MGM-02 ADVERTISING AND BRAND MANAGEMENT

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Group Assignment - 2

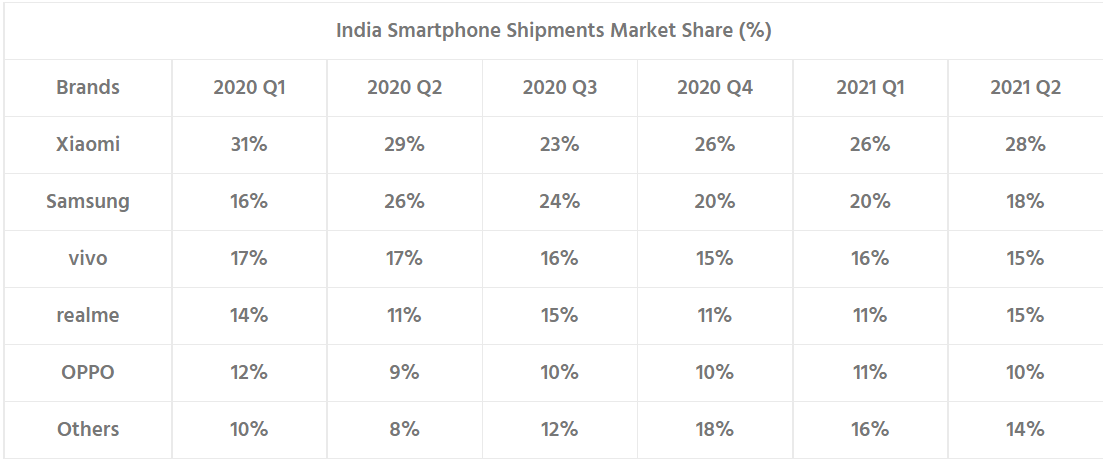
Activities involved in media planning for Company - **SAMSUNG.**

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**The Situation Analysis**

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1. Samsung is a multibillion-dollar multinational corporation focused on telecommunications and digital convergence. Samsung is a multinational firm with more than 200+ offices and facilities in 70+ countries that was started in a small Korean city called Taegu. Samsung Electronics has become the field's most leading company that has been in a dominant position in the TV, DRAM, LCD monitor, and NAND Flash segments.

India’s smartphone shipments grew 23% YoY to reach over 38 million units in Q1 2021. These were the highest ever first-quarter shipments. New product launches, promotions and financial schemes, as well as pent-up demand coming from 2020, drove the smartphone market in Q1 2021. Xiaomi led the market in Q1 2021 with a 26% shipment share. Samsung captured the second spot with an 18% share while Vivo captured the third spot with a 15% share. Realme became the fastest brand to reach 50 million cumulative smartphone shipments in India. OnePlus led the premium market (>INR 30,000) with a 34% share.

Five out of the top 10 smartphone models in the country were from Xiaomi. Among the top five brands, Samsung grew the highest at 52% YoY.

1. According to data from business intelligence firm Tofler, Samsung India Electronics' standalone net profit climbed 88.4% to Rs 2,902.30 crore in 2019-20. In the fiscal year 2018-19, Samsung India made a net profit of Rs 1,540.10 crore. In FY20, total income increased 7.6% to Rs 78,651.20 crore, up from Rs 73,085.90 crore the previous fiscal year. In FY 2019-20, the company's income from operations was Rs 75,461.50 crore, up 6.8% from Rs 70,627.70 crore the previous year. The mobile phone segment accounts for over 70% of Samsung India's revenue. During the financial year 2019-20, its total expenses went up by 5.9 per cent to Rs 74,413.80 crore as against Rs 70,228.30 crore. Samsung India competes with players like Xiaomi and OnePlus in the mobile handset segment and LG, Sony and Panasonic in the TV and appliances segment.

In the first quarter of 2021, Xiaomi’s total revenue and adjusted net profit far exceeded market expectations. Total revenue for the period amounted to RMB 76.9 billion, representing an increase of 54.7% year-over-year while adjusted net profit for the period came in at RMB 6.1 billion, an increase of 163.8% year-over-year.

1. India is traditionally known for offline retailing. However, the new players disrupted the market by entering into exclusive arrangements with the leading online players like Flipkart and Amazon. Time to market and scale are the two advantages of online when it comes to smartphones. Getting to scale is very important in India and yes, in the long run, offline is the only way of getting the scale but offline distribution takes time to build. On the other hand, with online channels, a new entrant can hope to reach the consumers in top cities pretty fast. Both Motorola and Xiaomi used the online channel to quickly reach out to consumers ready to try their products. The online channel now contributes to over 10% of smartphone sales in India (up from ~4% a year back) and continues to rise. The number of retail outlets in the country is a little over 400K and smartphones are sold in a quarter of those outlets. This means to have any meaningful coverage, a smartphone brand needs to reach out to at least 20-25K outlets.
2. India is a tremendous market for mobile advertising. One of the key reasons for the mobile advertising wave in India is that almost 87% of Internet users access the Internet through mobile. The market trends that drive mobile advertising in India concern smart mobile advertising. Advertisers are devoting more time to evaluate the mobile usage practices and psychographics of audiences to produce nifty advertising campaigns that could effortlessly and effectively establish a bond with the customers, irrespective of the mobile platform the consumer use rather than focusing only on smartphones, with an increase in the demand of mobile applications coming from emerging markets.

