

MARKET RESEARCH: SAMSUNG ULTRA 5G

Samsung is one of the most valuable brands in the world, ranking among the top 20 most well-known brands. Samsung is a large firm that makes products in the fields of telecommunications, digital equipment, digital media, televisions, and semiconductors (Statista, 2021). (Statista, 2021) indicates Samsung Electronics' global income has continuously increased between 2005 and 2020. Samsung Electronics is expected to earn roughly 200 billion U.S. dollars. (Statista, 2021) On a global basis, Samsung was the mobile phone brand that ranked top in 2019. The company made a profit of approximately 19 billion dollars after shipping 315 million mobile phones. The objective of this report is to reflect the new Samsung Ultra 5G smartphone that Samsung is set to release. This smartphone is going to change the way students and professionals live their lives. This phone has a unique feature, that it can transform an image of text into a word document. Students and professionals can simply click on the text image and edit and use it as they choose. OCR technology is used to provide this capability in the new product. An antiquated way is still used by business professionals today, but if they have a Samsung Ultra 5G in their hands, they can easily take a picture and edit the content. It saves a lot of time and eliminates the need to carry a notebook with you to write things down.

MARKET ENVIRONMENT:

(MarketLine, 2021) During the historical period, the Indian mobile phone market had a mild drop. The market was volatile in 2018, decreasing to 35.5 percent, then increasing to 21.8 percent in 2019 and forecasting substantial growth in 2020. The expanding economy of the country, as well as the availability of cellular services, has aided market expansion. To begin, an external audit is conducted using the PESTLE analysis concept learned in the marketing strategy planning unit.

1.Political: India is one of the largest democracies on the planet. The political environment is influenced by factors such as government policy, politician interests, and the philosophy of various political parties. The taxation system is well-developed, and the Union Government levies a variety of taxes, such as income tax and the Goods and Services Tax. In India, corruption is a major cause of concern. It has a negative impact on the business and political climate. It increases the cost of conducting business and discourages foreign direct investment. However, increased public awareness and government initiatives are assisting in the fight against corruption. (Frost & Sullivan, 2021) The Production-Linked Incentive (PLI) Scheme of the government aims to provide incentives to mobile manufacturing firms.

2.Economic: The policy, which includes reductions in industrial licencing, foreign capital liberalisation, and the founding of the Foreign Investment Promotion Board, has resulted in a steady improvement in India's economic climate. (Frost & Sullivan, 2021) In light of the trade war between the US and China, India is attempting to promote itself as a manufacturing option. All Chinese investments with a primary focus on the US market are looking for a new location, with India being the best option.

3.Social: With a population of over 1.3 billion people, India has a massive consumer market. (Statista, 2021) According to a survey performed by the Mobile Ecosystem Forum from November to December 2019, the age group of 16 to 44 years old had the greatest smartphone penetration rate, with 91 percent.

4.Technological: Technology has a big impact on product development and brings new cost-cutting methods. India has access to both 4G and 5G technologies, which has aided a number of technological undertakings. The country has powerful IT sectors, which encourages continuous IT development, software upgrades, and other technological breakthroughs.

5.Environmental: While India has made significant progress in recent years, it still faces a variety of environmental concerns, including air pollution, water pollution, floods, resource depletion, biodiversity loss, and consumer waste discharge into rivers. As a result, environmental pressure groups, noise controls, and waste management and disposal regulations have all been established.

6.Legal: Foreign investors can establish a corporation, a branch, or a limited liability partnership in the country, depending on the scale and demands of their business. The Companies Act of 2013 governs Indian businesses. Employees' State Insurance Act 1948 (ESI Act), Industrial Disputes Act 1947 (ID Act), Maternity Benefit Act 1961, and Payment of Bonus Act 1965 are some of the labour laws that govern employment interactions in India.

Porter's five forces model is learned from marketing strategy planning unit. This model is a well-known external analysis approach for evaluating performance environments. i.e.:

1.Internal Rivalry: The smart phone sector has a lot of internal rivalry. Companies upgrade technology and lower prices to maintain a competitive advantage in the business during the years of the smart phone boom. (Ben et al., n.d.) For all competitors in the sector, it's necessary to steal clients from rivals and increase market share.

2. Threat of New Entrants: Due to the multiple obstacles to entry that exist in the mobile business, it is tough to break into the market. The mobile industry has substantial capital requirements, both in terms of operational costs and, more importantly, in terms of entry costs. (Ben et al., n.d.) To be competitive, a firm intending to enter the mobile market must not only support the acquisition of each component, but also build its own research and development programmes.

3. Bargaining Power of Buyers: Since mobile phone sector is so competitive, buyers have a lot of bargaining power. Buyers will be able to choose which service and which phone to purchase with minor cost differences as competition between service providers grows and phones become more similar. (Ben et al., n.d.) Buyer bargaining power grows when switching and lock-in costs drop.

