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## Marketing Strategy of Smartphone Companies

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### ABSTRACT

The main aim of this research is study the boom of the smart phones in Indian economy. This research gives the overviews of the Indian Smart phones market. There are many companies in India which are manufacturing the Smart phones. These Smart phones manufacturing companies are Apple, Samsung ,OnePlus and many more. In this research, the focus is on main two Smart phones manufacturing companies that are: Apple and Samsung.

In the introduction we discussed the aim of the research and some basic information about Smart phones. In the literature review, discussion on the marketing, utility of smart phones, buying behavior of phones, importance of innovation in mobile phones and marketing strategies is given. There are different types of marketing strategies: marketing mix, porter's generic strategies model and product life cycle. After that, discussion on the research methodology is given in methodology. And then analyses, first industry analysis, then the analysis for Samsung and analysis for Apple. Finally the conclusion and recommendation is given for the Apple and Samsung. In Indian Smart phones market, the market analyzer analyzed the Smart phones companies. The important features of this research are buying, market share, market leaders, role of innovation and product development for success. Apple and Samsung both are the branded companies. By adopting the marketing strategies, smart phones of Samsung and Apple are successful in Indian economy. To understand the marketing strategies which are adopted by leading companies of Indian smart phones market, company analysis and strategy analysis is done. Role of the success of Samsung's Smart phones and the reasons of the failure of the Apple's Smart phone in Indian smart phones markets will be studied in detailed. The marketing strategies of these two companies, their effectiveness and consequences result will be analyzed on the basis of the internal and external data source.

This research is very much helpful in comparing the factors that are used in failure and success of these two companies which are operating in same market. These two companies are: Apple and Samsung. Samsung is very much successful in Indian Smart phones market. Because of the brand name of Samsung and price is affordable for common man and relationship with the government bodies and promotion own product like smart phones through advertisement by celebrities. So the selling rate of Samsung is increased. Samsung have different product for different classes of people like high class, low class and middle class. And Samsung have the same feature as Apple at affordable price. A common man of developing country like India, by purchasing the products of Samsung, full fill own requirement and satisfies oneself. Apple is failure in Indian Smart phones market. There are several reasons of the failure of Apple's Smart phones. These reasons are: the price of the Apple's smart phones which have the same features or some more features in comparison to Samsung's Smart phones are very high. Means Apple's Smart phones are costly and price, promotion and product. Apple is successful in developed countries in comparison to the developing countries.

## INTRODUCTION

In present context, communication has taken a sharp turn with the advent of revolutionary offerings such as the likes of smart phones in the market place. Telecom industry is one of the fastest growing sectors in relation to Indian economy. There are numerous players that are operating in the market which includes the new ones as well as those market players who have been operating in Indian market for some years now. Examples of various players that have entered recently in this market segment includes Asus, lenovo, huawei, Itel, Realme, Gionee and others whereas examples of players already operating in the market include Samsung, OnePlus, OPPO, Vivo, Xiaomi (Redmi) and others.

Indian market has a clear differentiation line between hi core providers and growing brands. It is also to be acknowledged that Indian players are not just operative in Indian markets but also across the global markets as well. Overall the telecom industry in India commands almost 15% of market share of the overall market presented by the Indian economy.

This particular research study renders a comprehensive insight into the area of Smartphone market in relation to their potential in Indian economy. The research attempts to render an integrative view of this market segment. The research further goes on to assess various market leaders, their offerings as well as their strategies that they have formulated and implemented in the market place. There are various factors that come into play in such kind of condition that include buyer buying behaviour and preferences, market share, innovations and obviously level of product development and others to be mentioned in this case.

The research study further studies various kinds of comprehensive strategies that are being deployed by various players operating in the market place. This will help in detailing various factors that either promote or deter growth of various players in case of Smartphone as well.

