

# **MARKETING STRATEGIES BETWEEN NOKIA VS SAMSUNG MOBILES: A COMPARATIVE STUDY**

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## **ABSTRACT**

Smartphone has revolutionized the way we do things, the role of smartphones in today's society is phenomenal. Today's smartphone is taking the role of a computer, making it possible to do a lot with this small hand-held device. It has a broad use such as sharing information, paying for products, browsing, and shopping. Virtually every activity today has a smartphone application for it. Nowadays, brand plays a very vital role in consumer buying decision while consumers usually go for a familiar brand, but the concept of brand transcends beyond a trademark or name. The concept of brand encompasses much more than trade. The brand name signifies a level of quality and consistency consumers could trust. Thus, Quaker Oats, Ivory Soap, and Levi have instilled in consumers a degree of confidence that their unbranded competition did not, according to The Freeman Ideas on Liberty (2011). Consumer defines brand personality in words such as "honest", "inspiring", "sympathetic", "fun" and "supportive" to illustrate their preferred brands. An understanding of brand equity, personality and identity in smartphone is crucial, it cannot be over-emphasized. A profound knowledge or understanding would provide a clue as to student preferences of one brand over the other, the motive behind brand loyalty and how brand awareness is built. The benefit of brand knowledge is relevant for high-tech companies such as Nokia and Samsung. If smartphone producers could understand this, they would have an edge over their competitors. It is also vital in comprehending the role that brand plays in consumer buying behavior, which would help smartphone producers in building preference for their brand. The knowledge gained from this research would also provide smartphone producers with the strategic ways they could build strong brand equity and identity that would lead to increasing their sales volume.

## **I. INTRODUCTION**

The marketing concept of building an organization around the profitable satisfaction of customer needs has helped firms to achieve success in high-growth, moderately competitive markets. However, to be successful in markets in which economic growth has leveled and in which there exist many competitors who follow the marketing concept, a well-developed marketing strategy is required. Such a strategy considers a portfolio of products and takes into account the anticipated moves of competitors in the market.

## **II. REVIEW OF LITERATURE**

**Horton Alexakietal.** (2003) The strategy for a digital single market is about transforming European society and ensuring that it can face future with confidence. The commission invites the European parliament and the council to endorse this strategy to complete the digital single market as soon as possible and actively engage in its implementation in close cooperation with all relevant stakeholders.

**Nikunj Daga** (2006) analyzed that the main drivers of sales of Nokia are the product features. The marketing strategy though aggressive and very customer specific was not the prime force towards the sales. The prices of Nokia phones are competitive but they are not the price leaders. However, much information on the distribution network could not be gathered.

**Moorhead & Griffin**(2009) Nokia being in a competitive with its unique identity marketing strategy and distribution policy. Though the ease of use concept it will add a lot to customer value which further helps nokia in capture the market share. Nokia goal is to be a good corporate citizen wherever they operate as a responsible and contributing member of society.

**Dr. Reeti Agarwal** (2012) According to the environment analysis the most serious problem for the company is threat from existing rivals. Nokia has built some interesting products in the Lamia series with very impressive technologies and beautiful designs. However the market success of these products has not been so great and nokia did not achieve its goal of becoming a market leader in India.

**Elizabeth Wambui** (2013) Samsung is already seen as the current leader in the smart phone market. This was due to its innovation products such as its flagship Galaxy S4 and note which was launched with a massive marketing spend of more then \$4 billion usd in 2012. This is four times Apple s budget.

**Jianzhong jia** (2015) analyzed the nokia decline from three aspects: nokia executive didn't grasp the market accurately there was a deviation in the business arctic of the company, nokia was lock of teamwork. Finally this paper put forward the target marketing strategies on the above three problems of nokia.

## **III.SCOPE OF THE STUDY**

Marketing is strategically concerned with the direction and scope of the long-term activities performed by the organization to obtain a competitive advantage. The organization applies its resources within a changing environment to satisfy customer needs while meeting stakeholder expectations. The scope our study restricts itself to the analysis of Marketing strategy of Nokia and Samsung.

## **IV. OJECTIVES OF THE STUDY**

- To know about the conceptual framework of Market strategies in India.
- To know about the market strategies of Nokia and the Samsung in the cellular companies.

- To know the comparison between NOKIA and SAMSUNG regarding their marketing strategies.

## **V. RESEARCH METHDOLOGY**

The search for Knowledge through Objective and Systematic method of finding solutions to a problem is Research.

**Type of Research:** - Descriptive research

**Data Source:** Secondary Data, Primary Data

## **VI. TYPES OF MARKETING STRATEGY**

### **1. Social Marketing:**

It refers to the design, implementation and control of programs to increase the acceptability of a social cause or practice among people e.g. No Smoking campaign in Delhi University, publicity campaign for casting vote.

### **2. Augmented Marketing:**

It refers to providing additional services by way of innovative offerings and benefits to the customers to increase his level of satisfaction e.g. free home delivery service by Supermarkets.

