SWOT ANALYSIS IMPLEMENTATION’S SIGNIFICANCE ON STRATEGY PLANNING
SAMSUNG MOBILE COMPANY AS AN EXAMPLE

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Abstract: The important aim of this research is to recognize the role of SWOT analysis on strategy planning that was used by the Samsung mobile company. As well SWOT Analysis is an independent variable and strategy planning is a dependent variable. This project has divided in to two basic parts theoretical and analytical. The theoretical part was focused on the theoretical knowledge relevant to the analysis of market strategy planning. The practical describes the current marketing strategy of the Samsung mobile company. Furthermore, the ways are depending on the number of issues by reviewing books and journals, also tracking down the information of the Samsung company as a global brand. The consequences show that accurate information which can be got managers through the analyses of the SWOT, marketing mix and the company strategy planning, the common conclusion is that SWOT analysis has the importance impacts on making strategic plan for a long time. This research has determined a very positive recommendation Samsung sustains remarkable investigation, enterprise and industrial or electronic competences however, it occurs to have disappear it is edge or level in advertising. This organization may require renovating its smartphone marketing and maybe restructure or redesign efforts and in order to maintain sharing or market portion critical grounds compare to country such as U.S. innovative experiences for example, Samsung remuneration will be somber if this company wants to conserve its position as a manufacturing leader. Samsung will also need to learn to deal with destructive Chinese opponents and Apple’s standing in terms of progresses.

Key words: SWOT analysis, strategy planning and new capability

Introduction
One of the fundamental factors of a successful organization in the market is ability to success in high competitive environment. Therefore, an important part of this paper is to build an effective marketing system in which a great deal of attention is paid not only to the issue of gaining a new customer but also to the retention of existing customer.

On the other hand, to recognize stability in an organization, the board of such organization necessities in fact explains their goals of the organizations or develops their information of the organizations vision and mission.

An organization that has mission and vision must do entirely possible to effort towards achieving its mission and vision. The targets and aims, is what they must pursue vigorously with high common sense of commitment to realize stability.
Its well-meaning to explanation that the supervising an organization to authorize stability as it regards their goals and aims, specific strategic planning process should be active for the purpose of the application SWOT Analysis which is part of strategic planning tool will be watchful.

**Study problems**

There are great and massive significant threats which conflict the directors of organization are as soon as they will make a decision. Just because of it's very difficult to crate right decision, especially decide for a long time or strategy decision concluded their product's price and selecting the place to takings the out puts of the companies, at this time the actuality tool to make the strategy plan of the company which are named (SWOT Analysis), and depend of this place the research problem consist of some of the inquiries which are researcher try to get answer, such as:

Q1) What are the roles of SWOT Analysis on company's strategy planning? And how does SWOT analysis set the stage for strategic planning?

Q2) Why the recent companies need to SWOT Analysis?

Q3) In what is the SWOT analysis practiced and implemented in the Samsung mobiles market in the last years?

**Research hypothesis**

**H1.** SWOT analysis can be increase information to setting the strategic planning of Samsung Mobile Company.

**H2.** Complexity of both internal and external environment is the important factors that make recent companies to use SWOT analysis especially for the companies which are sells international brands such as Samsung mobile company.

**H3.** May be practiced SWOT analysis for the increase market share and profit or not.

**SWOT Analysis concepts**

SWOT can be designated as an assessment of strength and weaknesses of the company, and external influences like opportunities and threats that can affect the company, and it's used for the fundamental identification of the current state of the company. It summarizes the basic factors influencing the effectiveness of marketing activities and affecting the achievement of the goals. (Bambuch, 2013), Ommani ( 2011) and Djurkovic (2012) pointed that SWOT Analysis is a descriptive method used for the designations of strategic planning of a certain market or an entire industry. As well as it's an abbreviation of the words; strength, weaknesses, opportunities and threats. See figure 1.

![Fig 1. SWOT matrix (Huiru, 2011)](image-url)
In addition the four components of the SWOT Analysis assumed as part of an extensive strategic planning. (Kaczmarek, 2016), furthermore, the first two aspects (strengths and weaknesses) are related to internal organizational factors. However opportunities and threats concealment a wider situation or environment in which the entity operates. See the fig.(2). The first are probable to be under control of the organization but the last one they are no less significant when looking at the impact on the originality. (Oreski, 2012).

![Fig. 2. SWOT Analysis (Author, 2018)](image)

**SWOT Analysis in use**

Vega (2004) pointed that “SWOT analysis was used simply, because the first contact with the firm complete it clear that sales manager had not any idea of how to construction the complex condition. On the other hand, it is also clear that the analysis could not have been practical without the technological awareness of the facilitator. In addition application of SWOT needs a good information and sound knowledge base to succeed. Also sales manager did not have adequate knowledge especially about the external SWOT factors”. As well, Oreski (2012) the SWOT analysis is used for the strategic planning in tourism. Correspondingly strategic planning for the destination could be a difficult task as there are several possible strategies resulting from the assessment of environmental influences. And it's charity generally in firms. However, SWOT analysis incomes banal or deceptive results so frequently that advised scrapping it. (Valentin, 2005).

