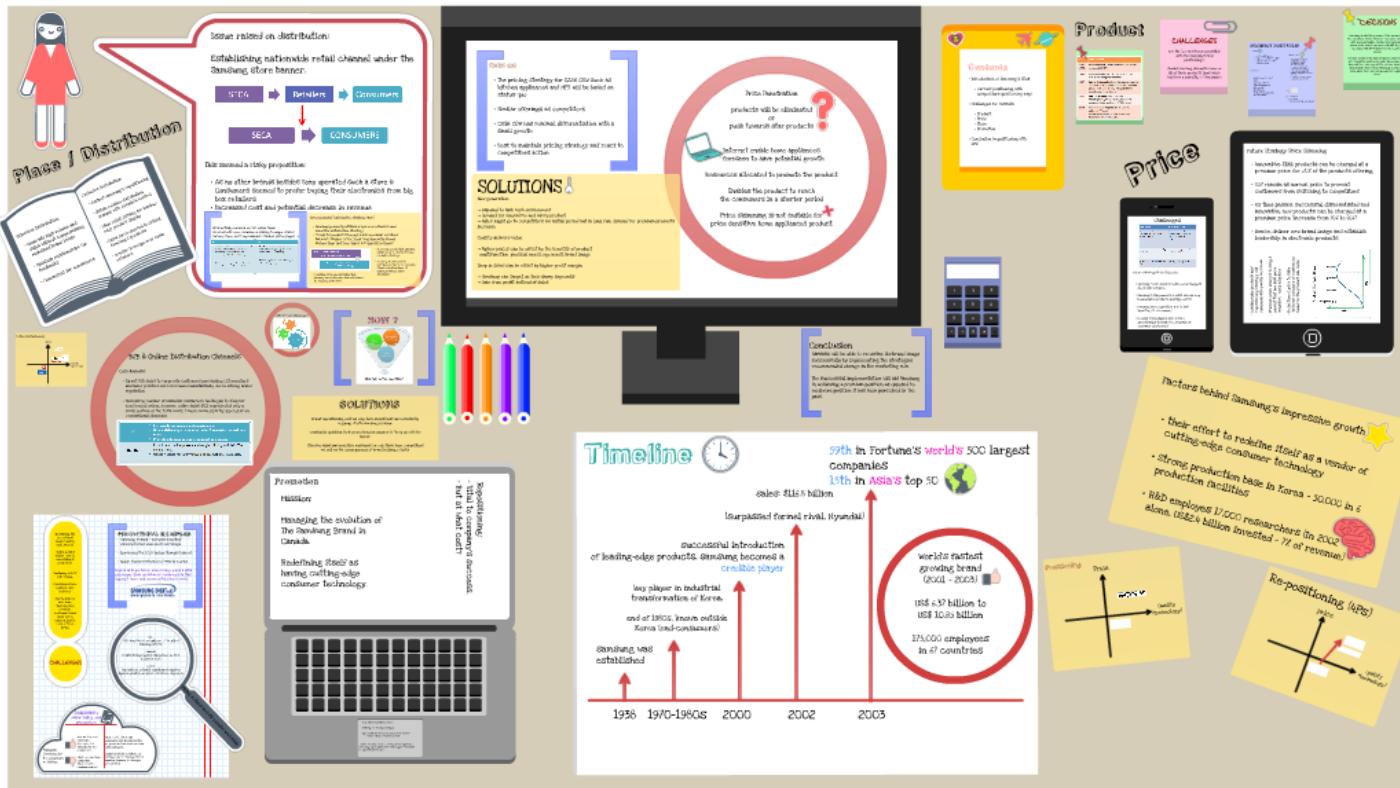


MKW3440 MARKETING STRATEGY

SAMSUNG Redefining A Brand



ThecaseSolution.com

MKW3440 MARKETING STRATEGY

Redefining A Brand



SAMSUNG

Place / Distribution

Issue raised on distribution:

Establishing nationwide retail channel under the Samsung store banner.

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graph LR
    SECA[SECA] --> Retailers[Retailers]
    SECA --> Consumers[Consumers]
    SECA --> Consumers2[Consumers]
    
```

This seemed a risky proposition:

- As no other brands besides Sony operated such a store & consumers seemed to prefer buying their electronics from big box retailers
- Increased cost and potential decrease in revenue

B2B & Online Distribution Channels

Product

Promotional Sampling

Promotion Mission:

Managing the evolution of the Samsung brand in Canada.

Redefining itself as having cutting-edge consumer technology.

Re-positioning: What to company's success? But at what cost?

Issue raised:

- The pricing strategy for CASH Cow such as kitchen appliances and TVs will be based on different rule
- Similar offerings as competitors
- CASH Cow has minimal differentiation with small growth
- Hard to maintain pricing strategy and react to competitor action

SOLUTIONS

Price Penetration
products will be eliminated or push towards star products

Inherent matrix has application tendency to have potential growth

Resources allocated to promote the product

Enable the product to reach the consumer in a shorter period

Price discounting is not suitable for price sensitive home appliances product

Conclusion:

Samsung will be able to re-deline its brand image successfully by implementing the strategic marketing plan.

The successful implementation will bring Samsung to a previous position and improve its market position of high tech products in the past.

Product

Challenges:

- The low level of awareness about the product
- Lack of knowledge about the product
- All of their products look similar and have a similarity of design

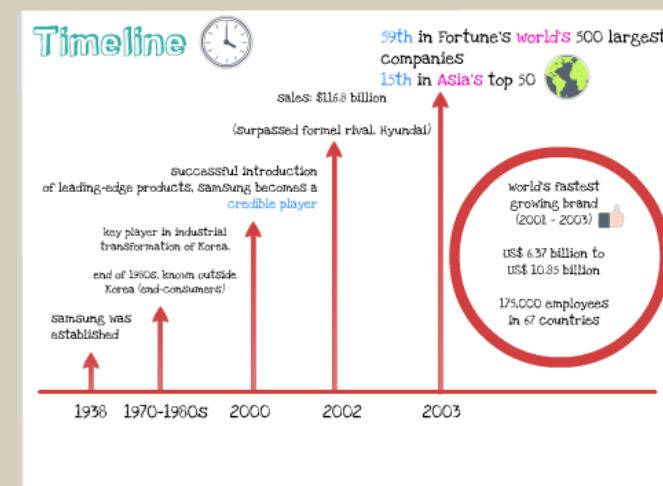
Price

Future Strategy Price Differencing

- Increasing IBM products can be charged of a premium price for 10% of the products offering
- IBM creates at normal price to prevent customers from switching to competitors
- At time passes, increased differentiated and innovative new products can be charged at a premium price (increases from 10% to 20%)
- Hence, deliver new benefit usage and establish leadership in mainstream products

Factors behind Samsung's impressive growth

- their effort to redefine itself as a vendor of cutting-edge consumer technology
- Strong production base in Korea - 50,000 in 6 production facilities
- R&D employees 17,000 researchers (in 2002 alone, US\$24 billion invested - 7% of revenue)



Positioning

Re-positioning (4Ps)

MKW3440 MARKETING STRATEGY

Redefining A Brand



SAMSUNG

Place / Distribution

ISSUE raised on distribution:

Establishing nationwide retail channel under the Samsung store banner.

SECA → Retailers → Consumers

SECA → CONSUMERS

This seemed a risky proposition:

- At no other brands besides Samsung operated such a store & consumers seemed to prefer buying their electronics from big box retailers
- Increased cost and potential decrease in revenue

SECA strategy based on Michael Porter's Generic Strategies:

- Differentiation: SECA offers unique products and services that distinguish it from its competitors