It is evident that smart phone industry has experienced boom in recent times. Just after their introduction in Indian market, they went on to become market leaders. These smart phones ender unique experience to users owing to multiple features such as ease of use, light weight, high resolution display, access to emails and various other activities can be performed through single device. All these features added on to the user experience as well.

In general Indian buyers have been quite high on being price sensitive but in present times this has changed slightly owing to high disposable income and better standard of living. It is obvious that consumer is the king and thereby marketers have to consider a lot of factors which are apart from generally accepted 4 Ps of marketing. It is important to have a properly designed and execute strategy in place as well to ensure that offerings that are being offered gain consumer attention. It is important to consider variety of factors such as situation analysis, marketing tactics, marketing budget, operations and most importantly timeline as well.

It is also a fact that urban market in India is growing and this market is a mature market in relation to featured phones and thereby this particular market is highly lucrative for various players that offer smartphones. Various smart phones manufacturing companies need to have in place a very strong value proposition so that they can lure the potential segment towards their respective offerings present in the market place. Also with the emergence of open source operating systems, there has been a drastic shift towards collaborative ecosystems which will also play its part in the market place.

## LITERATURE REVIEW

It focuses on the literature that has been submitted by various researchers, scholars and analysts about the topic of our interest. In this section of the research, all the study that has been done by other authors, researchers and writers is presented to develop the basic and proper understanding of the concepts of our topic.

At very first the need is to understand the term marketing which can be defined as a process which involves various sub processes such as analysing the market conditions and then planning according to them followed by implementation of these planning in proper and fruitful way so as to achieve their targets i.e. goals of the organization. This can be achieved by managing prices of respective products comparatively with others existing in the market so as to fulfill the need of the organization (*Kotler and Armstrong, 1987*).

This has been understood very well that marketing strategy is a very basic and important component for the proper functioning and desired results of any organization. Marketing strategies are generated with the help of proper investigation of the market and customers and then accordingly strategies are implemented in order to achieve targets fixed by the organization (*Kotler, 1999*).

The marketing strategy can be very easily understood as the layout which tells ways to entertain customers and make use of opportunities in a well-planned and efficient way so as to generate maximum outcomes from the resources that are available with the organisation and are limited (*Baker, 2008*).

Under the category of online marketing the major source of marketing is internet. The online marketing is proving to be very beneficial in today's market as the cost incorporated in this marketing is quite less which helps in pricing to some extent (*Fleischner, 2007*). There are many forms of online marketing which are e-mail marketing, performance marketing, social bookmarking, banner marketing and affiliated marketing.

The offline marketing is the one which was mainly used in past. This is not the scene that it is not in use now-a-days but its load has been reduced after the evolution of online marketing either it is one of the important forms of marketing. There are two ways via which this form of marketing is done. These include the print media marketing and audio- video marketing.

## **RESEARCH METHODOLOGY**

In any research work, the third section is research methodology which focuses on methods which have been used throughout the research for its proper completion. In this research as our topic of interest are smart phones and their marketing strategies basically in India so this section of the research will throw some light on the methodology that has been adopted in order to complete this research successfully.

## **METHODS EQUIPPED IN THE RESEARCH**

There are basically two types of research methods for any research which are the qualitative method and quantitative method of research. The method which is to be followed in any research is basically decided on the topic of the research. The quantitative research is the one in which the numerical analysis is done. The qualitative research is the method in which the emphasis is laid on the value or learning that have been learned through the analysis. There is one more type of research method which is multi- method. In this method both of these methods are used in a single research, that is why this has been named as multi-method. In this research the method which is used is the qualitative research.

## **SECONDARY RESEARCH**

The internal secondary data is the one that is particularly about the company and gives its related details. This data is basically used to examine the reputation and position of the company in the existing market. This is the data that has been generated from the company's database. On the basis of this data only the marketing strategies of the company are decided for its proper functioning in order to achieve its pre decided targets. On the other hand, the data available on various resources available outside company's database on internet or other places such as journals, books and newspaper is categorized under the category of external secondary data.

There are two types of secondary data sources external and internal, discussing both of them in brief. External secondary data is the data collected from various secondary data sources other than the database of the company. The data sources are sayings and ideas of various researchers, analysts, scholars and writers presented in some journals, newspapers and books. The basic source of searching of data is the Google search engine. There are various other sources which are online, for example JStor, Aston e-library, Emerald, etc. Amongst these sources the Aston library was the most important one as major data for the research was taken from here only. There were some other sources also including newspaper reports and magazines articles also.

## DESIGN OF RESEARCH

The design of the research should be done in a way to achieve the aims and objectives of the research. This research is one of its type and falls under the category of exploratory research. This type of research method is the one which provides an idea about problems which are usually faced during the research process. Exploratory method of research came into existence when there were some difficulty observed in rectifying problems which popped up during the research because of lack of knowledge about the subject and clarity about aims of research. This research method is used to find out some variables which are quite helpful and important in order to draw the conclusion of the research with the use of some useful design methods and methods for the collection of data also. This form is based on the secondary research and case study or group study etc.

In terms of marketing strategy, the exploratory method proves to be quite useful in determining and analysing various problems associated with market and also in answering some basic questions related to variables such as who, why, how and what. This method also helps in the analysis of various other topics also such as complete study about the behavior and intentions of consumers, strategies and numbers of competitors existing in the market etc.

## DATA ANALYSIS

In this section the technique that will be followed is the case analysis or case study of two leading companies of smart phone industry across the globe. These two companies of our interest are **Apple** and **Samsung**. The analysis of the whole telecom industry will be presented and then followed by the individual analysis of the two companies selected.

## INDUSTRY ANALYSIS

In this section the complete analysis of the smart phone industry in India will be presented. This will cover many points of this industry as the evolution of this industry, its market players, future prospects and also factors which should be considered while purchasing a mobile phone.

## Indian Telecom Industry

The telecom industry in India is very old but the mobile services were brought about 25 years back in India. But the actual revolution was brought in the year 1994 when the National Telecom Policy was declared. When mobiles were introduced in India then approximately 0.05 to 0.1 million customers or subscribers used to add on monthly basis for the first 5 to 6 months which then rose to 10.5 million in the year 2002. An exponential growth is observed since past few years in the numbers of customers which in year 2018 was approximately 500 million users. It is expected that ,In year 2022, the number of smartphone users in india would cross 800 million.

Since in the starting, prices of these mobiles were very high, higher than the range of an average man and this was the main reason for the sale of these sets used to take place through grey markets only. But the scenario now is quite different as there has been quite an appreciable reduction in duties by government

because of which peoples' interest rose to do their purchasing of these mobiles from authorized shops. This was the main reason because of which these grey markets lost their firm holding on mobile market.

There are a number of mobile companies in the existing market. In starting there were only few of them which were Samsung, Motorola and Ericsson but then there were some more added to these which are OnePlus, Apple, Xiaomi(Redmi), Vivo, LG etc.

## Smart phone and its Evolution

The advanced form of a mobile phone has been named as a smart phone. It possess many exciting features which are not available with a normal mobile phone. The connectivity of these smart phones is also quite commendable as compared to normal mobile phones. The main difference is that it runs on some operating systems which are different for different smart phones depending upon their support. Some special features of these smart phones were web browsers, access to email, QWERTY keypad, organizer and touch screen etc. and it also poses a combination of PDA which is personal digital assistant and a normal feature phone. One can use it according to its needs as for gaming, chatting, networking, messaging, etc.

Smartphone was at very first introduced in 1992 by IBM and was given a name Simon, followed by the introduction of next series in the year 1996 by Samsung. There were some other companies also offering smart phones which are HTC, Apple, Samsung and RIM(Blackberry) etc. There were four categories of smart phones existing in the market based on their operating systems. Initially, these were Symbian, Research in motion, IOS and Android. There is one more category which is not in that much use today and is developed by Microsoft. It involved Windows in starting and incorporated Windows 7. A huge growth is observed in the telecom market across the globe but this growth is less in India as compared to the European and American markets. As the prices of these smart phones are going down rapidly therefore majority of people are turning their tracks towards these smart phones.

