



**Prifysgol Cymru**  
Y Drindod Dewi Sant  
**University of Wales**  
Trinity Saint David

## **Marketing Management – Assessment 2**

Student Name: Medolina Jenipan

Student ID: 2246470

Lecturer Name: Tushara Balendran

Submission Date: 01-09-2023

## **Executive Summary**

In order to conduct this assignment regarding the marketing management topic, a well-known South Korean electronic brand Samsung was taken. Some basic information about the company was highlighted giving a brief description of the company's performance. PESTLE framework was used in order to analyse the external environment of the company. In that framework, both positive and negative factors were highlighted. Some key external drivers were explored in this report regarding the company Samsung which impacts the company environment. In the SWOT analysis, the strengths and weaknesses of Samsung have been done including possible opportunities and threats. Marketing plays a huge role in every business and for this reason, different frameworks like ansoff matrix, STP analysis, and product life cycle were discussed. Also, a marketing mix for Samsung was defined. Some effective recommendations were also added in this report for the company.

## Table of Contents

|                                    |    |
|------------------------------------|----|
| 1.0 Introduction .....             | 4  |
| 2.0 Question A.....                | 4  |
| 2.1 Overview of Organisation ..... | 4  |
| 2.2 PESTLE Analysis.....           | 5  |
| 2.3 Porter's Five Forces.....      | 7  |
| 2.4 SWOT analysis .....            | 8  |
| 2.5 Extended STP Analysis .....    | 9  |
| 2.6 Extended Marketing Mix .....   | 10 |
| 3.0 Question B.....                | 11 |
| 3.1 Ansoff Matrix .....            | 11 |
| 3.2 Product Life Cycle Model.....  | 12 |
| 4.0 Recommendations .....          | 13 |
| 5.0 Conclusion .....               | 13 |
| 6.0 Reference List .....           | 14 |

## **1.0 Introduction**

In marketing management, the marketing strategies of an organisation are planned, executed and tracked. The marketing plans, tactics and campaigns are used by organisations to create as well as meet the targeted customer demands (De Bruyn et al., 2020). Effective marketing management can drive profitability within an organisation. The report is going to provide a brief overview of Samsung along with its PESTLE analysis to show how the external factors are affecting the business of Samsung. Some other external drivers that also play an influential role in the business of any organisation will be discussed to highlight their impacts on Samsung's business. The SWOT analysis of Samsung is also going to be provided in this task to assess its internal factors like strengths, opportunities, weaknesses and threats. Different market and product frameworks will be included with some suggestions that might be beneficial for Samsung to improve its marketing management.

## **2.0 Question A**

### **2.1 Overview of Organisation**

Samsung is one of the largest electronic device producers in the world. The company was first established in 1938 as a store grocery trading by Byung-Chull (Samsung Galaxy, 2019). It entered the electronics industry by producing various electronics-focused divisions in 1969 in South Korea. Samsung specialises in producing a vast range of industry and consumer electronics, devices of digital media, memory chips, integrated systems and many more.



**Figure 1: Samsung**

(Source: Samsungmobilepress, 2023)

## **2.2 PESTLE Analysis**

Samsung can be considered as an international conglomerate that operates in the market of white goods. In the white goods industry, consumer gadgets and appliances are operated by organisations (Rana and Jha, 2019). Samsung is owned by a family business in South Korea and also has international aspirations. Currently, Samsung is planning to expand its market to increase its customer base.

**Political:** Political factors of a country play a crucial role in any business as they affect the profitability of the business. Samsung is also facing several political headwinds in South Korea because of its issues with North Korea. The organisation has to tackle the political instability of North Korea along with the threats of the Korean Peninsula war. Samsung also faces political issues in some Latin American and African countries where the political atmosphere is not stable along with having changeable governing structures (Nobbs-Thiessen, 2021). Therefore Samsung struggles to maintain its sustainability in those markets.

**Economical:** The economic dimension is critical for the electronic manufacturer company Samsung. The company has started to open up many marketplaces all across the world that is indicating its intention of expanding its international footprint. Since the global financial crisis, the economic dimension has become a troubling factor for businesses as it dented the buying power of customers in several developed markets (Açıkgöz and Günay, 2020). Therefore this criteria is forcing Samsung to discover profitable ventures in new markets.

**Social:** Samsung is generally a Chaebol of South Korea that still operates its business as a Korean organisation from the core despite having a digital footprint. The company needs to adapt itself to the local conditions in emerging markets to run its global business operations. It is also necessary for the company to tailor products as per the fast-changing customer preferences in emerging markets to maintain its sustainability. The socio-cultural factors differ in every country so Samsung needs to reorient itself in every emerging market to increase its profitability.

**Technological:** Samsung has achieved lead in the innovation segment which has made it one of the significant global innovative organisations. The company has taken technological innovation to dominate its contemporary rivals for reaching the desired market with its latest and innovative products (Haizar et al., 2020). The technological innovation segment is the key to success for Samsung.

**Legal:** It is a penal action for the manufacturing industry to imitate the product of others. Nowadays the current consumers prefer the products of Apple. Therefore Samsung would face several legal problems if it was alleged to imitate Apple's products in emerging markets.

**Environmental:** Recently people have become ethical so they want to create any product by following all the social and environmental responsibilities. Therefore the electronic device manufacturer Samsung needs to be more concerned about the time of manufacturing products in emerging markets to maintain sustainability.

## The Size and Scope of Samsung's Business

Net revenue of Samsung Electronics by operating segment\*

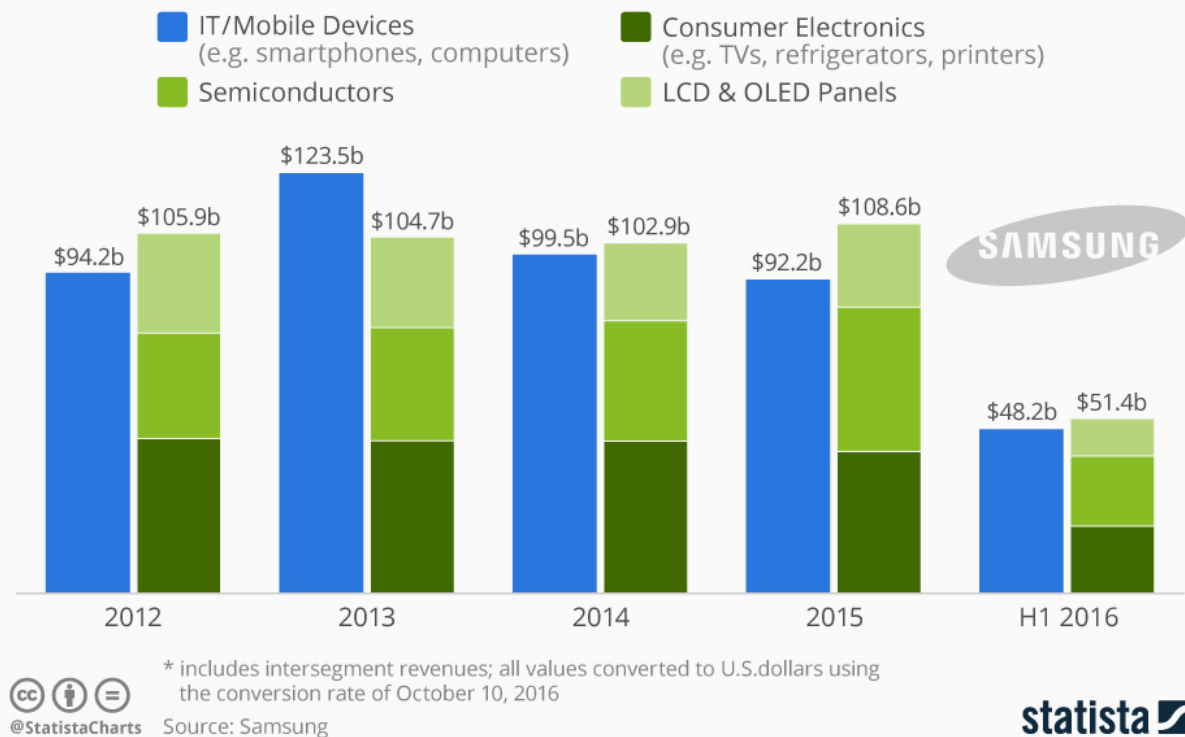


**Figure 2: Samsung Business Size and Scope**

(Source: Statcdn, 2023)