4. Bargaining Power of Suppliers: Samsung is distinctive in that its individual supplier negotiation leverage is essentially immaterial because it manufactures most of its own components. Samsung develops its own processors, memory, and storage systems. Furthermore, Samsung provides its own raw materials (Ben et al., n.d.).

5.Threat of substitutes: Substitute risk is really high. Almost any smartphone that performs the same features is considered a substitute by Samsung. All of these smartphones are plentiful and in high demand, with similar prices, making the market for internal substitutes extremely competitive. (Ben et al., n.d.) Any smartphone running the Android operating system that is not built by Samsung, such as the Motorola series, can be used to replace a Samsung smartphone.

GROWTH STRATEGY

The Ansoff Matrix, which was studied in the marketing strategy planning unit is applied to define Samsung's ultra 5G's growth strategy. Given Samsung's emphasis on supremacy, product development is a crucial part of the company's intense growth strategy. The strategic goal of product development is to expand the business by developing new items, such as new technological gadgets. Furthermore, Samsung's operations are expanded through iterative innovation, which results in improved versions or variants of existing smartphones. Samsung's differentiation generic competitive strategy, which demands product development for uniqueness that differentiates the product from the competition, has led to the implementation of product development as an intensive growth strategy.

Samsung's primary growth strategies is to maintain market leadership by focusing on product differentiation in each business unit; identify businesses that will sustain growth over the next five to ten years; and prepare management to anticipate and respond to business risks during times of global market uncertainty.

COMPETITIVE POSITIONING AND CUSTOMER INSIGHTS

Samsung is positioned as a creative and distinct brand that uses cutting-edge technology to provide clients with high-end design items. Furthermore, as compared to the prices charged by competitors, particularly Apple, Samsung's prices for its goods are quite inexpensive. Samsung's low-cost pricing approach also helps the company maintain a strong competitive position in the market.

(Dabas, 2013) Samsung is a brand that has gained great recognition and appreciation in India. Samsung has promised to put emotions at the heart of its brand. Furthermore, Samsung's brand positioning has been designed to make it simple for the targeted audience to experience enchantment in their daily lives. This is one of the main reasons why Samsung is regarded as one of the most well-known smart phone brands in the modern era to have entered the Indian market. (Statista, 2021) The graph below shows consumer behaviour in Indian market.

Switching preference of smartphone brands across India as of March 2021

Popular choice of future smartphone brands India 2021

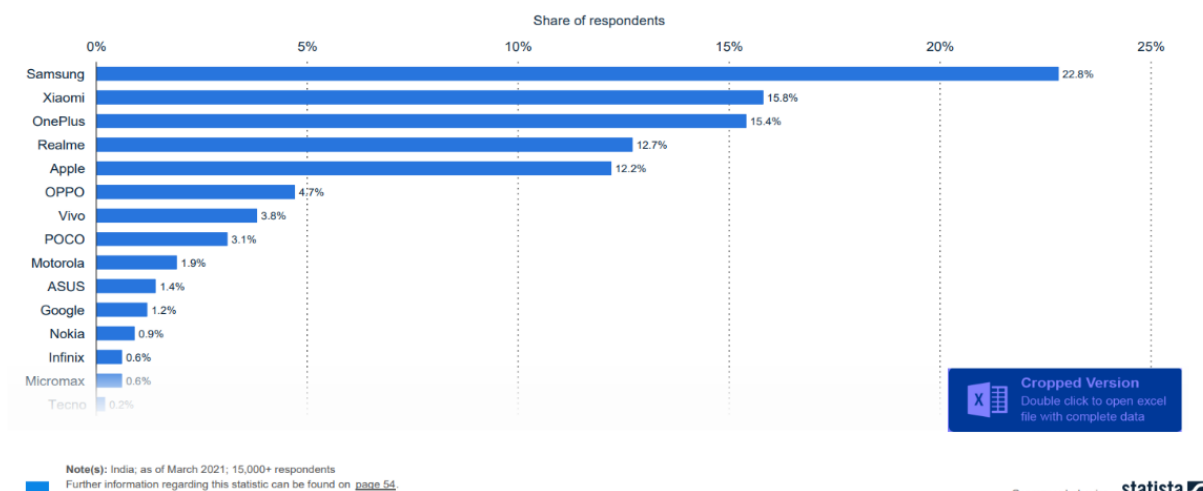


Fig 1.1

ISSUES/ OPPORTUNITIES

SWOT analysis technique learned in the marketing strategy planning unit is applied to look for opportunities and issues.

1.Strength: Samsung has a strong reputation and a vast consumer base in India. It has a strong hold on the smartphone market. In comparison to its competitors, Samsung has a high-capacity integrated research and development that has resulted in a wide range of goods. It also offers a lengthier warranty, which has gained the trust of customers.