## Market Players

There are several companies of smart phones present in the market and some of them are Samsung, Apple, OnePlus, Vivo, OPPO, Xiaomi(Redmi), Motorola, etc.

**Samsung** It is the leading cell phone company in India and has the biggest market share of 24 percent there. This had been slightly declined by the introduction of Xiaomi, OPPO and OnePlus but then also it held up with its leading position in the Indian market. The operating system that Samsung smart phones support is Android. It is the most appreciated and trusted brand in the country of our concern, India.

**Apple** Apple which is one of the leading and popular brands of computers worldwide and is also named as computer giant also introduced some of its smart phones. It is known for its smoothest experience as it uses the IOS operating system. Apple was the first brand to introduce the touch screen iPhone which combines the characteristics of an iPod with that of a phone. This iPhone did not run successfully in India because of its complicated use of the touch screen feature.

**OnePlus** This is mainly preferred for its durability, effective camera quality and octacore processors. The only drawback of this in its recent years was poor marketing and high prices for features offered at a lower price.

**Vivo** This smart phone is based on the Android operating system which proved to be the most user friendly system. This brand is very popular for its low priced smartphones. These smartphones do not have a good life span. With price ranges being in 10k to 15k rupees, the life span they offer is approximate 12 to 15 months only

**OPPO** These became popular only when they started sponsoring Indian Premier League. These work on Android OS. It provides every sector in the society with a phone they can afford with minimal features required in that price range.

## Uses of Smartphone

A smart phone can be considered to be a multi purpose device as it combines many of its features. The smart phone is a small package of many applications for gaming, browsing, and direct access to internet, online account handling capability, etc. It has many other features also like music players, camera, Wi-Fi, Bluetooth and many more. It possess many other small inbuilt features which are calculator, calendar, notepad, currency convertor, address book, video calling, etc. There are many applications through which customers can book their online tickets of trains, flights, hotels, etc., one can handle its accounts online, track investments, personal bills, and finances.

## Factors to be taken into consideration while buying a mobile phone

The choice of mobile phone for any one depends on its own interest and varies person by person. Therefore factors while opting for a smart phone or mobile phone are also variable but there are some common and basic features which are considered by everyone and on a general basis. The first and foremost factor is the price which should fall in every individual's budget. There are many other factors such as the looks of the smart phone, features in it, the operating system that it supports, weight, life of the battery used and size etc. The technology that the mobile phone supports is also of the matter of interest i.e. whether GSM or LTE, VOLTE supporting modes, single sim or dual sim mode. There is some reliability also present amongst particular brand so people go for their most trusted brand which means brand name also plays an important role.

## Future of Smartphone

The smart phone industry has gained a lot of pace and rhythm in past few years and it is expected to grow with a much higher rate in the nearby future. In today's context India stands at second position in the telecommunication network throughout the world and the first position is conquered by China.

The telecom industry in India is expected to grow to an appreciable height with the launch of better and cheaper mobile phones providing access to 5G feature. This feature and these types of phones are expected to be available by the year 2022 while it is available for higher priced smartphones today. The new and upcoming generation is seen more prone to internet and technology therefore an increase in the demand of mobile phones as well as that of incorporating Artificial Intelligence is expected.

The revenue and earnings of the smart phone industry is also expected to increase quite heavily in upcoming span of five years or so. The main reason behind this is increased interest of various other companies towards these for some higher margins. As the telecom sector now touched the rural population also so there will be an increase in demand of handsets offering variable and important business features at affordable prices. Therefore this industry faced an earnings from mobile handsets by approximately INR 550.05 billion in the year 2016 which was nearly INR 255.91 billion in the year 2010. A huge growth is seen in the market of smart phones and mobiles asince the year 2016 which is approximately up to 500 million and is expected to cross 895 million unit by the end of the year 2022.