Unsolicited advertising messages, commonly known as spam, site user acceptance, particularly as mobile phones cannot distinguish between spam and genuine communication automatically. An important problem with mobile advertising is that consumers are used to ads on television and radio but they consider their mobile phone a more personal device. A good of advertising might offend its audience, and thus undermine its own value.

The cultural and personal mindset of the consumer is also an area of concern to strategize mobile advertising. Consumers in India, especially rural consumers, are still hesitant in using mobile banking, mobile payments, and e-commerce. A positive shift is required to make them comfortable with mobile-based e-transactions. For this, a consumer-focused solution is required.

1. Samsung needs to make more of a marketing effort to create better awareness of the innovative design and sustainability that Android devices provide and to whom they can advertise in order to effectively deliver this message. The target groups could be almost everyone excluding children and aged people. Samsung can target people of all classes because of a large variety of economic yet amazing smartphones. This includes people of lower-middle-class, higher middle class or rich class, Samsung has covered all ranges for everyone.
2. From being one of the top smartphone players in the country to making the first projector-less theatre screen to fitting smart air conditioning systems in modern apartment complexes, Samsung’s varied product portfolio and investments show India’s importance in its plans. The company has a range of smartphones from ₹4,000 all the way to over ₹80,000, something that is not common practice among smartphone makers. While its Galaxy S and Note series are at the higher end, the A and the J series are for the low- to mid-level consumers. The strategy to introduce low-priced phones was also a reaction to competition from players such as Chinese brands Xiaomi, Huawei, Oppo, and Vivo taking over the segment.

Xiaomi maintained its lead for the fifth consecutive quarter, growing 27% in Q3 2018. The company’s Redmi 5A and Redmi Note 5 continued to be the fastest-selling smartphones in the country with a combined shipment of more than 5 million in two consecutive quarters, IDC says. The company owns almost half the online market. Samsung remained at No. 2 but continued to lose share compared to the previous quarter owing to the rapid growth of the China-based players, according to IDC.

**The Marketing Strategy Plan**

1. In order to increase Samsung's market share, increase sales, brand awareness and brand loyalty, we can utilize the principles of marketing: product, price, place and promotion. To successfully achieve these media objectives, we can focus advertising efforts on television, magazines and the internet. Samsung can allocate money from TV advertisements and on media evaluation and research. We also can advertise at optimal times and places to better reach our target audiences with the help of various market research data.
2. We can advertise nationally with a heavy up plan in the major metropolitan areas of New Delhi, Mumbai, Bangalore, Chennai, Lucknow. These are trendy areas with heavy internet usage. According to Simmons, a large portion of Samsung’s targets live in these areas. We need to be right in without competitors, giving out targets all the information they need so they can choose Samsung.
3. Reaching at least 60% of Samsung's primary target audience of young, male professionals from the ages 25-34 throughout the country throughout the course of two years could be a goal.
4. Configuring social media posts in this media plan is crucial in order for Samsung to boost their brand recognition wherever people are, whether that means interactive marketing campaigns, posting photos and videos, creating polls or giveaways. Consistent, positive affiliation with the brand to its target market will also help Samsung collect valuable research information through audience reactions, participation, etc. at little to no cost.
5. A portion of the internet budget could also go toward video advertisements on YouTube. Samsung will use this video advertising space on YouTube to create short, 15-30 second tutorials on various features of your phone that will help the brand stand out amongst its competitors. Magazines allow you the leisure to target very specific markets, which is ultimately what Samsung needs to do in order to establish themselves further in the competitive smartphone market. Also, with travel magazines in airports, aeroplanes, etc. The ads are more likely to get a lot more exposure to different people around the world. The majority of Samsung's target markets, when they have the time, enjoy watching either sports or the news. ESPN channels and other sports networks have a high index for Samsung users, which gives Samsung the advantage to advertise during football and basketball season to create an impact where most social gatherings are occurring.

