

Case study of nokia

Nokia Corporation is a Finnish multinational telecommunications, information technology, and consumer electronics corporation, established in 1865, it is based. The company has been associated with various industries over the past 150 years, including pulp mill, rubber, cables, and large-scale telecommunications infrastructure

While Nokia had a strong presence in the early years of the mobile phone era, the company faced significant challenges and underwent a series of transformations. Below is a case study overviewing the rise, fall, and resurgence of Nokia:

1. Early Success (1990s - Early 2000s):

Strengths: Nokia was a pioneer in the mobile phone industry, known for its durable and user-friendly devices. The company dominated the market with a wide range of phones, including the iconic Nokia 3310.

Market Leadership: Nokia became the largest mobile phone manufacturer globally, holding a substantial market share.

2. Challenges and Competition (Mid-2000s):

Emergence of Smartphones: The rise of smartphones, particularly the introduction of the iPhone by Apple in 2007, shifted consumer preferences towards devices with advanced features and touchscreens.

Operating System Struggles: Nokia's reliance on its **Symbian operating system** became a disadvantage as competitors like Apple and Android-based devices gained popularity. Android and Apple OS was more reliable to users rather than symbian.

3. Strategic Missteps (Late 2000s - Early 2010s):

Delayed Response to Trends: Nokia struggled to adapt quickly to the changing mobile landscape. The company was slow to embrace touchscreen technology and the app ecosystem.

Partnership with Microsoft: Nokia entered into a strategic partnership with **Microsoft in 2011**, adopting the **Windows** Phone operating system. However, this move did not reverse the decline, and Nokia continued to lose market share.

4. Acquisition by Microsoft (2014):

Sale of Devices and Services Division: In 2014, Microsoft acquired Nokia's Devices and Services division. The acquisition marked the end of Nokia's presence in the mobile phone manufacturing business.

Focus on Networks and Technologies: Following the sale, Nokia shifted its focus to its Networks and Technologies business, providing network infrastructure and technology solutions.

5. Resurgence and Diversification (2016 – Present):

Return to Mobile Devices: In 2016, Nokia licensed its brand to **HMD Global**, a Finnish company, allowing them to produce Nokia-branded smartphones. The new devices run on the Android operating system.

Expansion into 5G: Nokia has positioned itself as a leader in the development and deployment of 5G technology, aiming to play a key role in the global rollout of advanced telecommunications infrastructure.

Diversification and Innovation: Nokia has diversified its portfolio to include solutions for various industries, including telecommunications, healthcare, and automotive.

Key Takeaways:

- Nokia's initial success was built on feature phones, but the company struggled to **adapt to the smartphone era**.
- Strategic missteps, such as the delayed adoption of touchscreen technology and the partnership with Microsoft, contributed to Nokia's decline.
- Nokia has undergone significant transformations, shifting its focus to network infrastructure, licensing its brand for smartphones, and embracing emerging technologies like 5G.

Nokia's case serves as a cautionary tale about the importance of agility, innovation, and timely adaptation to changing market dynamics in the rapidly evolving technology industry.