On the other hand when using SWOT analysis, it should be confirmed that:

1. Only specific, verifiable statements are used.
2. The internal and external elements are prioritized so that time is spent intent on the most significant factors.
3. It is not charity in exclusivity. And no one tool is possible to be completely comprehensive, so a mixture of option-generating tools should be used. (Downey & Technical Information Service, 2007).
What is strategy planning?
According to Jim and Rouse (1999) “strategic planning is an important process in preparing to carry out organization’s mission. An effective strategic planning process provides a context to make decisions on how to gathering organizational resources. On the other hands, strategic analysis is the route of conducting research on the business environment within an organization functions and on the organization itself, in order to articulate strategy” (Downey and Technical Information Service, 2007). Also, Jim and Rouse (1999) pointed that the basic steps of strategic planning are prepare to plan then define and review Organizational Vision, Mission, Activities and Values. Also it is include identifying strategic issues and develop strategic goals and Objectives, furthermore it is consists of implementation of plans to achieve goals and carry out purposes. Lastly its hold monitors and evaluate periodically.

SWOT, PEST and strategy formulation
According to Fine (2009) “SWOT analysis can help a company to comprehend itself better and it is an important advice for making the proper planning of marketing strategy”. However, Huiru (2011) pointed that the analysis of PEST is scan of the external macro-environment in which an organization survives. It is the useful tool for considerate the political, economic, sociocultural and technological environment (Downey & Technical Information Service, 2007). In addition, according to Xu (2009) particular business strategists argue that these sectors need to be analyzed before a firm improves a strategy.

Marketing mix and SWOT analysis of Samsung
To demonstrate the theories researcher precedes the framing marketing strategy by using SWOT analysis and 4p's of Samsung mobile company.

Introduction to the Samsung’s Company
“Samsung group is the South Korean multinational conglomerate company headquartered in Samsung town, Seoul. Samsung was founded by Lee B. Chul in 1938 as a trading company. It has vast product portfolio as well as its presence is in several different product sorts. The brand image for Samsung is the Samsung Smartphones such as the Samsung note series or the Samsung galaxy series see fig 3. Generally, Samsung has the following product categories”.

1. Tablets
2. Mobile phones – Smart phones, normal phones.
3. Televisions – LEDs, LCDs. Plasma TV, SMART TV, HDTV etc.
4. Cameras and Camcorders
5. Refrigerators
6. Air conditioners
7. Washing machine
8. Microwave ovens
9. IT – Laptops, printers and accessories
“On the other hands, based on SWOT analysis, Samsung’s strength is reliability. As well Samsung is known for its service and people know that Samsung gives a very fast facility for any of its product.

In addition, the analysis on company’s internal and external environment depends on using SWOT analysis and market strategy plan. See tables (1 & 2). For further environment of the company from strength, weakness, opportunity and threat perspective.” (Xu, 2009).

Table 1. SWOT analysis of Samsung

<table>
<thead>
<tr>
<th>Samsung’s strength</th>
<th>Samsung’s weaknesses</th>
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<tr>
<td>1. The Most of Samsung products are designed in Korea and produced in China.</td>
<td>1. Price of Samsung’s product is not cheap compared to some domestic competitors.</td>
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<tr>
<td>2. Very high brand reputation.</td>
<td>2. Samsung entered Chinese market, and the current markets are mainly in the big cities.</td>
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<td>3. High integrated research and development capability.</td>
<td>3. Lack of market control skill, because Samsung cannot control the price on the major components.</td>
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<td>4. Extended guarantee service</td>
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<td>5. High loyalty and reputation.</td>
<td></td>
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<tr>
<td>6. Unique Healthy theme.</td>
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Samsung’s opportunities
1. The notebook industry is a fast-growing industry.
2. Chines markets is expected to grow more than 40%, and much higher compared to global speed 13%.
3. Consumer’s attitude changed.
4. The support from government. The government itself is the biggest customers in the industry.

Samsung’s threats
1. Competition in the industry becomes more fierce and rigorous.
2. The profit ratio decrease too fast due to the fast decline on unit price.
3. Speed of innovation is quite fast.
4. Some key components always face supplying constraints.
5. Outsourcing companies’ ambition into market.

Source: (Xu, 2009)

Table 2. Marketing strategy plan of Samsung

| Long term plan of the company (5-10 years) | - Market share is equal to 2%, and ranked top 8 vendors in China. |
|                                          | - Leading position in the high and middle end market; try to grasp some low-end market. |
|                                          | - Target region is mainly the middle or high-end consumers, but increase the share of low-end consumers. |

Therefore, according to Xu (2009) marketing mix of Samsung company consists of Product which is portfolio is one of the strongest points for Samsung. And its price which is most of their product is inexpensive. As well as the third element is place of Samsung this has a single distributor through whom they distribute throughout a territory. Besides promotions of Samsung is the fourth component. Since the company has spent lavishly on advertisements containing celebrities and innovative marketing partnerships.

Conclusions
This investigation was concluded the project data's there are many conclusion which are expressed the importance role of SWOT on strategy planning of Samsung company depending on their marketing mix or 4p's Samsung. As a result, Samsung’s strength contain product portfolio, inexpensive price, single distribution related with placement and awareness of people with the name of "SAMSUNG". Also the company has many weaknesses point the most commonly the price of Samsung is not a cheap compare with some domestic products, and the tactics of company is normal not strong.
On the other hand, fast-growing industry and growing chines market is the common points of Samsung opportunities, while they has several threats such as decreasing profit is too fast due to the fast declining on unit price and the speed of innovations is quite fast.

This research has concluded a very positive recommendation Samsung sustains remarkable investigation, enterprise and industrial or electronic competences however, it occurs to have disappear it is edge or level in advertising. This organization may need renovating its smartphone marketing and maybe restructure or redesign efforts and to keep up sharing or market portion critical grounds compare to country such as U.S. Innovative experiences such as, Samsung Remuneration will be somber if this company wants to conserve its place as a manufacturing leader. Samsung will also need to learn to deal with destructive Chinese opponents and Apple’s standing in terms of progresses. Finally the Samsung has a long-term strategy with increase their market share.

References

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Website: