

Effect of Chaebols structure on Samsung Electronics’ competitiveness in globalization

*How Chaebol structure influenced positively to Samsung Electronics’
competitiveness in the current era of globalization?*

Subject: Business Management

Personal candidate code: hhc957

Words counted: 2894

Table of Contents

Summary	2
I. Chaebol, a new challenger to global companies.	3
II. Methodology	4
II.II Business Tools	4
III. Chaebols, globalization	5
III.I Definition of Chaebol and globalization	5
III.II How Chaebols entered to the global market: Diversification and risk management	6
IV. Characteristics of Chaebol	10
V. The Chaebol companies relevance in a globalized world	13
V.I Financial analysis	14
V.II Role of the brand	16
V.III Brand Strength	18
V.IV Chaebols, an effective business model for emerging economies.	19
VI. Conclusion	22
VII. Bibliography	23
VIII. Appendix	27

Summary

This investigation is based on secondary resources and processed by qualitative and quantitative analysis, utilizing different business tools to answer the research question above:

How Chaebol structure influenced positively to Samsung Electronics' competitiveness in the current era of globalization?

The main sources consulted were data extracted and cited from Google Scholar articles', statistics from Fortune, textbook, financial public statements of Samsung, market information compiled by web site statistica. These resources helped me to reach a balanced analysis of Samsung Electronics, as the best and worldwide known example of a Korean company, using a chaebol structure.

The information provided was utilized to define some essential and basic concepts, to perform an analysis of the Chaebol structure and evaluate the main advantages. As the main analysis tool, was used a benchmarking based on the Interbrand system, which included an Ansoff's matrix, an adapted financial analysis complemented with a Role of the Brand and Brand Strength analysis, to evaluate the advantages of the Chaebol structure.

I'll acknowledge some limitations and sum up to form a general conclusion that evaluates Chaebol structure.

This brings to the conclusion that the business structure "Chaebol" could be a relevant business model for firms located in emerging economies.

I. Chaebol, a new challenger to global companies.

Considering that most countries are based on capitalist ideologies, companies all over the world are focused on selling products or services to consumers and getting a profit by improving efficiency, effectiveness or gaining a competitive advantage. In the last three decades, consumer behavior researchers have tried to reach a uniform concept around brand equity, which from a consumer perspective, can be defined as the financial value of a brand, in other words, the final outcome of consumer responses to brands (Christodoulides and de Chernatony, 2010); the well-known brands are usually bought by more people. In this case, have you ever heard about Samsung or LG, Hyundai or KIA? All these are Korean companies with Chaebol structure, and belong to the most popular brands in electronic devices and automobiles.

At the beginning of the 21st century, chaebols performed around 66% of South Korea's exports and attracted most of the nation's foreign capital inflows. Acknowledging that there is no Korean global firm older than 100 years old, Korean corporations are growing fast. From here the question arises, what is Chaebol? How is it possible to have global competition if it comes from a diminutive country? Is the Chaebol structure relevant to global competitiveness? Interestingly, the rapid growth of the Chaebol structure companies arose when the globalized era began, after the Second World War.

II. Methodology

This essay rests on information from different secondary sources which complement each other. The information complete is interpreted in relation to the research question. The main secondary sources are on data extracted and cited from Google Scholar articles', statistics from Fortune, textbook, financial public statements of Samsung, market information compiled by website Statistica, since the main purpose of the information is to define the terms and get resources to analyze.

The main strength is the amount of surface information on the topic. There are innumerable articles that demonstrate the competitiveness of Chaebol structure companies internationally. The main weakness is the paucity of analysis information about Chaebol from a business view. Nevertheless, the poor trustworthy research sources on Google Scholar forced me to change this extended essay to extend to an article.

II.II Business Tools

The tools used to analyze were a benchmarking, as an inclusive tool containing an Ansoff's matrix, a brand equity assessment using the Interbrand system (a well-known global brand consultancy company) which required a Brand Strength based on global market share and market loyalty analysis, and finally a financial analysis using three significative ratios; gross profit margin, net profit margin and current ratio.

III. Chaebols, globalization

III.I Definition of Chaebol and globalization

By Dobson and Safarian, Chaebols are, “networks of firms defined by their common ownership which, in simplest terms, is family ownership.” (Dobson & Safarian, 1996, p. 26). Although these dominant families do not require majority ownership of the companies, their descendants generally maintain control through their long experience and positions with the companies. Among the largest chaebols are Samsung, LG, SK Group and Hyundai. South Korea’s government has always generally supported the chaebols. This tradition is considered to have benefited South Korea's economic growth and rise to become a leading, high-tech economy in the late 20th century. Reforming the chaebols began to be discussed only 15 or 20 years ago, as leaders and citizen began to think about South Korea’s future. Some new laws and actions were instituted which led to tighter controls and even legal problems for some high-level executives.

According to Kopp, Globalization represents the global integration of international trade, investment, information technology, and cultures. Government policies designed to open economies domestically and internationally to boost development in poorer countries and raise standards of living for their people are what drive globalization. However, these policies have created an international free market that has mainly benefited multinational corporations in the Western world to the detriment of smaller businesses, cultures and common people. (Kopp, 2019).

Regarding the definition, this essay will differentiate Samsung Group and Samsung Electronics. Samsung Group is the whole Chaebol structured conglomerates and Samsung Electronics is Samsung Group's flagship business.