2.Weaknesses: Due to the ongoing covid epidemic, there has been a drop in smartphone sales in Indian market. Hereditary Leadership — For three generations, Samsung has been led by the Same family. Samsung can stagnate owing to a lack of innovative ideas, despite the fact that maintaining the leadership within the family has provided enormous stability.

3.Threat: Increased Competition - Competition from competitors, particularly those in the smartphone industry, has reached new heights. Whether it's Xiaomi, Apple, or Huawei, all of the technological rivals are outsmarting and exceeding one another in the race to become the top technology firm. Also In this business, innovation happens quickly, and some crucial components are always in short supply.

4.Opportunities: The smartphone industry is fast-paced, with the latest trends quickly becoming obsolete. Samsung can achieve massive growth by setting the standard with exceptional and innovative products. Samsung has the opportunity to capitalise on the world's transition to 5G. The company should begin active commercial talks with Indian operators about supplying 5G and 6G network equipment.

SEGMENTATION, TARGETING AND POSITIONING

The segmentation, targeting, and positioning strategies are applied to determine the target market as well as the company's position.

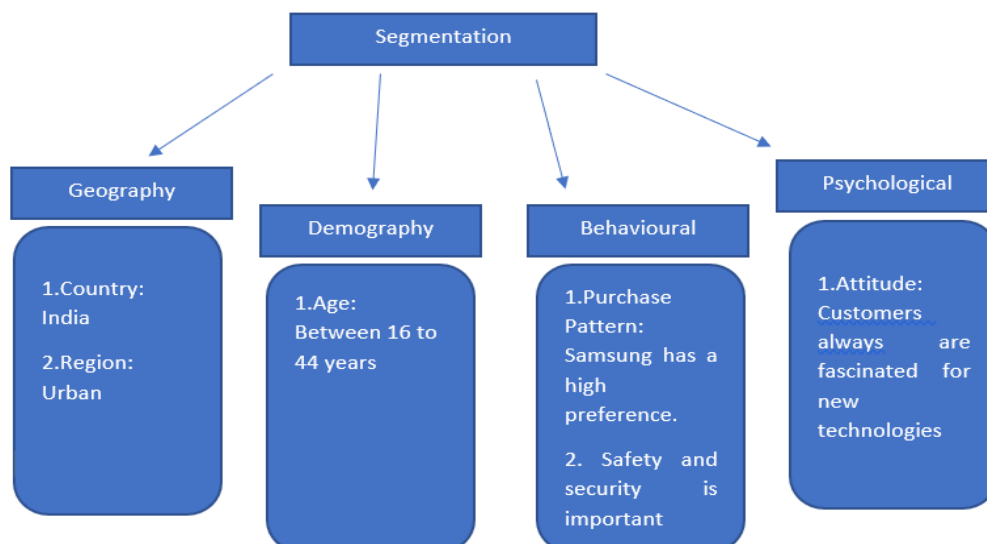


Fig 1.2. Segmentation of the Market

Market segmentation is the process of breaking down a target market into smaller groups based on certain criteria in order to better understand customers and target different products and services to reach those customers, increasing revenues, and increasing customer retention. (Statista, 2021) We are now ready to launch Samsung Ultra 5G in the Indian market, focusing on customers aged 16 to 44 who are more interested in new technologies. It is set to release in the Indian market since customer behaviour indicates that in the following year, the customers are most likely switch to Samsung smartphones and Indian market has a high growth rate for smartphone buying.

The Samsung Ultra 5G will adopt a focused strategy learned in STP unit, targeting people between the ages of 16 and 44, students and professionals who want a smartphone with cutting-edge technology that makes their work simpler also people between the ages of 16 and 44 account for 91% of smart phone sales in india (Statista, 2021). People who are early adopters, sometimes referred to as innovators, are those who test new items as soon as they become accessible. The company's primary focus is on customers with a medium to high income. The company's new product launch, on the other hand, is aimed for aspirational and intelligent consumers.

Samsung is known for being positioned the most innovative and technologically sophisticated firm in the world, producing the highest-quality products for its customers. Customers regard Samsung as an economical brand because the company charges lower pricing for its products when compared to rival brands such as Apple. Furthermore, the organisation has used customer-centric techniques that aid in the development of a strong brand image in the marketplace. The following is the company's perceptual map applied which is learnt from the segmentation, targeting and positioning unit.