### 2.3 Porter's Five Forces

- **The threat of new entrants:** The threat of new entrants is low for Samsung as the switching cost or expense is very high in the technology industry. Therefore a new organisation will not gain such scalability in the economy that Samsung enjoys already.
- **Threat of substitutes:** The threat of substitutes for Samsung is low as the replacement of technical products like mobile phones is impossible.
- **Bargaining power of buyers:** The bargaining power of buyers is high for Samsung as the switching cost is low for mobile phone-like devices.

- **Bargaining power of suppliers:** The bargaining power of suppliers for Samsung is low as it has multiple vendors as well as suppliers all across the world.
- **Competitive rivalry:** The competitive rivalry segment is high for Samsung as there are several tec-rivals like Apple, Google, Mi, OnePlus and many more in the contemporary business industry.

## 2.4 SWOT analysis

**Strengths:** In the year 2021 a report was established by Gartner where it is shown that Samsung has successfully maintained its first position in the world with a 19% market share in smartphone sales. Samsung has 7 AI centres and 16 overseas R&D centres across the world which allows them to enhance R&D capacity globally and to protect innovative technologies (Parker, 2023). Samsung is an award-winning brand and it is the pioneer of innovation. It has secured 48 awards at IDEA and received 43 CES awards in 2022.

**Weaknesses:** One of the biggest weaknesses of Samsung is to have a major dependency on the US market as 74% of smartphones are sold in the US market. The economy of America is highly unpredictable and another recession can damage the operational resources of Samsung. It can also put revenue of Samsung in danger so dependency on the US market can affect its sustainability (Hidiroglu, 2021). The company is witnessing a decline in the sales of smartphones in 2017 in the Chinese market due to price sensitivity.

**Opportunities:** Samsung can invest more in HR management to make outstanding transformational achievements. Human resource management plays a crucial role in every business organisation thus it needs to be effective (Papa et al., 2020). Improved HR management will help the company in making good sales and will give competitive advantages over its competitors. Samsung can hire highly skilled employees by using its impressive brand image to enhance the productivity and performance of the organisation. It can focus on Asian and European markets to thrive in the economy. Acquisition and diversification of other businesses can make expanding the customer base easier.

**Threats:** Other companies that have reached a record high in smartphones, the computing industry and consumer electronics can give hard competition to Samsung. Some significant competitors of Samsung are Huawei, Xiaomi and Apple which are outperforming each other to be the best.



**Figure 3: SWOT of Samsung**

(Source: Crowjack, 2023)

## 2.5 Extended STP Analysis

- **Segmentation:** In segmentation, the marketing strategy of Samsung relies on identifying their customer base who will purchase their products by getting proper knowledge and concern about quality over price (Kalam and Kalam, 2020).

- **Targeting:** Targeting is an important segment of the STP analysis that represents serving potential customers. Samsung which is a multinational mobile company aims to serve its segmented customers.
- **Positioning:** As per this segment, the company shares their product information with their customers to increase their sales and maximise profit.

## 2.6 Extended Marketing Mix

Marketing can be described as some actions taken by business organisations that help them in attracting audiences to the services and products organisations provide through effective communication. The purpose of marketing is to increase sales, enhance the awareness of customers about the brand and strengthen brand loyalty. It is the process to make people interested in the products or services of business organisations. Marketing is conducted through market research which helps in analysing or understanding the preferences of target customers (Park, 2020). Marketing involves all the aspects of a business such as product development, advertising, sales and distribution methods.

