

Running Head: MARKETING MANAGEMENT OF SAMSUNG

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Marketing Fundamentals and Analysis

1 Introduction

The main factor for the success and development of any business strategy and plan is marketing. Without implementing the fundamental marketing concepts, no customer will ever know about the products and service the company is offering. Marketing is considered as one of the significant activities for the businesses as it has a vital and direct impact on the sales, profitability and development on the brand (Omer 2019). Larger organisations always have a dedicated department that deals with marketing activities and planning. According to Tronvoll et al., (2018), “Marketing is the crucial tool in the modern business organisations; it involves understanding of the marketplace, demands of consumers, building profitable relations, customer-driven market strategy and provide quality among the customers”.

Most of the companies have realised the importance of marketing strategies in businesses as it helps in building consumer relationships as well as in gaining a competitive advantage over other companies. The awareness concerning marketing fundamental and analysis is too elevated in the current market scenario all over the world (Tronvoll et al., 2018). This assignment aims to discuss the stages and processes of marketing. It is based on evaluating the marketing strategies and plans of Samsung Company that is a South Korean based organisation. This organisation is based on Seoul and is founded by Lee Byung-chul in the year 1938 as a trading organisation. This assignment will demonstrate the role of the marketing mix as well as the role of marketing environment and external factors on Samsung Company's marketing plans and strategies.

2 Processes and Stages of Marketing

2.1 Introduction to the Concept of Marketing

Marketing can be explained as the process of anticipating, identifying and satisfying the needs and requirement of the customers in the industry. Most of the businesses are always looking for the prospects in the market that would help in promoting their brand and attracting new customers and retaining the old ones (Tronvoll et al., 2018). Marketing helps in increasing customer satisfaction levels that allows the clients to stay loyal and become a long term client. Marketing helps in maintaining the company's revenues, ensuring the fact that the ration of incoming money is lowered that the outgoing money. Marketing helps in handling the profitable consumer relationships. The key objective of the marketing team in any company is to create value for the buyers and in return, capturing value from the customers (Manoa 2014).

The function of marketing is much more than promotion and advertising. It also aims towards dealing with the clients and boosting the company's sales. The simplest definition of marketing is "managing profitable customer relationships" (Hooley et al., 2008). It is an act of driving and motivating the profitable consumer action. It extends the full scope of tactics and strategies many organisations implement to position their services and products within the marketplace and motivate targeted buyers to make a purchase. The two-fold aim of marketing is to grab the attention of new clients, promising them top quality products.

2.2 Marketing Processes and Stages

The core principles of marketing suggest that there are five steps an stages involved in a marketing process out of which the first four stages concentrate on creating value for the consumers (Harms and Johnson 2000). The main target of the company is to gain a complete

understanding of the market through market research. This step helps in managing the marketing information as well as comprehending the needs of the customers. This then helps in designing the consumer driving marketing strategy on the basis of two concepts, i.e. market segmentation and targeting. The organisations that are good at marketing are aware of the fact that serving all the consumers in every possible way is unattainable (Hooley et al., 2008). As a substitute, they need to focus on serving the potential customers and markets that can be served properly, boosting their sales. The second marketing strategy is serving the targeting consumers, i.e. Positioning and differentiation. At this stage, the marketer plans and outlines a value proposition suggesting the valuable deliverable that helps the organisation in winning the attention of potential buyers.

