

# Assignment international business

*by* Niveditha Mohan

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## **International Business Assignment**

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## Introduction

This report is aimed to build a comprehensive understanding of the intricacies of international business operations. This report will adopt a case study-based approach to analyse the aspects of internationalisation strategies businesses worldwide employ. As for the case study, Samsung Electronics has been chosen for this report. A comprehensive analysis of Samsung's internationalisation strategy and its alignment with the relevant contextual factors will shed some light on the company's approach to global expansion. To keep the report conclusive, the case study will focus on the company's home country South Korea and Brazil as the host country. Moreover, this report will restrict its focus to the company's smartphone business in these two countries. This report's effective structure will be based on the company's adopted mode of international strategies and the critical contextual factors which will evidently influence the plan in the global domain.



**Figure 1:** Company Logo

**Source:** Samsung Website (2023)

Samsung is a well-recognised electronic brand and a global conglomerate spanning its operations worldwide. Samsung is also considered one of the leading multinational enterprises (MNEs), which has a formidable marketing share in the technology domain. The company has established its headquarters in South Korea, also its home country. The company has a wide scale of operations across sectors like consumer electronics, telecommunication, semiconductors, and more. The brand has developed a robust and comprehensive chain of international business presence attributed to its subsidiaries that operate across various world nations. The global

strategies that Samsung employs play a significant role that allows the brand to penetrate new markets and compete effectively with its arch-rivals. These aspects of the company will be analysed to table an understanding of its foreign subsidiaries and intricate contextual factors.

## **Internationalisation Strategies of Samsung**

A company's international strategies shape its expansion approaches on foreign soil. Moreover, these factors also dictate the entire operations, which align with the parent company's outlined objectives and aims. The company Samsung has been following a Geocentric form of international strategy. This section, in particular, will decisively delve into the intricacies of this method and essentially build a comprehensive knowledge of Samsung's mode of operation in Brazil.

### ***Definition and Characteristics***

The geocentric strategy is considered a very comprehensive approach to international business operations. This focuses on global integration and local responsiveness, negating nationality and geographical location. In this case study, Samsung's home state is South Korea, and a foreign subsidiary operates within the geographical limits of Brazil. This geocentric strategy is pivotal in fulfilling the company's global aspirations. The geocentric approach adopted by the company Samsung involves a decisive shift from narrowly focusing on the practice valued in its home country South Korea to a more inclusive and accommodative approach to imbuing the practices in Brazil. Moreover, there is a strong collaboration between the employees of both these nations to achieve a common goal for the brand. Moreover, the geocentric international strategy involves a framework where the brand headquarters decide strategically. In contrast, the marketing and administrative decisions are left at the discretion of the local subsidiary. In the case of Samsung, all its research and developmental roles, strategic choices, and product development and design

are held at the Samsung headquarters in South Korea. On the other hand, the more localised the actions like marketing and selling are given to the subsidiary of Samsung operating in Brazil. This proven and effective approach allows the company to fine-tune its marketing and selling endeavours to the local administration. The company seeks to leverage the best talents acquired by resourcing globally in this strategy. This diversity in background and culture will contribute to innovation, creativity, and problem-solving ability.

Samsung's geocentric strategy strongly focuses on collaboration and information exchange between its Brazilian subsidiary and South Korean headquarter. Samsung knows the need for excellent cross-location coordination and communication for global integration and organisational efficiency. In order to guarantee that decisions and plans take into account both local market realities and international business objectives, the corporation encourages cross-cultural collaboration and the sharing of ideas and best practices between the South Korean and Brazilian populations. Moreover, the country's geocentric strategy prioritises talent recruitment and development from South Korea and Brazil. Acquiring talents from the local area has certainly enabled Samsung to benefit from their local knowledge, understanding of the Brazilian market, and language proficiency. This will further boost the brand to foster its position in the local market of Brazil.

The overall usage of the Geocentric strategy allows the creation of greater workforce capacity. According to Adolph (2022), an impact associated with the geocentric approach is the inclusion of overall diversity in the workplace. Maintenance of the significant ideas related with the marketing operations for the awareness of people in an anticipated manner regarding the features and qualities of certain products is a direct consequence of the usage of a geocentric strategy. One of the primary bodies within the organisation which can act as the primary facilitator of such an environment is the Human Resource Department of the organisation. The creation of strategies and corresponding decision-making at every point regarding the recruitment and training of employees requires the atmosphere of the inputs provided by the Human Resource

Management professionals who can ensure direct results. The overall requirement of coordination of such departments with the other influential stakeholders is, therefore, an essential element of geocentric strategy.

### ***Application of Geocentric Strategy***

| <b>Aspect</b>                   | <b>Application of Samsung's Geocentric Strategy in Brazil</b>                                                     | <b>Challenges</b>                                          | <b>Benefits</b>                                          |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------------|
| <i>Product Development</i>      | Conduct extensive market research to understand the specific needs and preferences of Brazilian smartphone users. | Balancing global design standards with local customisation | Meeting local demand and gaining a competitive advantage |
| <i>Marketing Strategies</i>     | Develop localised marketing campaigns that resonate with Brazilian consumers.                                     | Cultural adaptation and ensuring effective communication   | Increased brand awareness and customer engagement        |
| <i>Distribution</i>             | Establish strategic partnerships with local distributors and retailers to expand market reach.                    | Managing complex logistics and supply chain                | Wider market penetration and improved distribution       |
| <i>Pricing Strategy</i>         | Conduct a pricing analysis to determine competitive and appealing price points for the Brazilian market.          | Navigating local economic factors and competition          | Attracting price-sensitive consumers and market share    |
| <i>After-sales Service</i>      | Set up local customer service centres to provide timely and efficient support to Brazilian customers.             | Language barriers and cultural differences                 | Enhanced customer satisfaction and loyalty               |
| <i>Talent Management</i>        | Recruit and retain diverse talent from both South Korea and Brazil                                                | Managing cross-cultural teams and fostering collaboration  | Leveraging global expertise and local knowledge          |
| <i>Research and Development</i> | Collaborate with Brazilian universities and research institutions to drive innovation.                            | Adapting to local technological advancements               | Developing market-specific products and technologies     |

|                                        |                                                                                 |                                                      |                                                         |
|----------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------|
| <i>Corporate Social Responsibility</i> | Engage in CSR initiatives that address local social and environmental concerns. | Aligning with local CSR expectations and regulations | Enhancing brand reputation and building community trust |
|----------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------|

**Table 1: Geocentric Strategy Application in Brazil**

**Source: Self-made**

The application of Samsung's geocentric strategy, specifically in the Brazilian market, highlights the company's commitment to achieving its goals pertaining to global integration and local responsiveness. This geocentric approach has enabled Samsung to cater effectively to the varying needs and preferences that are unique to Brazil's population from the point of competitiveness in the smartphone industry. Samsung has evidently laid its focus on product localisation by identifying the intrinsic needs of Brazilian. For instance, as Brazil is a developing nation, the population tends to be inclined to more budget-centric smartphones.