III.II How Chaebols entered to the global market: Diversification and risk management

At some point, through globalization, companies from all over the world, found themselves competing with multiple companies from varied origins. Nevertheless, to enter the global market, entails many difficulties such as culture, lack of brand awareness, high market research cost, foreign legal issues, and others. Even for a big company, to enter in a new market with a new product, is a big adventure to say the least. In other words, it is almost impossible to mediocre firms. Chaebols, using their main advantage, stable diversification, and other strategy, benchmarking, reduces the risk to fail on global market (Ashford, B. 2007). By using Samsung Electronics, this chapter will expose how chaebols manage the risk.

Samsung Electronics entered to the global market in 1978, when Samsung local corporation in the United States established for the first time. Nevertheless, this essay analyzes from the start point, 2010, when Samsung entered to the smartphone market competing against Apple, the market leader.

Thus, for example, let's take a look at Smartphone of Samsung, Galaxy s series, which is the product when Samsung started to increase the global smartphone market share. At that time, Samsung Electronics failed to satisfy the world market with the devastating failure of its product called Omnia II. Omnia II is the windows OS based smartphone that Samsung tried to use in 2010 to compete against iPhone. A poor software performance, partnered with a heavy equipment, were two of the main reasons to fail in its competition with Apple.

At that time, Google had been preparing a new operating system called 'Android' and Samsung Electronics had been affiliated with the 'Open Handset Alliance', a Google-formed

association of Android-related companies, and had quietly launched a new brand called Galaxy S series, Phone. Since that moment, Samsung Electronics planned to launch its Android-based smartphone, as its flagship product, releasing its first Galaxy S model, in 2010.

In order to schematize the grade of risk of such product launch, the below Ansoff's matrix displays the product position at that time.

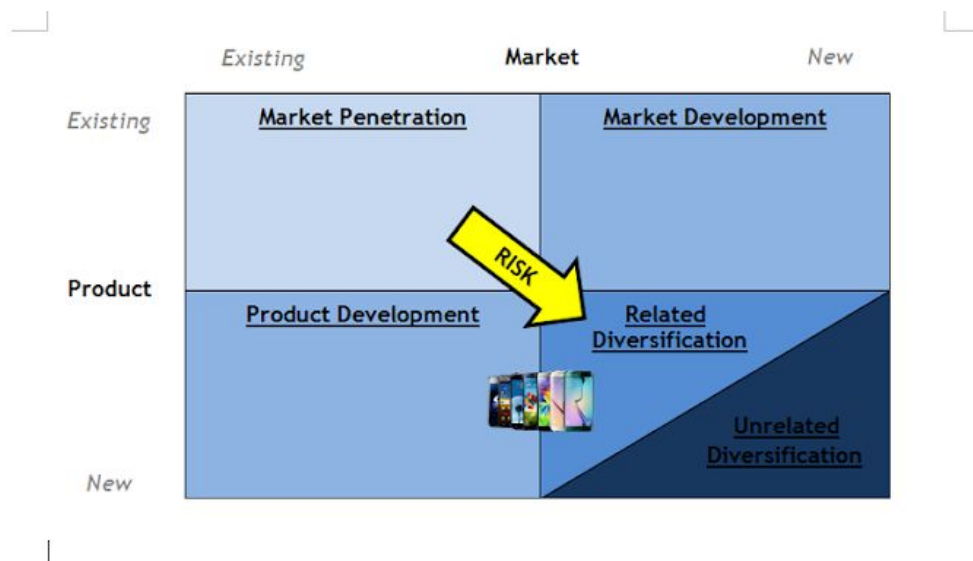


Figure 1. Ansoff Matrix of the product Galaxy S series at 2010 for global market. Ansoff matrix image source: (Oakley, 2015)

There were multiple disadvantages for Samsung to penetrate the market. As it can see in the figure 1, Samsung Galaxy S series was a new brand which was the first flagship android smartphone for samsung. At the same time, it was between existing and new market. Even the smartphone market was already an existing market, it was a new global market for Samsung, and at the same time, by using a new Android-based product, the Korean company was entering in direct competition to the worldwide and unique product category, the Apple's iPhone.

Also, the competitor was Apple, the market leader who opened the smartphone market. Thus, it was quite risky. In order to reduce the risk, Samsung adopted a benchmarking strategy.

Benchmarking¹	Samsung
Selection of area (process, service or product) to benchmark	Smartphone
“Identify the key performance metrics”	Market leader of smartphone during 2010
Company and specific products to benchmark	iPhone, Apple
Collect data on performance and practices	Interface and systems to improve user experience.
Analyze the data and identify opportunities for improvement	Compares the user interface, and analyzed comparisons and contrasts.
Adapt and implement the best practices, setting reasonable goals and ensuring company-wide acceptance	This is effectively shown on the improvement of Galaxy S2 comparing with S1.

Table.1 The simulation of benchmarking realized by Samsung to Apple. Source of tool: (Bain & Company, 2018)

¹ Appendix: Relative Evaluation Report on S1, iPhone (2010) (1) (2)

According to Bhutta and Huq (1999, p. 255) “benchmarking is first and foremost a tool for improvement, achieved through comparison with other organisations recognised as the best within the area”. Following this principle, benchmarking has been used as a key tool in continuous improvement through learning from benchmarking company models (Hoehn, 2003; Williams et al., 2012). In the case of Samsung, they chose the iPhone and Samsung S1 to compare, to improve the quality of the brand Samsung Galaxy S series.