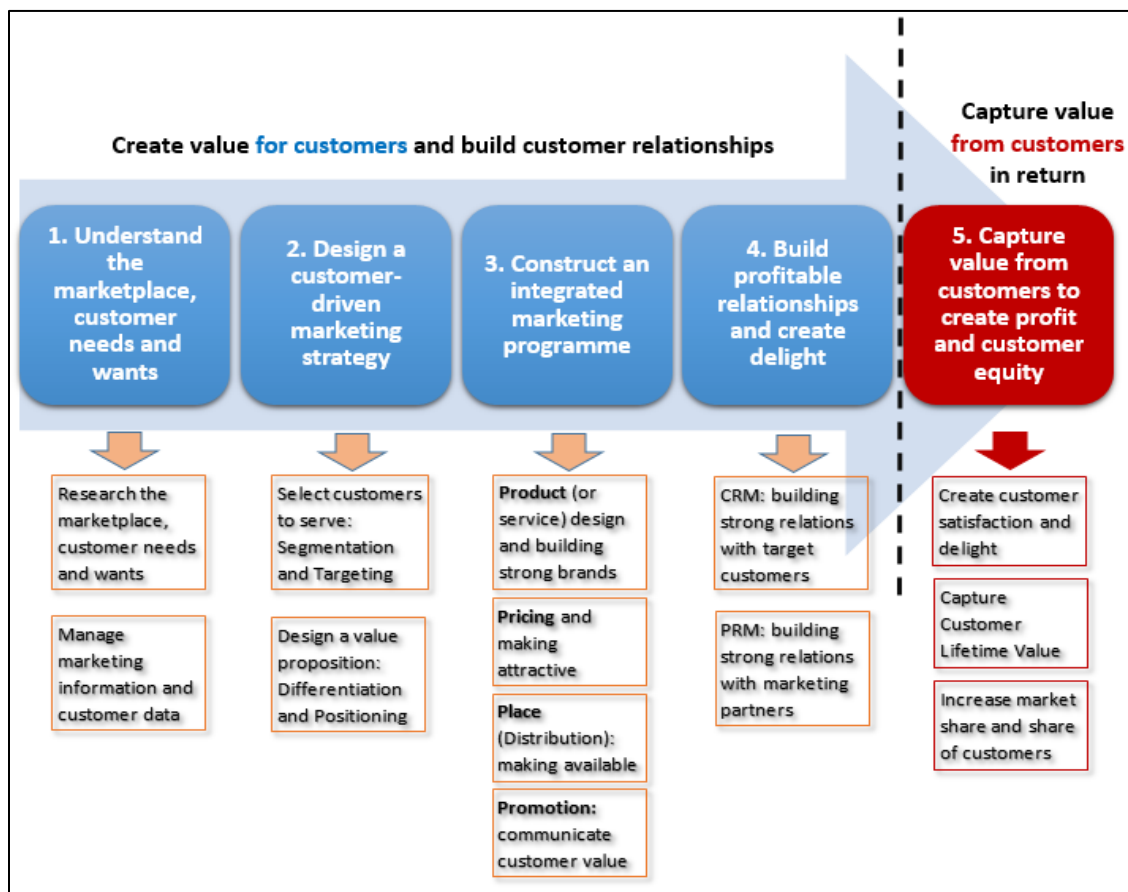


Figure 1 Marketing Stages And Processes

The significant step in the marketing processes includes developing value-laden and profitable links with targeted consumers (Armstrong et al., 2014). During the marketing process, most of the marketers work towards managing customer relationships that help in increasing customer satisfaction levels. Creating value and relationships with the customers go hand in hand. It significantly works closely with the marketing team within the company as well as the external partners present throughout the marketing system. Other than practising good customer relationships, organisations must work on practising partner relationship management.

The first four initial steps of marketing processes deal with creating value for the clients. The fifth and the final step reap the rewards obtained through building strong customer relationships by capturing value from the consumers. When a company is able to deliver higher customer value, a greater number of buyers will prefer them over other brands (Manoa 2014). This helps in enhancing the organisation's long term equity. In fostering customer and partner relationships, marketing technology must be harnessed, take advantage of global opportunities and ensure that they act in an ethical and socially responsible manner.

2.2.1 Market Research

The first step in this process involves market research where the marketing team comprehends and analyses the customer's needs, preferences, desires, income and living conditions as well as the market such as demand, supply and competitors (Tronvoll et al., 2018). This information can easily be collected by using a number of sources containing internal business, i.e. manufacturing, customer care, R&D and sales along with suppliers and intermediaries. Some companies even collect information by hiring agencies or do thorough market research. The collected data will then be sent to the upper management in the marketing

team, and the collected consumer data is processed and evaluated to gain insights into the present market condition and buyer's needs.

2.2.2 Market Segmentation

Segmentation can be defined as the key factor that helps in knowing about the targeted markets and supports in the development of provisional marketing plans and strategies. Market segmentation helps in successfully responding to the issues related to the specific industry in a particular market place (Omer 2019). The evaluation of the market segments is vital to building an understanding of the targeted markets that significantly helps in making organisational decisions. Market segmentations crucially help Samsung Company by providing the scope for the application of marketing strategies that are different for diverse segments within the market. The idea of gains of market dissection holds upright even from the customer standpoint.