## CASE STUDY OF Samsung

This is the part of the analysis presenting the case study of Samsung. This will help us to analyses the company's perspectives and its marketing strategies which helped it to reach such a height in the Indian telecom market. SWOT and PEST analysis of the company along with the analysis of the company via Porter's model is presented in the analysis.

## Company overview

Samsung is a quite old company of telecom manufacturing which has its basis in south Korea and which came into being in the year 1938. Its founder was Mr. Lee byung-chul. It is a multinational company listed in New York Stock Exchange (NYSE).

This company entered Indian Telecom market in the year 1969 with the entry of telecom industry here. This company continued to grow because of its aggressive strategy even when conditions of telecommunication devices were very critical in India. This was the time when people were not very much interested in buying a mobile because they were expensive and call rates were also higher.

## Samsung and Indian Smart phone industry

Samsung has very well understood the mind frame of Indian population and has launched its number of handsets according to their requirements and needs. This is basically considered that there are basically three types of users for smart phones i.e., firstly information users, secondly entertainment users and thirdly communication users. So Samsung launched its different sets from time to time fulfilling the desires and needs of all these people. In india, samsung started its with SGH-100 and was widely bought.

**Variety of handsets launched** Most common series of smartphones by samsung are Galaxy S series , Galaxy Note series, Galaxy Grand series , Galaxy A(Alpha) series , Galaxy M(Mellenials) series.

## PEST analysis

PEST analysis throws light on four prospects which are political, economic, social and technological respectively. The PEST analysis of Samsung is presented in this section.

**Political** – Under political constraints, Samsung had to take these into consideration in the launch of 4G which is a revolutionary change in telecom industry.

**Economical** - Economical factors are important to keep into consideration because its downfall will somehow lead some negative impact on sales.

**Social** – Samsung has tried to manufacture sets according to requirements of people fulfilling the social constraint.

**Technological** – Samsung had always been technically advanced and continued to be meeting the expectations with its new and innovative handsets.

## Analysis through Porter's model

The analysis gives the competitive intensity and attractiveness of market through the Porter model. Strategy and analysis that are given by porter is discussed here. First the model is Porter's generic strategy matrix and second the analysis is Porter's five forces analysis.

In market, Porter's generic strategy matrix is used very much. By adopting the porter's generic strategy matrix, any firm or business get the success. Porter's Generic strategy also consists of three strategies to evaluate the performance of any company in market. These three generic strategies are: Segmentation strategy, Differentiation strategy and last is coast leadership strategy. In market scope, Segmentation strategy is broad but in market scope, differentiation strategy and cost leadership strategy are narrow in scope. For the success of company or firm, differentiation strategy is unique and cost leadership is low.

In Porter's five forces analysis, there are five forces. These forces are threat of entrant, competitive rivalry, Power of suppliers, power of buyers, Threats of substitute. So the analysis for the Samsung is done according to the Porter's five forces analysis. Then these forces for Samsung are: the first force the threat of new entrants is low, the second force rivalry among competitors is high, the third force the bargaining power of suppliers is moderate, the fourth force the bargaining power of buyers is moderate and last force threats of substitute is low.

## SWOT Analysis

The SWOT analysis is the basis of analysis for any organization or also for individual. It focuses of four basic traits necessary to analyses which are strength, weakness, opportunities and threats. The SWOT analysis of Samsung is given below:

**Strength** – In India Samsung is the leading brand having the highest market share. Its relations with customers and having largest network for selling and distribution are its major strengths. It has a past of above 90 years in telecom industry which is also one of its strength showing its investment in R&D.