**The Creative Strategy Plan**

1. The ultimate goal of this media plan is to persuade consumers that the Samsung Galaxy is not just the most trendy and affordable smartphone among its competitors, but that it also provides the high quality for which their target market would normally pay top price.
2. The most important purpose of this media plan is to keep and grow Samsung's market share by regularly exposing its target markets to ads and interactive campaigns across several channels.
3. The marketing strategies included in this media plan also aim to send a clear message to each of Samsung's individual target markets, such as increasing brand awareness and thus providing a more valuable experience for current users while also attracting new customers by establishing a stronger social media presence for the younger primary target markets.

**Setting Media Objective**

1. Our primary target audience of young professionals and men ages 18-35, as well as our secondary target audience of fitness enthusiasts and women ages 30-55, respond best to commercials on television, periodicals, and the internet, as each persona is constantly on the go but still requires constant connectivity. Samsung's media and creative initiatives will help to target these specific demographics and persuade them to not only think of Samsung as a leading and innovative brand but also to become Samsung supporters, thereby increasing brand recognition and customer interaction.
2. Our commercials will air precisely in time for the launch of Samsung's three newest products. We'll hit the ground running in July, then slow down until the Christmas push in November, with the campaign winding up in January. Despite the fact that there is no official peak season for cell phone purchases, sales nevertheless face greater competition around the holidays.

**Determining Media Strategy**

The main objective of this media plan is to increase the sales of the Samsung Galaxy Smartphone and to convince consumers that the Samsung Galaxy line of smartphones is not only the best smartphone they can get but also the one having all the trendy features and having the most processing power. The Samsung Galaxy line of smartphones is one of the highest quality smartphones and how other companies are charging way more price for the same quality provided by us.

Samsung’s already established media and brand presence should be maintained and our primary strategy should be towards increasing market share by frequently exposing the target market to advertisements and interactive campaigns through different mediums. The strategy used for this objective must align and be achieved. We can run advertisements in media such as television, internet, youtube ads, newspaper, promotional emails, direct emails, newsletters. The campaign will run all year round focusing on the larger market groups around the world.

Samsung will also allocate money from TV advertisements and on media evaluations. Advertising will be done at optimal times and places so that our target audience (age 18-35) are frequently exposed to these advertisements.

**Selecting Broad Media Classes**

Television:

* Even though people are switching to streaming services and moving away from cable tv there is still a larger group of consumers that still watch TVs in developing countries.

Internet Advertisement:

* With internet ads, we could be more specific about the demographic that we’re targeting and show our ads at cheaper rates.

Magazine Advertisement:

* Even though magazines aren’t as popular as they used to be, they can be a good way to reach spot markets. Along with that, it would be a good way to target specific audiences who read tech-related magazines, sports and so on.

**Selecting Media within classes**

As our target audience of young professionals and men ages 18-35 and second target audience for fitness junkies and women ages 30-55 respond the best to television, magazines and internet advertisements, media within the class can be selected as per the targeted audience’s interest.

**Television:**

Targeting the television audiences of young professionals and men ages 18-35,

Ads will be music channels especially in morning and evening and Drama shows entertainment channels can be considered too.

TV channels Like:

1. Mastii
2. B4U Music
3. MTV Beats
4. 9XM
5. Bindass

Targeting the television audiences of women ages 30-55,

channels with popular Serialised TV shows and reality shows will be used for advertisement.

TV channels Like:

1. Star Plus
2. Colors TV
3. Sub TV
4. Zee TV

**Internet Advertisement:**

A portion of the internet budget will also go toward video advertisements on YouTube. Samsung will use this video advertising space on YouTube to create short, 15-30 second tutorials on various features of your phone that will help the brand stand out amongst its competitors. Ads will take place during Q1 to create buzz and start targeting the young demographic before the new release.

Social Media like Youtube, Instagram, Facebook and Twitter will be used, not just for advertising the newly launched Note series smartphone, but also to consider Samsung as a leading and innovative brand. Social media maintains the age record of their users, so the audience will be targeted on the basis of age group. Top celebrities will be paid to share the post of the Samsung Galaxy Note Series on their social media. These social media will also be paid to spread the promotional videos and posters through their media network. Youtube is a great platform for tech lovers, so youtube will be the major focus for the advertisement and the major budget of internet advertisement will be applied to youtube promotion, focusing on the tech reviewers channels and other channels highly viewed by the targeted age groups. Some channels on youtube will be paid for promoting the product.

Along with the social media itself, some popular social media influencers accounts will be paid for promotion as listed:

Youtube Channels:

1. Technical Guruji
2. Geekyranjit
3. iGyaan
4. Gadgets to Use
5. Beebom.

**Magazines Advertisement:**

Since magazine indexes were so high, and after seeing the direct relationship between speciality magazines and Samsung's primary and secondary target markets, we wanted to use print magazines as one of our mediums. According to MRI+, men are also more likely to read sports magazines such as ESPN than to talk about college or national league games.