Until here, every company can do same strategy, yet Samsung was part of Chaebol structure, thus, there were technologies to improve and adopt faster than other competitors of Apple. For example, Samsung diversified to semiconductors and displays, both were the market leader of the world. The cost to product development was based on the capital injection of other successful business area network, such as television and banking. Also, due to the autocratic decision making system within the chaebols, this risky investment decision was made quickly. Ultimately, the risky diversification is able to Samsung Electronics due to Chaebol structure, the fast decision and radical benchmarking. Nevertheless, the benchmarking strategy have the risk of ethical or legal issues of copycat, which in 2014 happened: The demand between Apple and Samsung. (Williams, M. 2014).

IV. Characteristics of Chaebol

As we can see the chapter II, Samsung is a good example to explain the chaebol structure and its characteristics. The advantages and disadvantages of Chaebol is in the below table:

Strength	Weakness
<ul style="list-style-type: none"> ● “Easy diversification in businesses with established reputation, and recognition of chaebols brand name” ● “Scope economies by synergy effects” ● “Scale economies by large size” ● “Improvements in decision making by having accumulated knowledge and experiences of many companies in a chaebol” ● “Improvements in capturing new business opportunities with vast knowledge in many fields of business” (Suh, S. H., 2008). 	<ul style="list-style-type: none"> ● “Lack of business transparency” ● “High risks of businesses due to the CEO’s autocratic decision making” ● “Increase in exit costs by losing timely exit of unprofitable businesses” ● “Increase in management costs due to the bureaucratic organization” ● “Inefficient resource allocation” ● “Lack of the timely decision making and adaptation” ● “Delay of development in core capabilities” (Suh, S. H., 2008).

Table 1: Advantages and disadvantages of Chaebols. Words in red highlight the similarity between Chaebol structure and Samsung. (Suh, S. H., 2008, p.3-4).

Strength	Weakness
<ul style="list-style-type: none"> ● Stable diversification in businesses with established reputation. <ul style="list-style-type: none"> ○ Vertical and horizontal integrated corporations <ul style="list-style-type: none"> ■ Samsung Display ■ Samsung Electro-Mechanics ○ Cash inflows of financial affiliate corporations <ul style="list-style-type: none"> ■ Samsung Life Insurance ● Recognition of Samsung's brand name ● Scope economies in mobile area. <ul style="list-style-type: none"> ○ Samsung Electro-Mechanics, Samsung Electronics and Samsung Display. ● Scale economies by large size <ul style="list-style-type: none"> ○ Samsung Electronics in memory chip production. ○ "Operating income rose to a record 17.5 trillion won (\$15.5 billion)" (Kim, 2018) ● Accumulated knowledge and experiences of business, electronics, biologics, heavy industries, engineering, finance, service, etc. 	<ul style="list-style-type: none"> ● High risks due to the CEO's autocratic decision making <ul style="list-style-type: none"> ○ The failure of Samsung Commercial Vehicles Co. and Samsung Motors Inc. ● Increase in exit costs by losing exit of unprofitable sectors <ul style="list-style-type: none"> ○ Focus on too many products ○ The existence of Samsung Engineering Co. ● Increase in management costs due to the bureaucratic organization <ul style="list-style-type: none"> ○ Strict organizational culture due to the huge organization scale. ● Lack of first mover advantages due to adoption of fast-follower strategy (benchmarking the market leader and penetrate the market)

Table 2: Advantages and disadvantages of Samsung. Words in red highlight the similarity between Chaebol structure and Samsung. (Suh, S. H., 2008).

According to the table 1, 2, the chaebol have advantage on diversifying with relatively low risk. Yet the rigid and inefficient structure to maintain the business conglomerate and lack of risk management on wrong CEO's autocratic decision is the critical disadvantage of Chaebol. Meanwhile, Samsung Electronics shares the same advantage and same problem, such as the strong vertical and horizontal integrated companies to safely diversify on new businesses of the same area.

Nonetheless, high risk of business due to the CEO's autocratic decision making are critical disadvantages for Samsung. For example, the diversification for Samsung Motors Inc. (current Renault-Samsung Motor Co.) Lee Kun-hee's own interest to the vehicles. (Kim & Lee, 2013). Due to the red ocean Samsung couldn't reach over 0.2% of market share in Korea. (Daechang, 1997, p.6). Moreover, Asian Financial Crisis in 1997 was critical for the business. (Thomson, 2010, p. 145). Therefore, the company's liquidation ended in 2002. (문성규, 2002). Samsung, to prevent the wrong autocratic decision, manage departments of consulting, such as GSG. "GSG is Samsung's Global Strategy Group, which acts as the incubation center for future high-caliber, globally-minded general managers across Samsung Group." (Samsung, 2016).

To sum up, the table 1 and 2 demonstrated the influence on chaebol structure and Samsung and how it influenced to global market. As mentioned in Chapter II, scope and scale economies' synergy, the reputation to benchmark the market leader led Samsung to the stable diversification, in consequence, to penetrate the market. Therefore, the potential of Samsung Electronics have sufficient correlevance with Chaebol structure.

V. The Chaebol companies relevance in a globalized world

The last chapter showed how Chaebols penetrate the global market, giving Samsung's Galaxy S series as example. Moreover, to prove that Samsung is part of Chaebol structure, I compared Samsung and Chaebols advantages and shortcomings. In this chapter, implementing the brand equity, I will measure the competitiveness of Chaebols, represented by Samsung Electronics. Moreover, I will provide the chaebols relevance on the global scene, using Fortune magazine 2018 ranking. Finally, I will provide a sum of benchmarking.

According to Oxford Business Management Course Book, brand is “a name, symbol, sign, or design that differentiates a firm's product from its competitors”. (Lomie, Martin, Robert, 2014, p.300). Moreover, the brand equity, according to Aaker, “brand equity is a set of assets or liabilities in the form of brand visibility, brand associations and customer loyalty that add or subtract from value of a current or potential product or service driven by the brand.” (Aaker, 2016).

The brand equity is a qualitative value, so, there are numerous models to estimate the brand equity of a firm. I will use the “interbrand”, a model designed by one of the largest marketing consultancies in the world, Interbrand Co. One advantage of this model is the involvement of financial, quantitative data, which is more objective than qualitative data. Due to the lack of the primary data, I will adapt part of the methodology to measure the brand equity.

According to Rocha, this system measures by three criteria:

- Financial Analysis
- Role of the brand
- Brand Strength

V.I Financial analysis

Financial Analysis in terms of Brand Equity, refers to the brand's profitability to the company. I will adapt this part of the Interbrand's system, by measuring the gross profit margin, net profit margin and current ratio for the whole company researched, Samsung Electronics. The percentage of profit margins will determine the profitability of the business and the current ratio will determine if Samsung Electronics is considerably liquid. Here, liquidity, more that an ability of paying short term obligations, will be understood as an indicator of a short-term financial performance of the company.

Years\thousand US dollars (\$)	Gross profit	Net profit	Revenue	NPM (%)	GPM (%)
2010	45,626,046	16,971,337	135,771,646	12%	34%
2011	45,830,791	14,878,189	143,069,254	10%	32%
2012	69,509,553	27,929,248	187,754,283	15%	37%
2013	86,227,952	36,353,908	216,708,677	17%	40%
2014	74,026,016	26,479,560	195,882,955	14%	38%
2015	68,214,765	22,947,931	177,365,404	13%	38%
2016	70,345,428	26,481,072	174,047,940	15%	40%

Table 3, The calculation of Net profit margin and Gross profit margin. Sourced by:

(Samsung, 2010-2018)

Years	Current assets (thousand US dollars)	Current liabilities (thousand US dollars)	Current ratio (Ratio, no units)
2010	53,240,778	34,635,152	1.53
2011	61,997,800	41,377,102	1.49
2012	81,476,069	43,817,619	1.85
2013	104,956,194	48,626,371	2.16
2014	109,381,617	49,410,010	2.21
2015	110,328,582	44,641,482	2.47
2016	121,939,593	47,165,446	2.58
2017	129,949,219	59,390,443	2.19

Table 4, Current ratio. Sourced by: (Samsung, 2010-2018)

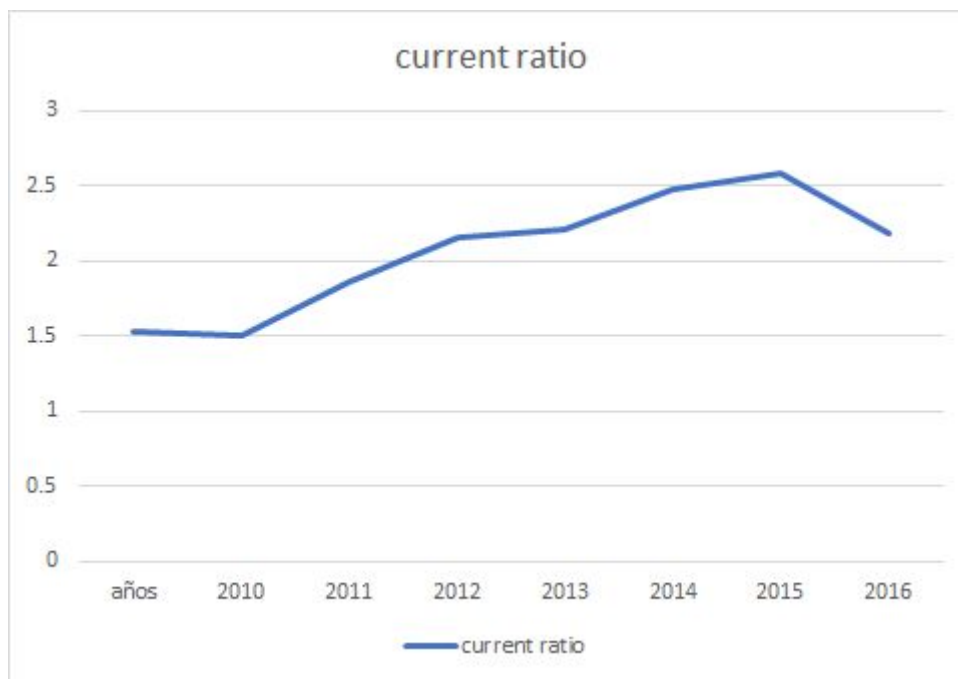


Figure 2, the graph of current ratio. Sourced by: (Samsung, 2010-2018)

As it can see on the table 3, 4 and figure 2, the net profit margin is stable on 10% and 23%. The liquidity of the company is also in safe zone, since the current ratio over 1.5 means that company is able to react to immediate obligated liabilities. Nonetheless, this might not demonstrate the financial profit scale of Samsung. According to the Fortune, the recognizable economic magazine over the world, reported that Samsung positions on 12th place over the world, sorted by revenue scale. Thus, it seems that Samsung have sufficient financial power to say: “Have strong competitiveness over the world.”

V.II Role of the brand

Role of the Brand refers, according to the Rocha, “the portion of the purchase decision attributable to the brand as opposed to other factors.” (Rocha, 2014). It can be also said as customer convenience to buy the brand’s goods. Normally, this utilizes primary resources to determine the percentage. In this essay, due to the limitations of primary resources, I will

adopt market share of smartphone area. Smartphone area is the most appropriate example to determine the real consumer preference of the market due to the potential competitors, such as Apple.

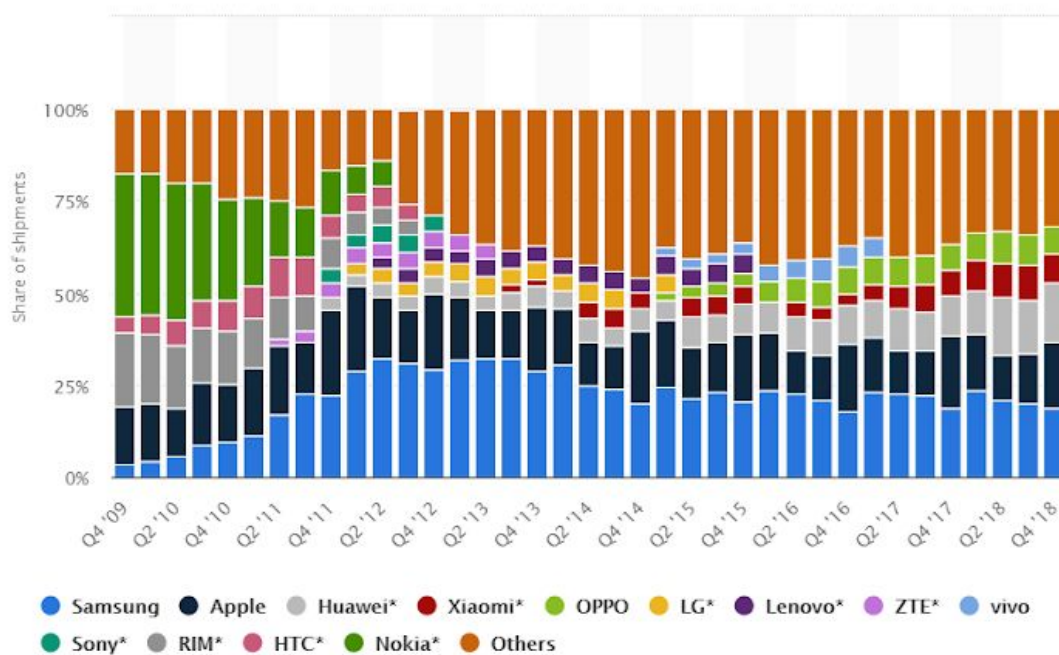


Figure 3, the Change of global market share of smartphones, from the fourth quarter in 2009 to the fourth quarter in 2018. Image source: (Statistica, 2019)

Evidently, according to the figure 3, Samsung Electronics maintained the position of market leader since the first quarter of 2012. Even when it wasn't market leader, Samsung smartphone maintained on second place of the global market. In other words, Samsung smartphone was always a first choice or second choice for customers. In consequence, the Samsung's role of the brand is relevant enough to say, global strong competitiveness against other competitors.

V.III Brand Strength

Brand Strength, according to the Rocha, “is the ability of the brand to create loyalty and, therefore, sustainable demand and profit into the future.” (Rocha, 2014). Nonetheless, the limited sources wouldn’t led to measure likely a Interbrand. Thus, I will substitute to the ranking of believable economic magazine, Fortune Global 500 and brand value measured by Brand Finance, a brand valuation consultancy.

Ranking	Firm’s name	Revenues (\$Million)
12	Samsung Electronics	\$211,940
78	Hyundai Motor	\$85,259
84	SK Holdings	\$83,544
178	LG Electronics	\$54,314
184	POSCO	\$53,244
188	Korea Electric Power	\$52,492
219	Kia Motors	\$47,360
244	Hanwha	\$44,590
380	Hyundai Mobis	\$31,091
421	Samsung Life Insurance	\$28,273
438	GS Caltex	\$26,821
442	SK Hynix	\$26,636
458	Samsung C&T	\$25,902
471	KB Financial Group	\$25,052
483	LG Display	\$24,585

Figure 4, Fortune Global 500, the occupation of korean enterprises. The color will be explained in next sub-chapter.