**Weakness** – Major drawbacks faced by handsets of Samsung are that they lack in style, slow in technological advancement and adoption, heavy in weight, supports Android operating system,quad core processors , comparatively bad voice quality and lesser user-friendly interface as compared to other phones such as Apple.

**Opportunities** – There are many opportunities for Samsung as the technology is continuously advancing and this is the main point where the company lags. So it should try to be as technologically advanced as possible. It can also work out with the looks of its handsets so as to make them more stylish. Then they can also try to enter into some newer markets.

**Threats** – The major threat to Samsung is of the Chinese handsets which are offering features similar to those of Samsung's handsets and are offering them at relatively cheaper prices. Some more phones of lower prices are offered by OPPO also.

## PLC of smart phone of Samsung

Various phases/stages in the lifecycle of any product are presented under the PLC. These phases or stages of Samsung smart phone are discussed below:

**Development Stage** – In the development stage the product that Samsung is about to launch is displayed a week before that so as know the feedback of people over the product and to feed it into their knowledge.

**Growth Stage** - The growth of Samsung is also seen to be appreciable as the sales and margin for them are high which points out to the fact that the demand of Samsung's product is good.

**Maturity Stage** – This stage focuses on the success of the product which is good for Samsung's products as it is mostly seen doing minor changes of colors and some other small features so as to extend this stage.

**Decline Stage** – The decline stage is the thrown out stage of any product where its place has been overridden by some other newer products and in this stage Samsung starts working with newer and technologically more advanced products.

## Marketing and formulation of strategy

Samsung is a well-established brand name for mobile phones as far as India is concerned. So marketing strategies adopted by the company are of mere importance for any organization to run this business successfully in India. The main focus in the strategies adopted by Samsung is on the current strategy that is in use, handsets that it produces and on ways to increase the business area wise. The strategy it uses for its smart phones is price skimming strategy.

In the year 2006, according to a survey Samsung was declared to be the 6<sup>th</sup> amongst the handsets brands that are valued maximum and are most powerful throughout the world.In 2016, Samsung became third largest smartphones seller in the world.

Samsung made its new strategy in order to survive in India and started making and designing its handsets according to the requirements of the people in this country which is the basic and most important step that led this company to such a height. For the launch of any of its products, numbers of promotional steps are



adopted so as to make the public well aware of the new product and its features in the market. It has worked out a lot in terms of its marketing. This can be proved with the fact that it has made its products within the reach of rural population also and is gaining huge popularity there also. As far as the four P's essential for marketing in Samsung are discussed below:

**Product** – There are a huge variety of products as offered by Samsung and these possess many features and also are available in multiple designs which made Samsung to be such a successful brand of date.

**Pricing** – The pricing of products are also kept quite reasonable which made them accessible to major population in India. The range of products is between INR 12000-50000 which has been fixed keeping in mind the purchasing capacity of Indian people.

**Promotion** – It works hard for the promotion of its products and is done via TV, bill boards, newspapers, posters, dummies, etc. Some distributors were also given training for their promotion.

**Place** – Samsung has reached to a normal man and its products are readily made available to its customers via a process of company to distributors followed by redistributors and then ending up with customers.

## MARKETING STRATEGIES

There are numerous marketing strategies which are adopted by Samsung and are discussed below:

### Cost Differentiation

The prices offered by Samsung are very reasonable and which are not easy for any brand to reach for. So this is the point where no brand can beat Samsung. This is mainly adopted because if it will not increase prices then it will force other brands to lower down their also or take some wrong steps which would be in turn beneficial for Samsung.

### Product Differentiation

In order to keep in reach of customers and to stand still in front of customers, the company started its own electronic stores with almost every electronic appliance available in the world. This was done because it is believed that by 2014 the downloading of applications from stores directly would hike up to \$6.67 billion. It has always lacked in the adoption of any technology in time so it signed up with Microsoft.