### **3.Direct Marketing:**

Marketing through various advertising media that interact directly with consumers, generally calling for the consumer to make a direct response, e.g. Catalogue Selling, Mail-order, Tele-calling and TV shopping.

### **4. Relationship Marketing:**

Marketing through creating, maintaining and enhancing strong long-term relationships with customers in order to win his loyalty e.g. a restaurant can build relationships with customers by sending him wishes and discount offers on his birthdays.

### **5. Services Marketing:**

It is applying the concepts, tools and techniques of marketing to services like banking, insurance, retailing, educational etc.

### **6. Person Marketing:**

It consists of activities undertaken to create, maintain or change attitudes or behavior towards particular people like politicians, sports stars, film stars, professionals to promote their careers and income.

### **7. Organization Marketing:**

It consists of activities undertaken to create, maintain or change attitudes and behavior of target audiences towards an organization.

### **8. Place Marketing:**

Place marketing involves activities undertaken to create, maintain, or change attitudes and behavior towards particular places e.g. tourism marketing.

### **9. Differential Marketing:**

A market-coverage strategy in which a firm decides to target different markets through different strategies or offers e.g. Hindustan Unilever offers different types and qualities soaps for different markets and customers.

**10. Synchronic marketing:**

It refers to balancing the fluctuations in irregular demand for a product due to seasons, timings etc, through flexible pricing, promotion and other incentives e.g. heavy off-season discount on woollens may increase its demand to some extent.

**11. Concentrated Marketing:**

A market-coverage strategy in which a firm focuses on only one or few markets.

**12. De-marketing:**

Marketing strategies to reduce demand temporarily or permanently, not to destroy demand but only to shift it e.g. Super stores may offer no discounts on Saturdays, Sundays and holidays to reduce overcrowd.

**VII. MARKET STRATEGIES OF NOKIA**

Nokia's history starts in 1865, Due to the European industrialization and the growing consumption of paper and cardboard Nokia soon became successful. Nokia's Cable Work's Electronics department started to conduct research into semiconductor technology in the 1960's. This was the beginning of Nokia's journey into telecommunications. Nokia today is a world leader in mobile communications, driving the growth and sustainability of the broader mobility industry. Nokia connects people to each other and the information that matters to them with easy-to-use and innovative products like mobile phones, devices and solutions for imaging, games, media and businesses. Nokia has played a pioneering role in the growth of cellular technology in India, starting with the first-ever cellular call a decade ago, made on a Nokia mobile phone over a Nokia-deployed network. Nokia started its India operations in 1995, and presently operates out of offices in New Delhi, Mumbai, Kolkata, Jaipur, Lucknow, Chennai, Bangalore, Hyderabad, Pune and Ahmedabad. The Indian operations comprise of the handsets business; R&D facilities in Bangalore, Hyderabad and Mumbai; a manufacturing plant in Chennai and a Design Studio in Bangalore.

Nokia is a communications based company, which focuses on mobile telephone technology. When mobile phones first became available on the market the models were very basic with the best technology being SMS messaging (sending written "text messages" from one phone to another).

Then the next advance in technology was being able to put different faces on your phone (different style covers for the front and back of your mobile device) and after that the technological advances have come thick and fast, with advances such as:

- \* MMS
- \* WAP (internet)
- \* Polyphonic ringtones
- \* Predictive SMS (where the phone will finish off a word for you if it can guess what you are typing)