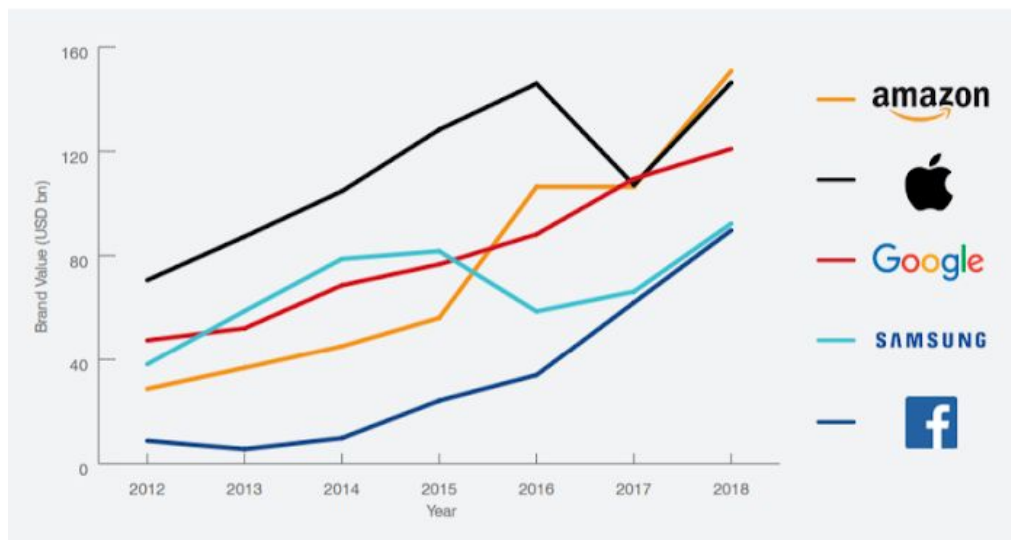


Figure 5, Brand Value Over Time. Image source: (Brand Finance, 2018)

As it can see the figure 4, Samsung is positioned in 12th place over the world. Moreover, the Samsung Groups member positioned inside of the chart. Moreover, according to the David Haigh, Samsung positioned on the 4th place, US\$92.3 billion dollars. (Haigh, 2018). It is observable on the figure 5, the brand value over time made by Brand Finance. This brings to the conclusion that Samsung have a world-acknowledgeable brand strength.

V.IV Chaebols, an effective business model for emerging economies.

The analysis above could prove the Samsung's strong brand equity over the world. Considering all analysis realized above, Chaebols influenced significantly to Samsung's strength and Samsung have world recognized brand equity, so, Chaebol have influenced positively to Samsung. On the other hand, it is possible that other variables irrelevant to Chaebol brought Samsung to enormous firm. This is the reason that, in figure 4, I remarked Chaebol structure based companies as different colors. The figure 6, same as 4 represents the fortune ranking, top 500 companies of the world.

Ranking	Firm's name	Revenues (\$Million)
---------	-------------	----------------------

12	Samsung Electronics	\$211,940
78	Hyundai Motor	\$85,259
84	SK Holdings	\$83,544
178	LG Electronics	\$54,314
184	POSCO	\$53,244
188	Korea Electric Power	\$52,492
219	Kia Motors	\$47,360
244	Hanwha	\$44,590
380	Hyundai Mobis	\$31,091
421	Samsung Life Insurance	\$28,273
438	GS Caltex	\$26,821
442	SK Hynix	\$26,636
458	Samsung C&T	\$25,902
471	KB Financial Group	\$25,052
483	LG Display	\$24,585

Figure 6, Fortune Global 500, the occupation of korean enterprises. The color represents the conglomerate that company belongs in. White is non-Chaebol based Companies. Source: (Statistica, 2018)

As it can see on the figure 6, most of the Korean companies inside the top 500 is based on Chaebol structure. The dark blue color represents to Samsung Group, grey represents to Hyundai Group, pink represents the SK group, light blue represents to POSCO group, yellow represents to Hanwha Group and brown represents to GS group. The only two

white companies belong to public sector (Korean government) and a second in white, is a financial group. This means that Chaebol have significant correlation between Chaebol structure and global competitiveness.

Once we concluded that chaebols structure is an effective model to get global competitiveness, how could this analysis apply to other companies? I would recommend to companies of emerging economies, to benchmark this structure, for the following reason. The growth of Chaebols may bring monopoly issues² for developed countries, such as USA or other Western economies, where will be difficult to form conglomerates such as Chaebol. Countries on developing countries that don't have even their own countries firm of each area, it might be helpful to make conglomerate network such as Chaebol to get competitiveness against foreign companies.

² *Antitrust*, by Alan Greenspan (Rand, A., Branden, N., Greenspan, A., & Hessen, R., 1986)

VI. Conclusion

From any moment, anyone could notice that Korean brands were widely recognized over the world. Some people even would ask how is possible to reach such competitive level coming from a company from such a small country of Asia. The answer is Chaebol structure. The stable diversification as Chaebols advantage, mixing with benchmarking strategy, made possible Samsung to enter global markets. The influence of Chaebol structure influenced even the characteristics of Samsung. Consequently, Samsung is the 4th most brand valued internationally and the 12th largest company in the world, and we have seen, most Korean companies within the global top 500 are based on a Chaebol structure. This will bring us to the answer of research question:

How Chaebol structure influenced positively to Samsung Electronics' competitiveness in the current era of globalization?

Chaebol influenced positively on stable diversification to enter in global market. Chaebol structure have advantages of reducing costs; scope economy and scale economy. Chaebol structure led to Korean companies to reach competitive brand equity against solid firms from the USA, China and other strong companies with high GDP countries.

Nevertheless, the lack of the primary sources and limited secondary sources would limit the depth of the analysis. In addition, this research highlighted the Chaebols positive influence, yet there are also disadvantages on Chaebol structure, such as lack of timely decision and CEO's autocratic decision would make risk to business.

Also, this research could further utilize to compare other similar conglomerates of other countries. This essay, if it is possible, could extend the research on the types of chaebol to categorize and evaluate which type is most effective for global market.