**Smartphone OEM Market Share in Brazil**

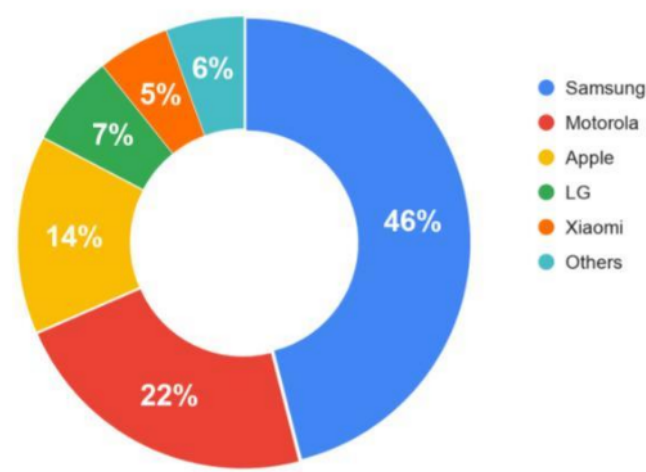


**Figure 2: Smartphone market share in Brazil**

**Source: Bansal (2020)**

The above table has evidently depicted the market share break-up of the smartphone industry in Brazil. As per the data, Samsung holds a formidable market share in Brazil of at a tune of 46%, which is again followed by the company Motorola. Samsung has fostered its position in the Brazilian market with the help of its A series smartphone, which is budget-friendly and has targeted a consumer residing in a developing country. This has been an attribution of the geocentric approach adopted by the company, which has enabled the brand to understand the intricate need of the market (de Oliveira *et al.* 2018). Furthermore, Samsung uses a geocentric strategy in its Brazilian marketing and advertising plans. The business is aware of how crucial it is to establish a rapport with the community and successfully communicate its value offer. In order to create marketing campaigns that appeal to Brazilian customers, Samsung works with regional agencies while taking cultural quirks, values, and preferences into consideration. Samsung can successfully communicate the advantages and features of its smartphones to consumers by developing customised advertising material and promotional initiatives that are specially created for the Brazilian market, raising brand awareness and boosting sales.

### ***Advantages of Geocentric Strategies***

Samsung's adoption of the geocentric internationalisation strategies in the market Brazil has several advantages which have enabled the company Samsung to acquire a formidable market share in the smartphone industry. Moreover, adopting the practices of a geocentric strategy has evidently enabled Samsung to effectively blend its global operational standards with local responsiveness. The following are some of the points which will describe the advantages of the concerned strategy with respect to the Brazilian market:

- **Market Adaptation:** The geocentric approach of expansion has certainly allowed the company Samsung to adopt its products, services, and its market strategies to cater for the specific needs of the population of Brazil. In respect of this, the company has tuned its

device to the specification in accordance with the demographic assessment of Brazil. This approach, in turn, will further enhance customer satisfaction and improve brand perception.

- **Enhanced Customer Engagement:** Samsung has evidently created locally relevant marketing efforts that appeal to Brazilian customers thanks to its geocentric business approach. The Brazilian market's cultural quirks, attitudes, and preferences may help the company explain its value proposition and establish strong emotional bonds with the customers (Portugal *et al.*, 2021). By increasing brand awareness, consumer loyalty, and favourable word of mouth, Samsung's market position in Brazil is further strengthened along with this process.
- **Efficient Distribution:** By collaborating effectively with local distributors and retailers in the Brazilian market, the company can effectively establish an effective distribution network. An effective distribution network certainly enables the brand to keep its supply chain at an optimal level (Narada Gamage *et al.*, 2020). Samsung is able to successfully manage the intricate logistics and supply chain problems in the Brazilian market by making use of its knowledge and experience.
- **Localised customer support:** The customer support of the company is based in the local areas of Brazil. These are local customer executives who are bilingual and have a very thorough knowledge of the local dialect and articulation. This enables the brand to connect more with the consumers and effectively resolve their issues related to their products (Dana *et al.* 2022). This ensures a sense of reliability among the consumers and essentially inflates the brand value.
- **Global-Local Collaboration:** Employees from South Korea and Brazil may effectively collaborate and share information due to the geocentric approach of the brand. Samsung can use both global and local knowledge to generate innovation and operational excellence by bringing together a variety of viewpoints and specialities.

- Greater shielding from crisis situations:** According to the opinions of Dunlap *et al.* (2020), the creation of strategies related to the aversion of crisis associated with the globalisation of the operations takes place due to the adoption of the geocentric approach of operations. According to the ideas provided by Dunlap *et al.* (2020), suggestions and assessments of the changes applied to the company protocols are mainly possible and significantly allow the creation of opportunities related to change management within the organisation. Further identification of the different benefits which are primarily associated with the development of employees takes place, presenting additional resilience from future crisis events. As a result, during the events which have taken place recently, such as the occurrence of the covid-19 pandemic, the company has been able to maintain overall customer strength through the availability of products and the corresponding satisfaction in terms of performance and quality.