- Cost Leadership: SECA aims to reduce costs through economies of scale and efficient operations
- Focus: SECA targets specific consumer segments or market niches

SOLUTIONS

Price Penetration

products will be eliminated or push towards star products?

Question mark

SECA needs home appliances division to have potential growth

Resources allocated to promote the product

Enables the product to reach the consumer in a shorter period

Price discounting is not suitable for price sensitive home appliances product

Conclusion

SECA will be able to re-inforce its brand image by introducing the storefront

B2B & Online Distribution Channels

HOW ?

STRATEGIC RISK

- The pricing strategy for GAKC (GAKC such as televisions, appliances and HPS) will be based on stated goal
- Similar offerings as competitors
- GAKC has minimal differentiation with a small growth
- Best to maintain pricing strategy and react to competitor's actions

SOLUTIONS

Price Penetration

products will be eliminated or push towards star products?

Question mark

SECA needs home appliances division to have potential growth

Resources allocated to promote the product

Enables the product to reach the consumer in a shorter period

Price discounting is not suitable for price sensitive home appliances product

Conclusion

SECA will be able to re-inforce its brand image by introducing the storefront

Product

CHALLENGES

Are the core values aligned with the company's mission and vision? Should the company focus on innovation or efficiency?

PROMOTION PORTFOLIO

What are the current promotional strategies used by the company? Should the company focus on traditional media or digital marketing?

DECISIONS

What are the key decisions made by the company? Should the company focus on product development or market expansion?

Price

Price Strategy Price Discounting

- Innovative SECA products can be charged at a premium price for 90% of the products offering
- SECA retains all normal price to prevent customers from switching to competitors
- All time products differentiated and have been discounted for the remaining of a premium price (increase from 10% to 30%)
- Create distinct new brand image and establish leadership in electronic products

Calculator

Smartphone

Graph

Members



Liz Kim
Michelle

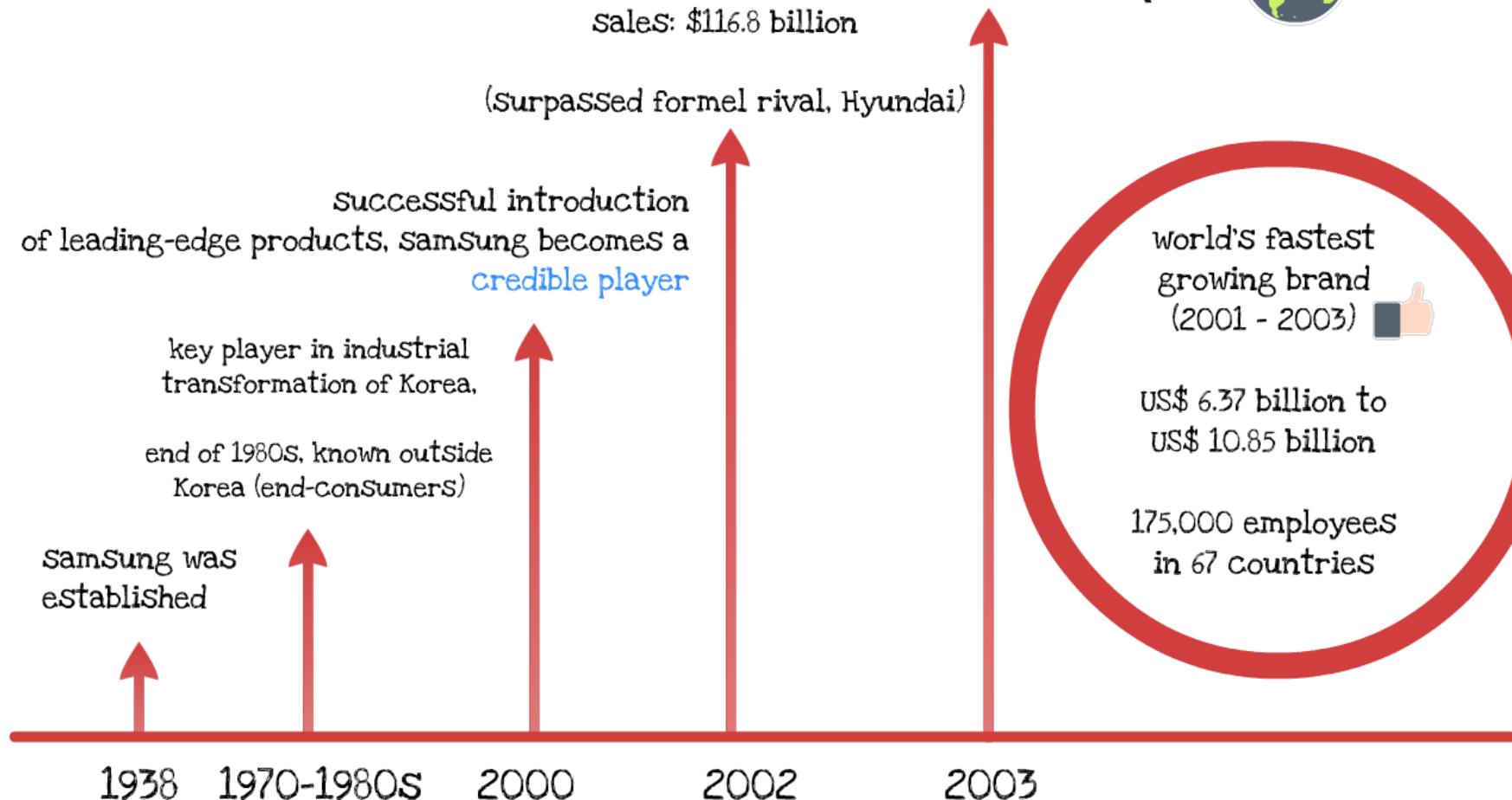
Ong Jeng Mey
Shella Stephanie
Thuraiya

Contents

- Introduction of SamSung & SECA
- Current positioning with competitors (positioning map)
- Challenges for SAMSUNG
 - Product
 - Price
 - Place
 - Promotion
- Conclusion (repositioning with 4PS)

Timeline

Timeline



Position

Factors behind Samsung's impressive growth



- their effort to redefine itself as a vendor of cutting-edge consumer technology
- Strong production base in Korea - 50,000 in 6 production facilities
- R&D employs 17,000 researchers (In 2002 alone, US\$2.4 billion invested - 7% of revenue)