VII. Bibliography

- Aldag, R. J. (2016, February 09). Chaebol. Retrieved November 11, 2018, from <https://www.britannica.com/topic/chaebol>
- Ashford, B. (2007). How benchmarking can mitigate risk in business transformation. *BT technology journal*, 25(1), 50-57.
- Audited Financial Statement | Financial Information | Investor Relations | Samsung Global. (2018, November 30). Retrieved February 14, 2019, from <https://www.samsung.com/global/ir/financial-information/audited-financial-statements/>
- Brand Finance. (2018). The annual report on the world's most valuable brands: Global 500: United States. Retrieved from <http://brandirectory.com/Brand-Finance-Global-500-Report.pdf>
- Bhutta, K. S., & Huq, F. (1999). Benchmarking–best practices: an integrated approach. *Benchmarking: An International Journal*, 6(3), 254-268.
- Christodoulides, G. and de Chernatony, L. (2010), “Consumer-based brand equity conceptualisation and measurement”, *International Journal of Market Research* , Vol. 52 No. 1, pp. 43-66. [\[Crossref\]](#), [\[ISI\]](#), [\[Google Scholar\]](#) [\[Infotrieve\]](#)
- Daechang, L. (2002). Korean Automotive Industry in Transition.
- Global smartphone market share 2018. (2019). Retrieved February 10, 2019, from <https://www.statista.com/statistics/271496/global-market-share-held-by-smartphone-vendors-since-4th-quarter-2009/>
- Hsieh, M.H. (2004), “Measuring global brand equity using cross-national survey data”, *Journal of International Marketing* , Vol. 12 No. 2, pp. 28-57. [\[Crossref\]](#), [\[ISI\]](#), [\[Google Scholar\]](#) [\[Infotrieve\]](#)

Ib Business Management Course Book. (2014). Oxford Univ Pr.

Imf.org. (2018). World Economic Outlook Database. [online] Available at:

<https://www.imf.org/external/pubs/ft/weo/2018/01/weodata/index.aspx>

[Isabel Buil](#), [Eva Martínez](#), [Leslie de Chernatony](#), (2013) "The influence of brand equity on consumer responses", Journal of Consumer Marketing, Vol. 30 Issue: 1, pp.62-74,

<https://doi.org/10.1108/07363761311290849>

Dobson, W., & Safarian, A. E. (1996). *East Asian capitalism: Diversity and dynamism*.

Toronto: Univ. of Toronto Press.

Fortune Global 500 List 2018: See Who Made It. (2018). Retrieved February 14, 2019, from

<http://fortune.com/global500/list/>

Interbrand. (n.d.). Best Global Brands. Retrieved February 14, 2019, from

<https://www.interbrand.com/best-brands/best-global-brands/methodology/>

Kim, J., & Lee, J. (2013, December 23). Samsung chairman still in love with cars. Retrieved

February 14, 2019, from <http://www.koreaherald.com/view.php?ud=20131223000800>

Kim, S. (Ed.). (2018, October 4). Samsung Profit Tops Estimates Bolstered by Memory-Chip Sales. Retrieved February 14, 2019, from

<https://www.bloomberg.com/news/articles/2018-10-04/samsung-profit-tops-estimates-bolstered-by-memory-chip-sales>

Kirk, D. (2017, November 16). Asia's Richest Families 2017: How The Lees Made South Korea The 'Republic Of Samsung'. Retrieved November 10, 2018, from

<https://www.forbes.com/sites/donaldkirk/2017/11/14/asias-richest-families-2017-how-the-lees-made-south-korea-the-republic-of-samsung/#49fbb83c7d5c>

Kopp, C. (2019, February 15). Globalization Definition. Retrieved February 15, 2019, from

<https://www.investopedia.com/terms/g/globalization.asp>

Leone, R.P. , Rao, V.R. , Keller, K.L. , Luo, A.M. , McAlister, L. and Srivastava, R. (2006),

“Linking brand equity to customer equity”, *Journal of Service Research* , Vol. 9 No. 2, pp.

125-38. [\[Crossref\]](#), [\[ISI\]](#), [\[Google Scholar\]](#) [\[Infotrieve\]](#)

Oakley, T. (2015, March 28). Coca-Cola: Ansoff Matrix. Retrieved February 15, 2019, from

<https://themarketingagenda.com/2015/03/28/coca-cola-ansoff-matrix/>

Rand, A., Branden, N., Greenspan, A., & Hessen, R. (1986). Capitalism: The unknown ideal.

Penguin.

Relative Evaluation Report on S1, iPhone. (2010, March 2). Retrieved February 14, 2019,

from https://de.scribd.com/fullscreen/102317767?access_key=key-o1nfmlft8am5nw1qlpr

S, & W. (2018, Winter). Globalization (E. N. Zalta, Ed.). Retrieved November 10, 2018,

from

<https://plato.stanford.edu/archives/win2018/entries/globalization/>

Samsung (2016, October 04). Retrieved February 14, 2019, from

<https://sgsg.samsung.com/main/index.php>

Shen, L. (2015, June 19). Meet Samsung's billionaire Lee family, South Korea's most

powerful dynasty. Retrieved November 9, 2018, from

[http://uk.businessinsider.com/lee-family-power-war-for-samsung-scandals-and-bribes-201](http://uk.businessinsider.com/lee-family-power-war-for-samsung-scandals-and-bribes-2015-6)

[5-6](#)

Suh, S. H. (2008). Advantages and Shortcomings of Korean Chaebols. *International Business*

& Economics Research Journal, 7(1).