Magazines allow you the leisure to target very specific markets, which is ultimately what Samsung needs to do in order to establish themselves further in the competitive smartphone market. Also, with travel magazines in airports, aeroplanes, etc., the ads are more likely to get a lot more exposure to different people around the world. Magazine ads will generally take place during Q2 after the new release of products.

**Media use decision-broadcast**

**Media Event Sponsorships:**

The use of smartphones grows rapidly, which affects the global and localized forms of direct communication marketing. Technological advancements contribute to the recent shift in the appeal of the media. Sponsorships. A report says that 78% of the population are now smartphone users compared to only 17% in 2008. Due to the surge in digital activity from gadgets, companies are now advertising their events more through media sponsorships, primarily through social media. Given the budgetary constraints that nonprofit organizations and events tend to face, this type of sponsorship most suits them. Having readily available media sponsors is a key exposure tactic for the advertisement and publicity purposes of smaller companies. When media sponsors are present, the organizations spend less time and money on advertisements. Moreover, they do not face the difficulty of purchasing the media coverage they often require.

**Scheduling and Placement of Spot:**

We will advertise nationally with a heavy up plan in the major metropolitan areas of Delhi, Gudgaw, Mumbai, Bangalore, Hyderabad, Kolkata. These are trendy areas with heavy internet usage. According to research, a large portion of our target lives in these areas. We need to be right in without competitors, giving out targets all the information they need so they can choose Samsung.

Our campaigns will launch just before Samsung releases its three newest products. We will push heavily throughout July and the campaign will then continue lightly up until the holiday push around November 2021, ending in January 2022. Cell phone shopping does not have a designated strong purchase period, however, sales definitely face higher competition around the holidays.

**Media use decisions-print**

1. **Ad frequency and dates**

Although Samsung releases many waves of smartphones and ad campaigns to support them year round, it has two major ad campaigns for its flagship products- the galaxy S series and galaxy note series. These usually come around February and August respectively. Once the announcement event is held, you can expect to see the newly unveiled smartphones all over newspapers, magazines, posters etc.

1. **Placement of ads**

Samsung is a powerhouse in the smartphone industry, and their marketing team is some of the best in the world. They understand the importance of proper advertising, which is why they spare no expense while doing it. The placement of these ads are always in the best and most eye-catching spots. Huge posters, multi-page magazine ads and full-size front page newspaper advertisements with the smartphones and all of its features on display can be seen during the Samsung flagship smartphone release season.

1. **Special treatment**

Samsung is the closest competitor to Apple in the smartphone industry, and one of the reasons for that is they use similar imagery in their ads. They both use static, dull and solid colour backgrounds while advertising their phones in print, which makes the phone look more appealing and makes its colors pop. Samsung is a gigantic company, which can pay off print media to release large colourful ads that seem to take priority over other companies.

1. **Desired reach**

Through the use of different print media, they mean to cater their products to many demographics. By using newspapers, they can announce their new products to the relatively older people and people who read newspapers on a daily basis. With the help of posters in popular or crowded locations, they can reach the younger generation and hype their products up to them. Through magazines, they can inform middle aged people who might not be aware of the smartphone’s release. Therefore, through various print media, Samsung caters to different age demographics and also people with vastly different interests.

**Media use decisions-other media**

1. **Billboards**

As mentioned above, Samsung spares no expense in its advertising campaigns, which translates to large billboards as well. These billboards make the Samsung products visible to a large number of people at once when placed in a populated or crowded area. Innumerable large billboards can be seen around malls, overhead bridges and traffic stops where they have been strategically placed so that people can look at them for long periods of time. Large fonts are used for the main features of the smartphones so that they pop out and are more visible at a glance. Based on my city, billboards can be the size of small windows on street lights, wide boards to cover the length of overhead bridges or even the size of large buildings to cover a whole side of it.

1. **Peculiar decisions**

The smartphone industry is saturated with great brands who keep trying to outshine one another. Thus, many creative advertising ideas can be seen in these ads, whether it be traditional forms of media or more bizarre ones. Personally, when I went to a Samsung store in 2016 to buy my phone, I was met with a physical tower-like contraption that blocked light from other sources, making an image inside it very dark. Other phone cameras couldn’t take pictures in this low-light environment, but this is where the galaxy smartphone shined and outdid its competitors. Hence, the low-light camera sensitivity of the smartphone was highlighted in a very practical manner. Samsung also has many other creative and “out of the box” methods of advertising like physical advertisements highlighting their Note pen accessories, Z Fold lineup, etc. Besides this, Samsung is known for mocking its main competitors like Google, Apple and Xiaomi through its ads by downplaying their phones and highlighting the advantages to their own phones. However, these ads have backfired in the past based on Samsung’s decisions for their smartphones after making the mocking ad, which definitely makes this choice a peculiar one for the company.