### ***Challenges of Geocentric Strategies***

| Aspect            | Challenges                                                                                                                                                                                                         | Implications                                                   | Mitigation Strategies                                                                                  |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Market Adaptation | <b>Balancing global design standards with local customisation:</b> Ensuring that the products meet both international quality standards and the specific preferences of Brazilian consumers.                       | Potential compromise on product consistency and brand identity | Conduct thorough market research to understand local preferences and align with global trends          |
|                   | <b>Navigating cultural differences:</b> Understanding and adapting to the cultural nuances, values, and preferences of the Brazilian market to avoid any misalignment in product positioning (Shin and Cho, 2020). | Misinterpretation or miscommunication of marketing messages    | Employ local market experts or agencies to provide cultural insights and support localisation efforts. |

|                             |                                                                                                                                                                                            |                                                              |                                                                                                             |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <i>Marketing Strategies</i> | <b>Cultural adaptation in advertising:</b> Developing marketing campaigns that effectively resonate with the Brazilian audience and account for cultural differences.                      | Potential misinterpretation of cultural references           | Engage local creative talent or agencies to ensure cultural relevance and avoid insensitive messaging.      |
|                             | <b>Effective communication:</b> Overcoming language barriers and ensuring clear and impactful communication with Brazilian consumers.                                                      | Potential loss of message clarity or meaning                 | Employ bilingual staff, provide localised translations, and conduct thorough message testing.               |
| <i>Distribution</i>         | <b>Complex logistics and supply chain:</b> Managing the intricacies of the Brazilian market, including transportation, customs regulations, and inventory management.                      | Increased costs and longer lead times                        | Establish partnerships with experienced local distributors and logistics providers.                         |
|                             | <b>Varied consumer behaviour and regional preferences:</b> Adapting distribution channels to meet the diverse demands and preferences across different regions in Brazil.                  | Difficulty in reaching all target segments and regions       | Develop a flexible distribution network that caters to specific regional requirements                       |
| <i>Pricing Strategy</i>     | <b>Local economic factors and competition:</b> Determining competitive and profitable pricing in the Brazilian market, considering factors such as purchasing power and local competitors. | Pricing inconsistencies and potential profit margins erosion | Conduct comprehensive pricing analysis, considering local economic indicators and the competitive landscape |

|                     |                                                                                                                                                                                             |                                                           |                                                                                              |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                     | <b>Currency fluctuations and exchange rates:</b><br>Managing the impact of currency fluctuations between the Brazilian real and the company's home currency.                                | Financial risks and potential loss of competitiveness     | Implement hedging strategies to mitigate currency risks and regularly monitor exchange rates |
| After-sales Service | <b>Language barriers and cultural differences:</b><br>Overcoming communication challenges in customer support and addressing cultural expectations in service delivery (Son and Kim, 2022). | Misunderstandings and potential dissatisfaction           | Train customer support staff in language proficiency and cultural sensitivity.               |
|                     | <b>Ensuring consistent service quality:</b><br>Maintaining a consistent level of service quality across all customer touchpoints in Brazil.                                                 | Variations in service standards and customer satisfaction | Implement standardised service processes and conduct regular quality checks                  |

**Table 2:** Challenges of geocentric strategies in the Context of Brazil

**Source:** Self-made

## Contextual Factors influencing internationalisation strategy

### PESTLE Analysis

#### *Political*

Due to its enormous prospective market prospects, Brazil's developing economy has drawn the attention of several global firms. Due to the immense potential of the Brazilian market, Samsung Corporation, one of the biggest technological corporations in the world, has concentrated its internationalisation strategy there. Thoughts on the internationalisation plan are significantly influenced by a variety of political variables. Ishigai, Pereira and Scavroni (2021) stated that it is

significant to note that to draw in investments from global corporations like Samsung Corporation, the Brazilian government's industrial policies explicitly adopted a foreign investment statute. This statute emphasises the government's support for **foreign direct investment (FDI)**. Brazil also has a protectionist stance towards foreign investors, which makes the Brazilian market more appealing to Samsung Corporation. The free-trade agreements that Brazil has negotiated with other countries have also helped Samsung Corporation and increased investment prospects.

In the words of Gonzalo, Haro Sly and Lavarello (2023), Samsung Corporation must also recognise the comparatively stringent intellectual property (IP) laws in Brazil, which have hindered technology and royalty transfer. In addition, tax policies have a significant role in determining internationalisation methods. Brazil has created a complicated system of taxes and subsidies that may affect Samsung's corporate operations. PALETTA and Oh (2020) opined that tariffs on imports might raise the costs of the company's goods, which may hurt its ability to compete. In Brazil, Samsung Corporation uses a geocentric approach to internationalisation. This implies that despite carefully adjusting to local markets and respecting the political climate and rules, the corporation maintains the same product line and business strategy throughout all of its subsidiaries in other nations. Such a plan enables the business to keep its corporate and brand identity across its overseas affiliates while also optimising profitability and acceptability within the local populace.