Thomson, N., & Baden-Fuller, C. (2010). *Basic Strategy in Context: European text and cases*. John Wiley & Sons.

Williams, J. , Brown, C. and Springer, A. (2012), “Overcoming benchmarking reluctance: a literature review”, *Benchmarking: An International Journal* , Vol. 19 No. 2, pp. 255-276.

[\[Link\]](#), [\[Google Scholar\]](#) [\[Infotrieve\]](#)

Williams, M. (2014, April 01). Apple demands over \$2B from Samsung for patent infringement. Retrieved February 14, 2019, from

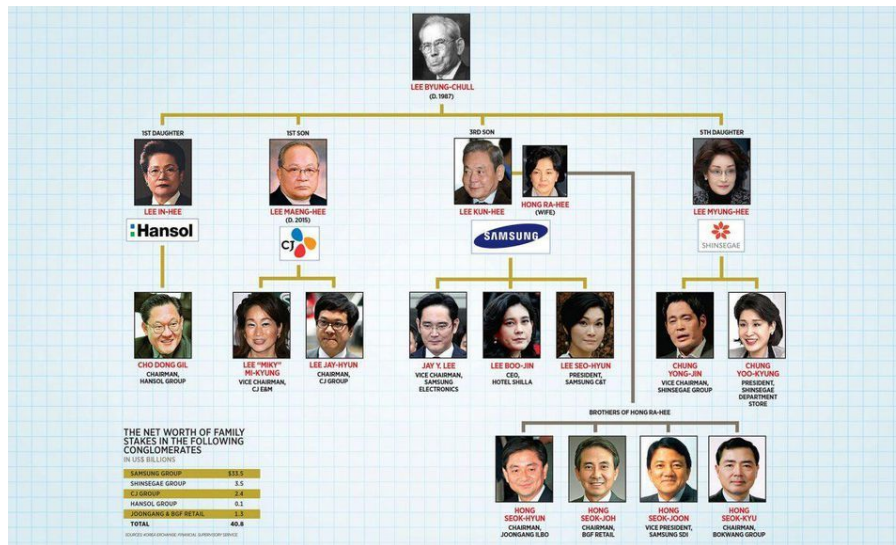
<https://www.pcworld.com/article/2138500/apple-demands-over-2b-from-samsung-for-patent-infringement.html>

문성규. (2000, November 24). 삼성상용차 파산 신청. Retrieved from

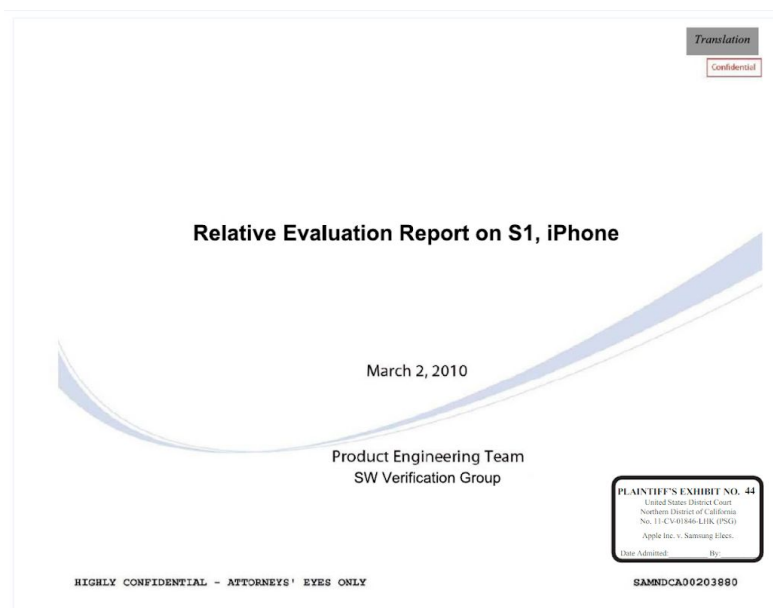
https://news.sbs.co.kr/news/endPage.do?news_id=N0300157802

VIII. Appendix

Lee family: connections between chaebols(1)



Relative Evaluation Report on S1, iPhone (2010) (1)



Relative Evaluation Report on S1, iPhone (2010) (2)

how Samsung benchmarked Apple

Plaintiff's Exhibit No. 44.5

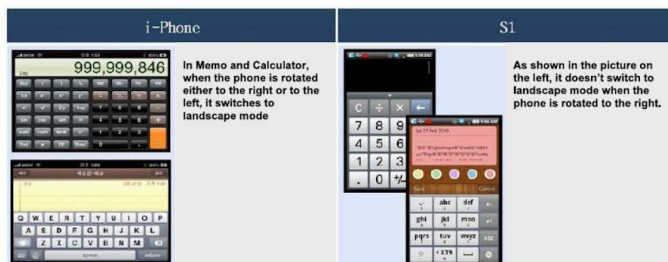
Translation

Confidential

1. Basic Function _ Memo

☐ In Memo and Calculator, only -90 degree rotation is supported in landscape mode

- I-Phone: Landscape mode is supported both to the right and to the left
- S1: Landscape mode is not supported when rotated to the right in Memo and Calculator.



Directions for Improvement

Landscape mode should be supported whether rotated horizontally to the right or left