latif, 2013). There are four categories within the matrix, within the case of Samsung, which may be a well-established brand, they might specialise in development and diversification (Hussain et al. 2013).

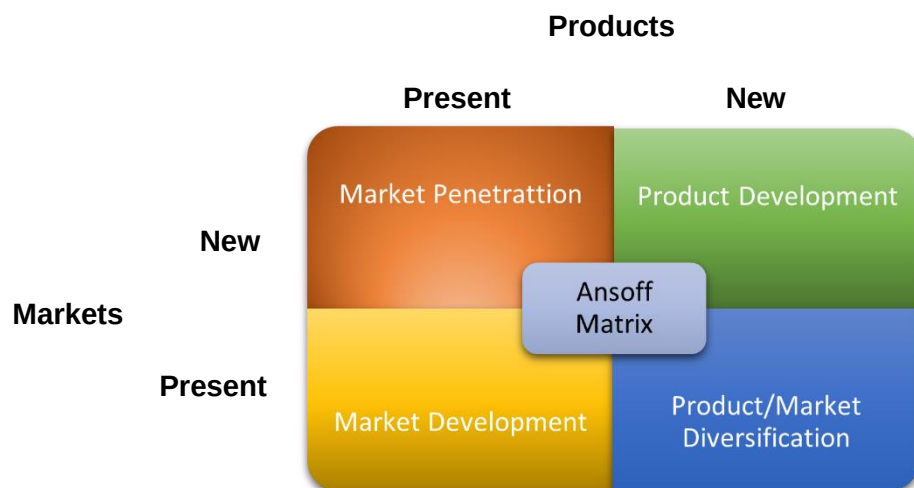


Fig. 1. Ansoff Matrix Source: *Source: Hussain, Khattak, Rizwan & Latif, 2013*

In terms of development, Samsung aims to form value in an exceedingly highly competitive, mature smartphone market. This can be because of the expansion of the Galaxy smartphone range with wearables and headphones (Faulkner, 2020). As health has become a key trend during the pandemic, Samsung is reaping the advantages of investing in health and fitness apps and devices that connect with their range of smartphones (Jung-a, 2019).

To further increase the worth of the brand, Samsung is diversifying its smartphone line, creating a replacement growth area for "foldable" smartphones. (Jung-a, 2019) As a result, Samsung sees a possible synergy between its traditional Galaxy brand smartphone and also the new foldable phone they called Galaxy-Fold to create the merchandise a part of the integration within the merchandise line (Jung -a, 2019). However, Dhir and Dhir (2015) argue that diversification is one in all the risky growth options as both product and market development are required.

2.4 Relationship Marketing

Relationship marketing has become a key term for brands in competitive markets. Currently, the stress is on the importance of customer retention, establishing long-term relationships and providing customers with commitment (Husnain & Akhtar, 2015).

In the case of Samsung, they address their customers with innovative products that help them integrate into the Samsung ecosystem. By using their products like Samsung Health, Bixby, and Samsung Pay. It connects the customer with the ecosystem and helps build relationships with the enterprise due to the reliability and trust in products and services for smartphones (Husnain and Akhtar, 2015).

3. Stakeholder involvement and impact of actions

Through the right relationships with the stakeholder, the enterprise can obtain specific and tangible benefits, by reducing risky ventures and ending with product modifications.

Managing this type of relationship can be carried out by different companies, differing in the degree of their intensity and commitment. This depends on the size and nature of the business as well as the type of stakeholders themselves.

Stakeholders are people and organizations that have an interest within the organization's strategy; stakeholders typically include shareholders, customers, employees and therefore the area people (Blythe, 2017: 53). Each organization has to identify its stakeholders and define only the extent of authority they need to influence the organization's strategies (Benn, Abratt & O'Leary, 2016).

3.1 Internal and external stakeholders

Stakeholders are often divided into two broad categories. Typically, internal stakeholders are members of the organization. within the case of Samsung, this means; Management, Employees, and Suppliers (Samsung, 2020). There also are related stakeholders within internal stakeholders who typically have a business or contractual relationship with the organization. They include Shareholders, customers and distributors (Samsung 2020).

External stakeholders are people who don't seem to be directly associated with the organization. However, they will have an interest within the activities of the organization or may influence them in a way (Blythe, 2017: 54). samples of these Samsung stakeholders include Governments of the countries during which they operate, media and knowledge organizations and native communities.

While Samsung's operations have an impression on many stakeholders, it is primarily customers, distributors, governments and also the media that have the ability to influence Samsung's plans.