### ***Economical***

Samsung Corporation has developed a geocentric internationalisation approach in Brazil that is based on the idea of long-term adaptation to the contextual variables of the host country. Samsung's system in Brazil has been effective, as seen by the company's outstanding year-over-year growth over the previous ten years. Brazil's macroeconomic climate has a history of being relatively stable in terms of inflation and the currency exchange rate. According to Mendes (2021),

in 2018, the inflation rate was 4.31%, and the real to US dollar exchange rate was 3.8395. During the same time frame, the consumer price index likewise rose by 7.7%. These numbers demonstrate a positive climate for foreign businesses ready to take a chance and invest in Brazil. The company's yearly reports make it obvious that its geocentric internationalisation strategy in Brazil has been a success. The company's Brazilian unit contributed to net sales of US\$15 billion for the whole year 2018. Through investments in the research and development of highly localised goods and services to satisfy the demands of the local client base, the firm was further able to strengthen its worldwide footprint in Brazil. Additionally, Joao, Prates and Serralvo (2021) observed that the favourable customer feeling towards the currency produced a thriving environment for the company's international goods. Based on an examination of the contextual elements of the host nation, Samsung in Brazil adopted a geocentric internationalisation approach. Samsung was able to succeed in Brazil because of the relatively stable macroeconomic backdrop, the potential local market, and the positive attitudes of the Brazilian public. As a consequence, the business has been able to produce satisfying results recently and maintain its competitiveness in a sector that is becoming more crowded.

The host country of Brazil has observed an increment in the minimum wage levels of the government over the years, allowing it to develop into a suitable community to which Samsung can present its line of products. This is because, with an increase in the minimum wage, which relates to people being more susceptible to earning more and having the capability of spending more, it becomes a suitable market for Samsung to target new customers and also influence its existing customers to indulge in purchasing more products (Tribe, 2020). The general minimum wage in Brazil was recently revised on January 1st 2023, where the minimum wage of Brazil observed an increment from previously being R\$1,212.00 to an overall increase of the minimum wage up to R\$1,302.00 that is available to the people in Brazil per month. This is also relatable from the findings of (Greenberg and Hershfield, 2019), who have suggested that when people

have an increase in the minimum wage, it allows them to have expendable income that they are able to utilise for luxurious spendings, such as buying luxury products or services that they usually would not spend on. So capitalising on this factor allows Samsung to target the consumers in the market Brazil, attracting them to product deals which can influence Brazilian people to spend on luxury items that are created by Samsung.

### ***Social***

To increase its presence in Brazil, Samsung Corporation has developed a geocentric internationalisation strategy. Geocentrism is a form of a global strategy that specifically designs goods and services for each market. This strategy is often used by businesses in marketplaces where there is a high degree of linguistic or cultural variety, as there is in Brazil, given its diverse linguistic and cultural populations. According to de Carvalho, Maldaner and Piqué (2020), social considerations are crucial when expanding internationally to Brazil. Brazil has two of the most uneven wealth distributions in the whole world, and the COVID-19 epidemic has made this problem worse. The corporation has recognised significant areas of inequity, including access to digital education and health services, via programmes like the Samsung Social ***"Inclusion Survey."***

The Samsung Brazil Foundation's goal is to support social development via various programmes to solve this problem. It has supported initiatives aimed at enhancing socio-economic growth and quality of life, including using technology to advance basic services for the 25 million Brazilians who lack access to necessities like electricity and water. Additionally, the foundation has supported programmes aimed at enhancing job training and computer literacy.

Additionally, through distributing food, sanitary products, and medical assistance to people affected by the epidemic, the charity has donated to needy areas. Over 219,000 individuals in 25 Brazilian cities have benefited from the foundation's activities since 2018, including ***"Technology***

***for Social Inclusion***" and ***"Education for Social Inclusion"*** programmes. With its geocentric approach, Samsung has been able to customise programmes to meet the unique requirements of each area and have a significant social effect in Brazil. Samsung is dedicated to investing in social impact projects that aid underprivileged populations in that country.