- **Product:** Samsung is one of the most successful companies in selling its products and people prefer to use its products for different reasons like features of their products and wide variety of products.
- **Price:** Samsung's pricing strategy is a combination of competitive pricing, price skimming and product line pricing. The pricing strategy allows Samsung to increase its market share in the business industry.
- **Place:** Among several operating areas, Samsung has a single supplier for product distribution throughout the territories. It is benefitting the company to gather more corporate sales.
- **Promotion:** Samsung is a community-oriented brand and that is why it impacts people across the world (Tien, 2019). The brand highly invests in online advertisements, social media ads and sponsorship to make themselves more strong.

- **People:** The key people or assets of Samsung company are its employees. The employees are responsible for increasing its overall business revenue in these years.
- **Process:** The business of Samsung is significantly diversified as it operates in various fields like medical services, financial services and many more. The company follows the best practices of the industries to manufacture its products.
- **Physical Evidence:** The packaging of Samsung's products is different coloured. The coloured packaging helps to attract more customers in the existing retail market.

### 3.0 Question B

#### 3.1 Ansoff Matrix

Ansoff matrix framework indicates a product expansion grid of any organisation by which they can identify their product segmentation (Clarissia, 2020). According to this model, there are mainly four main segments such as product diversification, market penetration, product development and market development. Samsung mainly follows product segmentation as they launch new products in the existing markets.

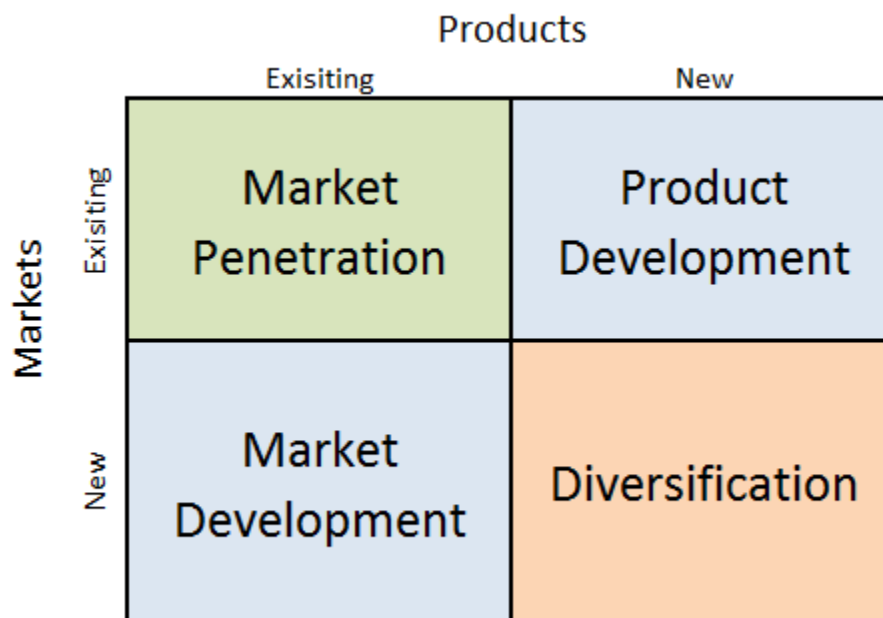


**Figure 4: Ansoff Matrix**

(Source: Research-methodology, 2023)

### 3.2 Product Life Cycle Model

As per the product life cycle model, a company can face ups and downs for any product in the market (Iveson, Hultman and Davvetas, 2022). In the introduction phase, Samsung can see a low demand for any product due to a lack of awareness of the people. In the Growth phase, the company will see a growth in the demand for any specific product that will increase in the Maturity phase. In decline, the demand for any product of the company will lose its attractiveness as time goes.