2.2.3 Targeting

After market segmentation, the next strategy is targeting the potential markets. Targeting refers to focusing on a particular market area that is time-saving and cost-effective. The market specialism can bring about an exclusive brand image and improves the credibility and status of an organisation. In this strategy, the product promotion always aligns with the needs and requirements of the customers; hence the chance of lower sales are less (Armstrong et al., 2014). This targeted marketing helps the organisations to differentiate themselves from the competitors through their discerning activities. Targeting help the companies to boost their sales as the potential clients concentrate more on product quality rather than prices. Samsung Company implements a number of targeting strategies while launching their brands in the international market. It includes concentration/ niche marketing, and this strategy is adopted for its existing range of technological products

2.2.4 Positioning

After targeting the last strategy is positioning that deals with developing promotional ideas, packaging and advertising. According to Hooley et al., (2008), “Positioning is that which is done to the mind than that is done to the product. It is suggested that positioning strategy should include customer targets, competitor's targets and competitive advantage”. If the company implements its marketing plans without a clear or strong positioning strategy, all the time and money are wasted. If the company is unable to articulate its positioning strategy, they do not have any real and differentiated value within the market place. There is a higher chance of such brands being diminished from the market. Positioning not only helps in driving the company's operations but also clarifies where to invest and what is more important (Adcock et al., 2001). Identification of proper positioning strategy is important. Presently, the Samsung Company has built up its exclusive position among the youngsters, and this is the key reason for planning their new launch for positioning of this corporation in all the segments of smartphones industry. The positioning approach plays a significant role in formulating the marketing mix for this organisation.

2.3 *Role of Marketing Mix*

The marketing mix of Samsung Company evaluates the 4Ps of this brand and demonstrates its marketing strategy. The 4Ps includes product, promotion, price and place. The purpose of using the marketing mix is to help in defining the marketing strategies for accomplishing the business goal and objectives.

2.3.1 Product

Samsung company invests a lot of finance in the R & D department as they aim towards delivering the best and latest technology products to its customers. This company offers a broad range of products in diverse categories. These different ranges of products are their marketing mix product strategy.

2.3.2 Price

Samsung Company is known as the market leader in the technological gadgets market. They have created two main pricing strategies, i.e. skimming and competitive pricing. When this company launches its brand new product with great features in the market, it keeps the prices a bit higher (Harms and Johnson 2000). Once the competitor introduces the similar product, they lower the prices that help them in avoiding their market share reduction, competitive pricing is the second pricing strategy that helps them in averting the flanking attack from the competitor companies.

2.3.3 Promotion

The third marketing mix promotion is considered as the strongest pillar for the organisation. Samsung Company believes that promotion is an effective strategy for grabbing the consumer's attention and positions its brand in the market (Harms and Johnson 2000). The advertising of their products is done through social media platforms. In order to bring in more sales, they make celebrities their brand ambassadors for promoting their products. Hoardings, posters and big placards are placed on highways to get more attention.

2.3.4 Place

Samsung Company sells out its products directly to the service dealers and retailers. This strategy allows only a specific dealer to make corporate sales (Manoa, 2014). Most of the dealer had to involve this organisation's products in their offers because of its brand image. Place or distribution strategy is considered as their biggest strength.

2.4 *PESTEL Analysis of Samsung*

PESTLE analysis is a framework that helps in evaluating the external factors that impact the organisation. This framework involves the evaluation of political, economic, social, technological, environmental and legal factors (Tronvoll et al., 2018). Being a technological company has to deal with industry and government standards. This company has gained and lost a lot due to political instability. Similarly, the global economic downturn results in reducing the buying power of the customers ramming this company to hunt beneficial projects in evolving markets. Since this is a South Korean organisation, their socio-cultural factors are quite different from others. Due to this, they have to remodel their store and market in other states accordingly. Technology is an important element for this organisation. All of their products include innovative features that make them stand out in the market and boost their sales. This company had to encounter considerable fine due to the reason of replicating Apples iPhone and iPad (Adcock et al., 2001). They respect the social and ecosystem and develops products that contribute towards sustainability. This enforced the company to take a stance on consumer expectation and market expectations.

2.5 SWOT Analysis

Strength	Weaknesses
• Award-winning brand • The largest share in the global market • Environment-Friendly Products	• Concentrates on many products at a time • Minor gross profit because of price reduction • Dependency on American markets
Opportunities	Threats
• Acquisition and diversification • HR management • Easily Expansion to other countries	• Regulatory and legal pressures • Greater competition in the market, i.e. Apple, LG, Microsoft etc.

3 Conclusion

This assignment gives insights on the marketing fundamentals focusing on the marketing strategies used by Samsung Company. Moreover, the role of the marketing mix as well as the role of marketing environment and external factors on Samsung Company's marketing plans and strategies has been explained in this assignment.

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