Brazil has a dynamic social culture which makes it flexible in introducing new values to the community through the provisions of products and services that are provided by organisations. However, Brazil and its people do consist of a strict approach when indulging in a purchasing experience. One of the primary social behaviour when purchasing a product is that Brazilians have a higher tendency to undergo product research which forces them to consider searching for the best deals they can attain for a product or service they desire, and they often do product research to be able to determine the general consensus in terms of customer feedbacks and review about the product and services they are seeking to purchase (Bravo, Vieira, and Rebello, 2022). This behaviour of Pre-purchase product research has been a common derivative due to the digital marketing and online purchasing benefits that have been introduced to consumers in the digital world (Carroll, 2020). This enforces the geocentric approach to Samsungs internationalisation marketing strategy to ensure that the company is able to present sufficient relevant data from its various sources, such as its official website as well as its social media platform, which would be able to make the product research process for the target consumers easier and inherently would help them to make a purchase intention from the positive review they might find from existing customers and also sufficient details about the product on their official organisation website.

Also, it is important to note that Brazilians are often adamant about obtaining quality products regardless of their looking for a discount change from which they can purchase the product, which highlights the need for Samsung to be able to meet the demand for high-quality product sales and

services of the customers that could benefit and improve the ability of Samsung to be able to increase its sales and productivity.

### ***Technological***

Since technical variables influence the pace and effectiveness of technological advancement, they are especially pertinent to this approach. According to a 2018 report from Brazil's Department of Science and Technology, the nation saw a significant increase in technology adoption and investment between 2015 and 2018, with a focus on developing the industry's infrastructure to support the integration of new ICT solutions and on adopting mobile technology (Ishigai, 2020). This shows that the Brazilian market offers Samsung both a sizable opportunity for future technology advancements and the required infrastructure to create and promote their goods there. The Samsung Corporation has implemented a "geocentric" internationalisation strategy for its overseas businesses in Brazil. This method uses a cross-border management model, in which the company's foreign activities, regardless of their location, are controlled centrally from its main office. The corporation can adopt new technology more quickly and use global expertise to make better decisions thanks to this approach, which has various benefits.

Additionally, Samsung has continually made significant investments in this growth, spending more than \$7 billion on R&D initiatives since 2015. This number is greater than the norm for the telecom sector, underscoring the firm's dedication to its international expansion. With the help of these investments, the business is now able to provide more cutting-edge goods in Brazil, including the Samsung Galaxy S10, the company's flagship smartphone. Santana *et al.* (2021) stated that this improved capacity had aided the business in strengthening its relationships with the Brazilian market and growing its footprint there. Strong technical aspects underpin the internationalisation plan that Samsung has chosen for its Brazilian unit. The corporation has invested significantly in research and development and benefited from Brazil's growing commitment to technology

adoption. As a result, the geocentric strategy presents a fantastic chance for the business to profit from the better terms provided by the Brazilian market and to develop and thrive within it.

The credibility that Brazil obtains is considered a beneficial market for Samsung because the country and its subsequent information technology market are estimated to be valued at around 46.2 billion dollars, with a projected expected growth to result in 2022 of 8.2% (Trade.gov, 2023). As the technology aspect of the country is subjected to grow and immensely improve, it allows Samsung to be able to utilise the technological advantage that it can obtain from Brazil to be able to increase its innovation and introduce new technology within the market that helps in addressing the customer needs specific to the geocentric location.

Similarly, Brazil currently ranks 10th in the IT world market, which is a representation of the total amount of 40% in the complete Latin American market, suggesting the capability of Brazil to have a technological advantage for organisations like Samsung to prosper and develop the potential of being able to dominate the Brazilian market with Samsung products and project a decline in the acceptance of competitive brands (Trade.gov, 2023). Brazil is also considered the fifth largest country that uses mobile phones and the internet, which helps in determining the social usage of mobile phones and the internet among the people to be the substantially high rate which promotes the capacity of Samsung as a brand of mobile phones and new technology to be able to capitalise on the market and acquire the attraction of tech-savvy consumers within the Brazilian market that helps in tending the need for increasing demand of personal computers as well as the increasing demand of internet usage.