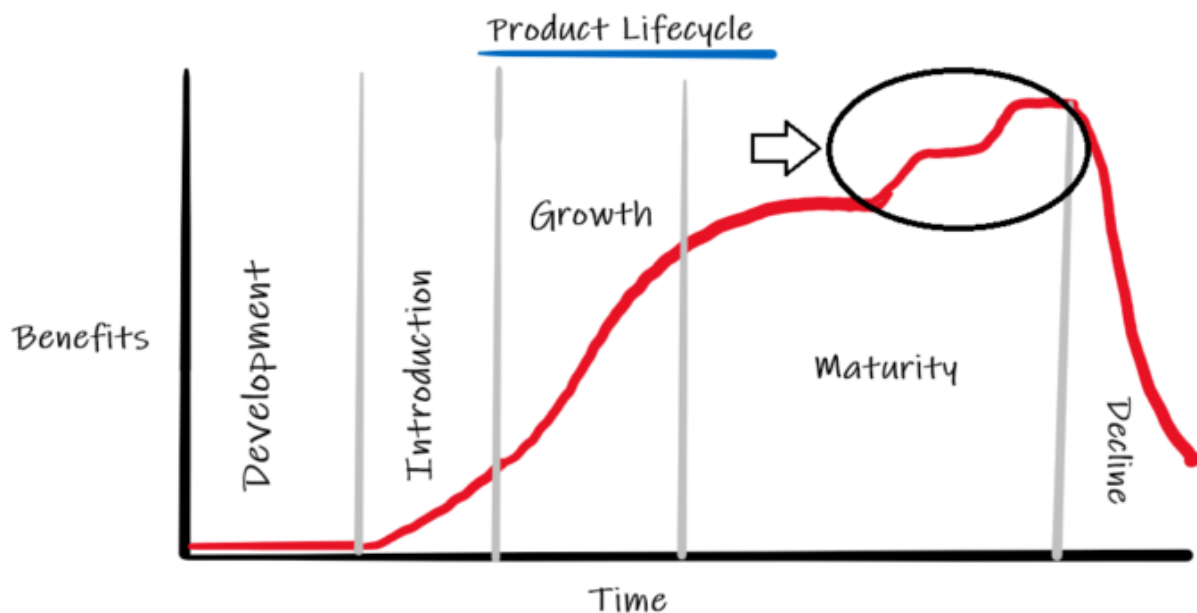


**Figure 5: Product Life Cycle Model**

(Source: Neil Patel, 2023)

## 4.0 Recommendations

- **Experimentation on new marketing tactics:** Great marketing includes experimentation, measuring and testing various approaches to find out the best one for work execution. Marketing departments often face an issue with the discrete responsibilities of every individual (Coolman, 2022). Therefore it is essential for businesses like Samsung to brainstorm new ideas to increase profitability in both local and emerging markets. The new marketing ideas can be bigger, smaller and lengthier than the current ones of the organisation.
- **Establishment of a cross-departmental workflow:** One of the most significant strategies for improving any organisation's marketing operations is to establish a project workflow. The project workflow is a cross-departmental activity that happens between the marketing management and the rest of any organisation. The internal actions of individual groups are highly influenced by the activities of other departments on the basis of executing tasks (Coolman, 2022). After creating this kind of workflow a tool can be used for helping in task assignments and setting deadlines that are beneficial to smoothly run a business in any emerging market.

## 5.0 Conclusion

In conclusion, it can be said that Samsung which is a South based company has expanded its business across the globe successfully. Samsung is a well-known mobile and other electronic manufacturing brand which are driven by different key drivers. The company has millions of customers rising every year and for this reason, the rate of revenue is very high. Both internal and external components of the company are impacting positively and negatively which has been discussed through the PESTLE and SWOT framework. Different frameworks that were discussed in this report showed the impact and strategies of the company for better market expansion.