\* Camera phones and

\* Video recorders

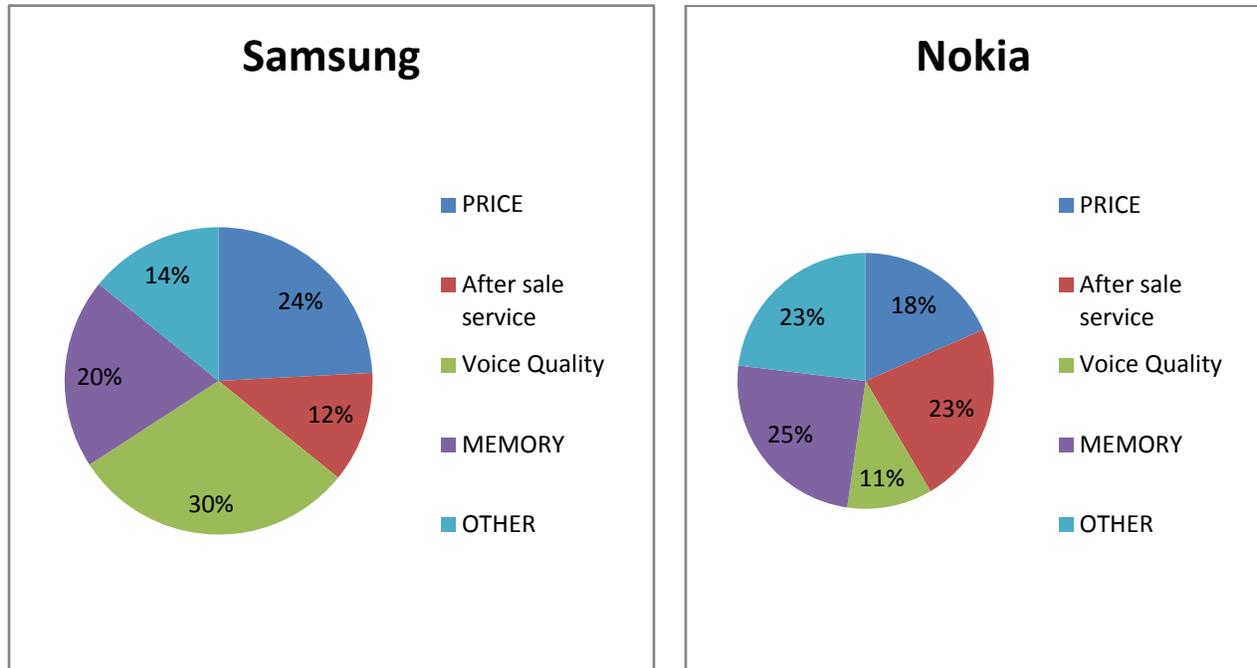
**MARKET STRATEGY: SAMSUNG**

Samsung is a South Korean multinational conglomerate company headquartered in Samsung Town, Seoul. It comprises numerous subsidiaries and affiliated businesses, most of them united under the Samsung brand, and are the largest South Korean chaebol (business conglomerate). Samsung was founded by Lee Byung-chul in 1938 as a trading company. Over the next three decades, the group diversified into areas including food processing, textiles, insurance, securities and retail. Samsung entered the electronics industry in the late 1960s and the construction and shipbuilding industries in the mid-1970s; these areas would drive its subsequent growth. Following Lee's death in 1987, Samsung was separated into four business groups – Samsung Group, Shinseki Group, CJ Group and Hansol Group. Since 1990s, Samsung has increasingly globalized its activities and electronics, particularly mobile phones and semiconductors, have become its most important source of income.

- Aggressively hawking flips tops and clamshells with polyphonic ring tones and color screen.
- Nationwide distributor and retail presence in the consumer durable market.
- Samsung has been associated with the Lakme India fashion week for its mobile phones the company used the LIFW 2005 as a platform to launch D-500, world's best mobile phone in the Indian market.
- Set up a hand set manufacturing facility in India

**VIII. COMPARISON : NOKIA VS. SAMSUNG**

<b>PARTICULARS</b>	<b>SAMSUNG</b>	<b>NOKIA</b>
PRICE	29	12
After sale service	14	15
Voice Quality	36	7
MEMORY	24	16
OTHER	17	15



According to survey Samsung 36 respondent say they effect by voice quality,29 respondent say purchase decision effected by money and 24 respondent effected by memory. Whereas nokia respondent mostly say they effected by memory and some other respondent make decision according to sale service.

## IX. FINDINGS

- Samsung introduces a new phone into the market every two or three months.
- In Samsung's human resource management, the features are to improve employee's techniques by regularly training and developing effective teamwork. While Nokia always improving model of their product with different features
- Samsung's financial position is surpassing its competitors in telecommunication. While Nokia in indulging itself in more than telecom it has more products more than mobiles.
- Samsung has established its leadership in mobile phone market according to its successful marketing strategies and internal management. while Nokia is always trying to indulge with media .
- Samsung 's philosophy is to learn continuously, to satisfy consumers, and to respect individual and pursue professionalism.

## **X. SUGGESTION**

After analyzing all the data we have some recommendations such as:-

## **XI. ADVERTISEMENTS**

Samsung use advertisement mode of promotion after launching a new cell phone in the market. So people don't have much knowledge about their latest models. While Nokia have lots of ads in market before launching it

### **Example: -**

⇒ Giving advertisement on television or cable

⇒ Giving print media add which explain all the features of cell phone

### **Special Schemes: -**

Samsung always launch high range products. So to increase the sales it has to give advertisement or special discount or special schemes with every purchase of new cell phone. Samsung have color variety in their cell phones as Nokia don't have this much.

## **XII. CONCLUSION**

The customer analysis of this coursework highlighted that the upper segment of the population are the major consumers of mobile phones. Extensive research was conducted into the strategies being implemented for the rural market. Samsung and Nokia segment the market on a similar basis. However, they have different interpretations Samsung has saturated the urban market including the B and C class cities and is now targeting potentially untapped markets. Nokia on the other hand has chosen to focus its energies on the B and C class cities since which it had not ventured into so far. The prominent brands in the Indian cellular phone industry are Samsung , Nokia , HTC, and Sony. Samsung has the single largest market share in India of 60%. We have analysed that Samsung is better than Nokia . Samsung and also on one of its major competitors; Sony since these are very prominent players in the Indian market.

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