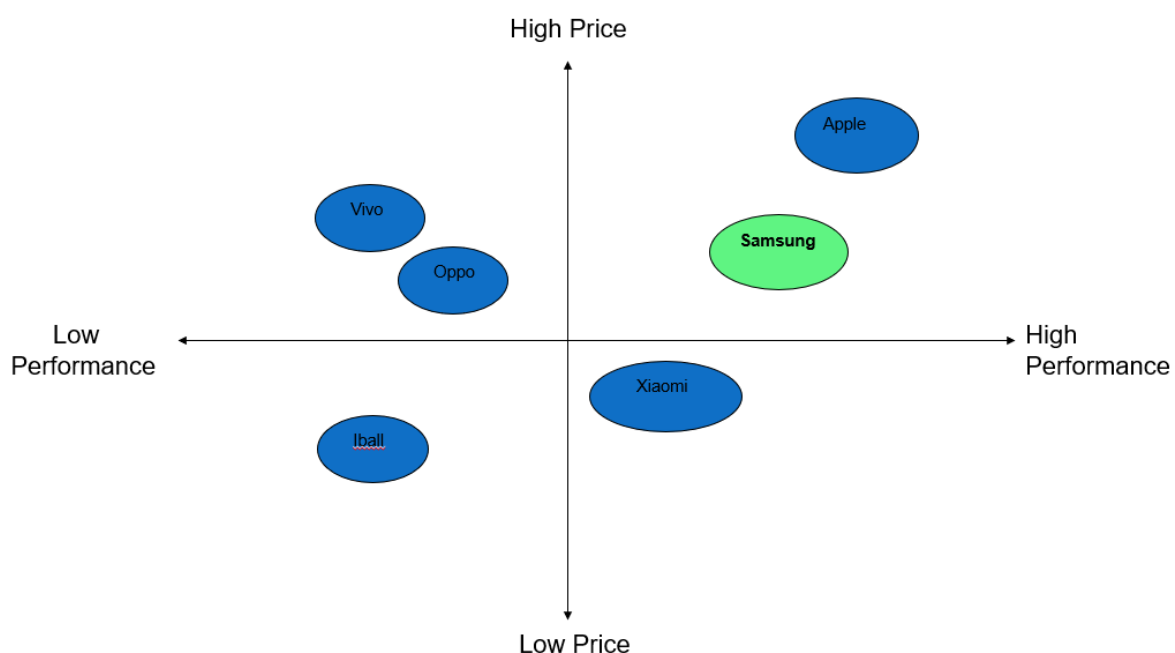


Fig 1.3 Positioning Map for smartphone brands

MARKETING MIX

1.Product: Product diversity and development are two of Samsung's main strategies. By applying the Product Anatomy Model (Kotler) studied in the Products, Services, and Brands course we can characterise the Samsung Ultra 5G, which is set to release, as having a core differentiating characteristic that it converts image to word format, which is very much desired by students and professionals. This device features a 6.8-inch display, a next-generation camera, an Exynos 2100 processor, and 128 GB expandable upto 256 GB. This product is augmented with free shipping and a two-year warranty. The name "Samsung" adds to the product's brand value. Samsung will utilise a Line extension brand strategy for ultra 5G, which will increase brand image; a top-quality version of a brand. Packaging is the primary source of information for customers, it plays an essential part in its selection. Due to increased competition, packages must now perform a variety of sales roles, including enticing buyers, communicating brand positioning, and closing transactions. So, the packaging of the new productive will be made very attractive with a brand name on it.

2.Pricing: Samsung will use the price skimming strategy taught in the pricing unit to launch the ultra 5G. (Shavandi & Zare, 2012) The goal of price skimming is to set a relatively high price for a brief period of time when a greatly enhanced product is introduced to the market. Later, when demand from early customers falls or competitors offer the same product at a lower price, prices are reduced. At present the average cost of Samsung products is 15000 Rupees, but ultra 5G has exceptional features so the skimming price for ultra 5G will be 25000 Rupees.

3.Promotion: Samsung will utilise a variety of promotional strategies to entice users to upgrade to ultra 5G. Customers will be offered various discounts, which will serve to urge them to acquire the product. Furthermore, advertising tactics such as newspapers, magazines will be utilised. An analysis of Samsung marketing on media for buying decision revealed that YouTube and Twitter have a considerable influence on Samsung purchasing choice (Harrie et al., 2017). So, to promote ultra 5G digitally, we'll use YouTube and Facebook.

4.Distribution: Samsung ultra 5G will apply both integration and direct to customer distribution strategies studied from channel management unit. Direct sales forces are expensive, but they provide the organisation greater control, whereas intermediary techniques give the supplier more control. (Mohan et al., 2019) Samsung operates three channels, the first of which serves as an exclusive showroom. The company negotiated a contract with the biggest e-commerce shops to distribute the products in every corner of the country, and this is the second channel. The third channel is distributor, which assigns a different distributor to each region. Distributors distribute the product throughout the region.

CONCLUSION

In light of the above findings, we can forecast that the Samsung Ultra 5G, which is a innovative high-quality, low-cost device, will set a new standard in the Indian smartphone market.

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