## 6.0 Reference List

Açıkgöz, Ö. and Günay, A., (2020). The early impact of the Covid-19 pandemic on the global and Turkish economy. *Turkish journal of medical sciences*, 50(9), pp.520-526. Available at: <https://journals.tubitak.gov.tr/cgi/viewcontent.cgi?article=1667&context=medical>

Clarissia, S.M.S., (2020). A study on Ansoff Matrix Technique: As a growth strategy and an adaptive learning technique adopted in the leading brand of products. *BIMS Journal of Management*, 18. Available at: <https://bimskol.org/pdf/E-copy-BIMS-Journal-Management-Kolkata-Vol5-Issue-1-July-2020.pdf#page=26>

Coolman, A., (2022). *15 Suggestions to Improve Your Marketing Operations from Leaders*. [online] [www.wrike.com](https://www.wrike.com). Available at: <https://www.wrike.com/blog/improve-your-marketing-operations/>.

Crowjack., (2023). Available at: <https://crowjack.com/storage/swot-analysis/23/samsung-of-swot-analysis.jpg> [Accessed 16 Aug. 2023].

De Bruyn, A., Viswanathan, V., Beh, Y.S., Brock, J.K.U. and Von Wangenheim, F., (2020). Artificial intelligence and marketing: Pitfalls and opportunities. *Journal of Interactive Marketing*, 51(1), pp.91-105. Available at: <https://www.sciencedirect.com/science/article/am/pii/S1094996820300888>

Haizar, N.F.B.M., Kee, D.M.H., Chong, L.M. and Chong, J.H., (2020). The impact of innovation strategy on organizational success: A study of Samsung. *Asia Pacific Journal of Management and Education (APJME)*, 3(2), pp.93-104. Available at: <https://www.ejournal.aibpmjournals.com/index.php/APJME/article/viewFile/849/808>

Hidiroglu, D., (2021). The Strategies in Global Semiconductor Industry: The SWOT Analysis of Samsung Electronics Company. *American Journal of Management*, 21(2). Available at: [http://m.www.na-businesspress.com/AJM/AJM21-2/7\\_HidirogluFinal.pdf](http://m.www.na-businesspress.com/AJM/AJM21-2/7_HidirogluFinal.pdf)

Iveson, A., Hultman, M. and Davvetas, V., (2022). The product life cycle revisited: an integrative review and research agenda. *European Journal of Marketing*, 56(2), pp.467-499. Available at: <https://doi.org/10.1108/EJM-08-2020-0594>

Kalam, K.K. and Kalam, K.K., (2020). Market segmentation, targeting and positioning strategy adaptation for the global business of Vodafone Telecommunication Company. *International Journal of Research and Innovation in Social Science*, 4(6), pp.427-430. Available at: [https://www.researchgate.net/profile/Khaled-Kalam-2/publication/342881199\\_Market\\_Segmentation\\_Targeting\\_and\\_Positioning\\_Strategy\\_Adaptation\\_for\\_the\\_Global\\_Business\\_of\\_Vodafone\\_Telecommunication\\_Company/links/5f0b33114585155050a04318/Market-Segmentation-Targeting-and-Positioning-Strategy-Adaptation-for-the-Global-Business-of-Vodafone-Telecommunication-Company.pdf](https://www.researchgate.net/profile/Khaled-Kalam-2/publication/342881199_Market_Segmentation_Targeting_and_Positioning_Strategy_Adaptation_for_the_Global_Business_of_Vodafone_Telecommunication_Company/links/5f0b33114585155050a04318/Market-Segmentation-Targeting-and-Positioning-Strategy-Adaptation-for-the-Global-Business-of-Vodafone-Telecommunication-Company.pdf)

Neilpatel., (2023). Available at: [https://neilpatel.com/wp-content/uploads/222/08/Product\\_Life\\_Cycle5-700x378.png](https://neilpatel.com/wp-content/uploads/222/08/Product_Life_Cycle5-700x378.png) [Accessed 25 Aug. 2023].