3.2 Communication with stakeholders

Communication is comparatively the only and most used stakeholder engagement tool. To be able to communicate about the functioning of the corporate or its initiatives to both internal and external stakeholders. The tools used for internal communication can be employee training, reports, newsletters, intranet sites. External communication may occur through thematic conferences, websites, open meetings, press releases, marketing communication. Of course, it is important to regulate the language of communication to a selected group of recipients of this message on every occasion.

One of the most important internal tools that the company communicates with its stakeholders are, for example, internal staff training, reports, and intranet sites. External communication means meetings, press, thematic meetings. Of course, the most important thing is properly adjusted communication to a specific group of recipients.

Since the relationship between the enterprise and its stakeholders is labor-intensive and labor-intensive, both parties should be aware of their obligations and be able to fulfill them. (Samsung, 2020)

Samsung prides itself on better engaging with stakeholders, communicating with each of them a unique strategy. Samsung frequently meets and communicates with its stakeholders to undertake significant challenges and make strategic decisions. for instance, the launch of the new Samsung Fold phone and stepping up cooperation with retailers and distributors to require this new phone (Samsung, 2020). the corporate communicates openly and directly with its employees and customers through services like social media and e-mail. Each stakeholder is assessed so Samsung can develop a customized communication plan. By using online communication, a brand is ready to simply create better relationships, which might be assessed through customer satisfaction services to confirm that stakeholder needs are being met (Benn et al., 2016).

The company also communicates with government stakeholders and participates in government policies and techniques. One principle helped Samsung create a business incentive that helped the smartphone arm reduce power consumption by 10% (Samsung, 2020). Samsung is additionally in close contact with vendors who are gaining innovative ideas and feedback to streamline and streamline the operation and production of smartphones (Samsung, 2020). The feedback from customer communications allows Samsung to repeatedly check more smartphone models to confirm they meet a awfully competitive market.

This valuable communication with quality stakeholders allows Samsung to get valuable feedback, an excellent understanding of the smartphone market, dynamic deciding and better internal communication. (Benn et al., 2016)

3.3 Stakeholder Influence on Samsung Marketing Activities

For Samsung to be able to successfully undertake various marketing activities, it's necessary to prioritize the impact of stakeholders on these activities (Rajablu, Marthandan, & Yusoff, 2015). within the case of Samsung phones, customers buying the merchandise are a key stakeholder. together with the Galaxy line of phones, Samsung wants to compete within the premium smartphone market with brands like Apple, LG and Sony (Samsung, 2020). because of the highly competitive market, customers provide Samsung with valuable feedback and help keep the brand competitive (Benn et al., 2016). Moreover, Samsung relies on word of mouth as a brand to assist distract customers from rivals like Apple. Customers help influence others by recommending the brand to friends or other customers through services like Social Media (Rajablu et al., 2015).

Internally, managers and shareholders also influence marketing efforts by accessing shares to assist the corporate grow (Blythe, 2017: 56). Since Samsung could be a publicly traded company, their shareholders have an influence over the company's goals. Managers internally formulate recommendations and decisions that influence the direction of the organization (Rajablu et al., 2015). Finally, suppliers can have a big impact on the marketing of a corporation. within the case of Samsung, when Samsung Fold was first launched, supply and quality issues led the brand to place aside marketing strategies to enhance the initial product (Swider, 2019).

Finally, governments can enact new laws and alter levels of competition within the industry, all of which may affect Samsung by what quantity they'll spend or whether or not they need to adjust to new laws and rules with their smartphones (Blythe, 2017: 56). within the case of Samsung, the initial Fold scandal led to government interventions in Europe and therefore the US that forced the brand to alter its phone and marketing efforts (Swinder, 2019).

4. Conclusions and recommendations

Overall, Samsung operates during a very competitive market, and marketing plays a key role in both raising brand awareness and helping to keep up a competitive advantage. Samsung uses its positions and relationships to make relationships between itself and its stakeholders. However, stakeholders at Samsung have lots of influence over the brand, whether or not they are buying customers or internal managers and shareholders dictating the company's competitive direction.

It is vital that Samsung continues to focus heavily on its stakeholders, especially customers. Especially when other phone brands like Apple and Sony are pushing hard on the premium market. Samsung has to concentrate on maintaining communication with these customers so they are doing not leave the competition. Taking advantage of feedback, social media and understanding the wants of the smartphone market, Samsung will remain competitive by introducing new, innovative products like Fold or new Galaxy series to keep up market share.

Finally, Samsung must still identify and prioritize its stakeholders to make sure it identifies those with the foremost power within the company. within the future, increasing environmental and competition law issues as trade agreements change, could mean that stakeholders like the govt. have more power than customers. which might then even further change Samsung's marketing efforts. This further highlights the influence of stakeholders, yet because the fragile relationships brands have with them, and also the way they have to regulate marketing to consistently meet their needs.

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