### ***Legal***

Samsung Corporation has developed a geocentric internationalisation strategy for Brazil. To guarantee the company's success globally, this strategy considers both local and global viewpoints. The geocentric method considers Brazil's contextual aspects to look beyond its

boundaries and guarantee that the goods adhere to global market standards. Samsung Corporation reaffirms the need for its activities to adhere to Brazilian legal and labour requirements. Brazil is governed by several laws and rules that international businesses must abide by. If needed, businesses must go through security clearance to enter the nation. Additionally, the nation has laws and rules covering industrial property, data protection, intellectual property, and foreign exchange transactions (Brazil, 2021). These regulations are important for multinational corporations since breaking them might result in the closure of the firm or a reduction in its profitability. When it comes to entering the global market, Samsung Corporation must take Brazilian legal considerations into account Ishigai (Pereira and Scavroni, 2021). Therefore, it is crucial for businesses doing business in Brazil to make sure that their staff members are aware of and generally abide by these rules. Multinational corporations like Samsung must comprehend and abide by local rules to succeed internationally. Additionally, Mendes (2021) asserted that Brazil has a sizable domestic market with a diverse customer base. As a result, the geocentric strategy enables the business to profit from the market's best technical practices and local expertise. Additionally, the corporation has access to a vital platform for expanding its operations into the Latin American market because of Brazil's membership in the Mercosur free trade agreement. Another major contribution which can be considered significant in the case of the legal factors which affect the Samsung organisation includes the critical amounts of rivalry which exist with other important competitors in the market, such as the Apple organisation. According to the opinions of Lee *et al.* (2019), the overall occurrence of such barriers in the business environment of the company further results in the negative contribution towards the marketing of the production services which are provided by the company.

The occurrence of patent-related disputes within the company operations has resulted in a greater impact in terms of the decreasing reputation of the company. The overall increase in the chances related to the turnover of employees based on the lower reputation can be considered as another

subsequent factor which can impact the different manufacturing and marketing operations of Samsung. The originality of the products and the services can face a significant threat as a result.

### ***Environmental***

Geocentric marketing is a worldwide approach that takes into account both domestic and international market circumstances. Brazil is a desirable market from an environmental standpoint for businesses to operate. According to GDP, the nation has the eighth-largest economy and the World Bank projects that in 2021, there will be 211 million people living there (Brazil, 2021). Brazil is also a developing market with a wide range of prospects for economic expansion. Nevertheless, there are a variety of contextual variables that influence Samsung Corporation's decision about its internationalisation approach. First, the nation's atmosphere is conducive to the production of electronic goods.

Furthermore, Samsung was drawn to invest in the nation due to its advantageous demographics and rapid economic development. The competitive market in Brazil also favours Samsung Corporation's decision to raise its level of competitiveness. Competitors like LG, Motorola, Apple, and Huawei have already carved out significant market share. Samsung may position itself to take advantage of market possibilities by implementing a geocentric strategy. Therefore, it is obvious that Samsung's geocentric internationalisation approach, which it used to enter the Brazilian market, was effective based on the aforementioned environmental and contextual elements. Another factor which can be taken into account is the increasing concern of the customers and the greater focus towards the ethical factors which are required to be followed by the companies such as Samsung. Other than the overall effect on the environment, which is also to be assessed according to the opinions of Lee et al. (2019), the overall working environment which is assured by the company for its workers critically affects the overall reputation of the company and the increase or decrease in the number of potential consumers. Such factors,

therefore, critically impact the amount of competitive advantage which the company tends to gain in the future in order to surpass its competitors.

## Conclusion

This report helps in building a comprehensive understanding that revolves around the exploration of the international business operations of Samsung. Through the analysis that has been presented throughout the current study, the report is able to highlight the potential capacity of Samsung to be operational in the host country of Brazil and to be able to determine the existing internationalisation strategies that are adopted by Samsung. The evaluation of the strategies helps in determining the strength and weaknesses that are found within the internationalisation strategies adopted by Samsung to be able to critique and find the scope of advantages and disadvantages that are oriented specifically towards the adopted geocentric strategy for the internationalisation of Samsung. The report further follows into overviewing the contextual factors that relate to the identification of those factors which are liable to impact and influence the capability of internationalisation for the brand, which is achieved through the analysis presented using the PESTLE framework indulging in a deeper understanding of the factors such as political, economics social, technological, legal and environment.

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