Nobbs-Thiessen, B., (2021). New Waves of Immigration and Departure in Modern Latin America. *Latin American Research Review*, 56(4), pp.946-957. Available at: <https://www.cambridge.org/core/services/aop-cambridge-core/content/view/3A34C6B9427C234A3815EEE51FD26B8E/S0023879100007226a.pdf/div-class-title-new-waves-of-immigration-and-departure-in-modern-latin-america-div.pdf>

Papa, A., Dezi, L., Gregori, G.L., Mueller, J. and Miglietta, N., (2020). Improving innovation performance through knowledge acquisition: the moderating role of employee retention and human resource management practices. *Journal of Knowledge Management*, 24(3), pp.589-605. Available at: [https://iris.unito.it/bitstream/2318/1662413/2/PDF\\_Proof\\_JKM.pdf](https://iris.unito.it/bitstream/2318/1662413/2/PDF_Proof_JKM.pdf)

Park, S., (2020). *Marketing management* (Vol. 3). Seohee Academy. Available t: [https://books.google.co.in/books?hl=en&lr=&id=p6v7DwAAQBAJ&oi=fnd&pg=PT18&dq=marketing+management&ots=XyZqbmeVdd&sig=xdqC2LDXZ36Rc8xbEbsfJnKBxWk&redir\\_esc=y#v=onepage&q=marketing%20management&f=false](https://books.google.co.in/books?hl=en&lr=&id=p6v7DwAAQBAJ&oi=fnd&pg=PT18&dq=marketing+management&ots=XyZqbmeVdd&sig=xdqC2LDXZ36Rc8xbEbsfJnKBxWk&redir_esc=y#v=onepage&q=marketing%20management&f=false)

Parker, B., (2023). *Samsung SWOT Analysis 2019 | SWOT Analysis of Samsung | Business Strategy Hub*. [online] Business Strategy Hub. Available at: <https://bstrategyhub.com/swot-analysis-of-samsung-2019-samsung-swot-analysis/>.

Rana, J. and Jha, P., (2019). Factors Influencing Consumer Buying Behavior towards Durable (White) Products. *BVIMSR's Journal of Management Research*, 11(1), pp.1-9. Available at: [http://smspup.ac.in/ajaturjkerkejk16778j/57202075823IMSJ%2022%20\(2018\)%20\(Number%202\)%2033-43.pdf](http://smspup.ac.in/ajaturjkerkejk16778j/57202075823IMSJ%2022%20(2018)%20(Number%202)%2033-43.pdf)

Research-methodology., (2023). Available at: <https://research-methodology.net/wp-content/uploads/2018/05/Xiaomi-Ansoff-Matrix.png> [Accessed 25 Aug. 2023].

Samsung Galaxy., (2019). The Official Samsung Galaxy Site (2019). *Samsung Galaxy - The Official Samsung Galaxy Site*. [online] The Official Samsung Galaxy Site. Available at: <https://www.samsung.com/global/galaxy/>.

Samsungmobilepress., (2023). Available at: <https://www.samsungmobilepress.com/file/42B25EE039CF72D46F77781FBFBCAFD3C682DBBA5FE68F587342A2E98D532E8BEE6BFECBFA6ABC4F1EF38245B0E2AF41435DF6FFA6BA936DA197CAA1AE91243DB35FE5ACEEB21F332B5334580823FD42A8CC6459B7C04092121E02BC2E9AB2AE> [Accessed 16 Aug. 2023].

Statcdn., (2023). Available at: <https://cdn.statcdn.com/Infographic/images/normal/6156.jpeg> [Accessed 16 Aug. 2023].

Tien, N.H., (2019). International distribution policy comparative analysis between samsung and apple. *International journal of research in marketing management and sales*, 2020(1), p.2.

Available at: [https://www.researchgate.net/profile/Nguyen-Tien-32/publication/338719419\\_International\\_distribution\\_policy\\_comparative\\_analysis\\_between\\_samsung\\_and\\_apple/links/63b014d1c3c99660ebbad865/International-distribution-policy-Comparative-analysis-between-samsung-and-apple.pdf](https://www.researchgate.net/profile/Nguyen-Tien-32/publication/338719419_International_distribution_policy_comparative_analysis_between_samsung_and_apple/links/63b014d1c3c99660ebbad865/International-distribution-policy-Comparative-analysis-between-samsung-and-apple.pdf)