## Conclusion for Samsung

It can be concluded that the product features are the main driver for increasing the sales of Samsung even through Samsung used aggressive marketing strategies and has been customer specific. If the discussion on price in case of Smartphone markets then the price of Samsung Smart phones are less than in comparison to Apple Smart phones. So we can say Samsung is not price leaders in case of smart phones. Samsung has been Successful due to the many reasons like first mover advantage, good relation with government bodies, highly innovative products. Samsung so as to sustain and be the market leader should differentiate from what it has been doing in past such as become more customers friendly in India and other Asian market. In the rural areas, Samsung move in market very aggressively in these rural areas Smartphone or high end phone are used as to improve the quality of cell phones. The plan of Samsung to launch the 12 Smartphone in India this year.

At present we in second generation of mobile that will be saturated soon. So become a leader of third generation, Samsung will have to lot of investment in research and development. The 5G network is not become so much popular as expected by operators or manufactures. The functionality of 5G technology is improved by Samsung through innovation. So the sale of Smart phones or high end phones of Samsung is increasing.

In this competitive environment of industry, demand of smart phones are increasing at fast pace. Therefore to conclude, any company with its breakthrough technology can capture a significant part of the market like the way Samsung did it 20 years ago. So Samsung should keep diversifying its products like smart phones, cell phones etc and services in markets and market move aggressively and continue to maintain the position of market leader. The large number of people is adopting the Samsung Smart phones because of the several good features of Samsung smart phones are good screen quality, good imaging, good browsing, good battery life, good audio/video playback, and good call reception quality and more important it is cheaper in comparison to Apple Smart phones. Means any one get the same features as Apple Smart phones in own Samsung Smart phones in low price in Comparison to Apple Smart phones.

## CASE STUDY OF APPLE

This section gives the case study of the company Apple. Its detailed discussion is presented here. Some points which are focused are the SWOT analysis of the company, its marketing strategies, factors which lead to the failure of this company in India.

### Company overview

Apple Inc. is a very well-known brand worldwide and is a multinational company based in America. It gained the actual pace and height of its growth since past 20 years. This company was founded by Mr. Steve Jobs who is the existing CEO of the company along with some of his friends or colleagues. The era that the company covers is the manufacturing as well as marketing of laptops, mobiles and also music players and associated software. Leading products which took the world towards newer technology of smart phones are the iPhone and iPod of Apple which have their remarkable position. The company has entered into various other parts of the same market as it also sells some other accessories such as head phones, speakers, printers, and application software and storage devices.

### Marketing Mix

**Products** There are numbers of products launched by Apple. The most recent and advanced products in the category of iPhones which are iPhone 12, iPhone 12 pro, and iPhone 12 pro max. These are quite popular in the international market. They have their variable prices of 89k, 1.07lakh, and 1.27lakhs respectively.

**Promotion** In America the promotion of its products is done by Apple itself and is started at least a month before the product was about to launch while in the country of our concern India, these promotional activities are not done by Apple itself. This work was handed over to its license holders such as Airtel and Vi Ltd (Vodafone-Idea). Methods adopted by these organizations for promotional activities are printed advertisements and billboards. Airtel promotes the product of Apple by airing its commercial advertisements on TV for a month while Vi Ltd. uses mobile bill envelopes in order to make consumers aware about the product (*Mehra and Ghosh, 2008*).

**Price and Place** The pricing for different products of Apple are comparatively higher and it chose Airtel for its products' promotion in India. There was no clarity of prices among people about the iPhone 3G model and are promised to be in between the range of 31000 and 36000. The most recent iPhone launched i.e. iPhone 12, 12 pro and 12 pro max are priced at 89 thousands to 1.20 lakhs. When the selling of Apple products is considered, they were sold at the same as that fixed by Apple which left them with zero profit earned (*Kanzode and Makotia, 2008*). A monthly investments facility is also made available by Vi Ltd. to its customers by doing a tie-up with some banks such as ICICI, and Axis Banks on 6 to 12 months basis.

## SWOT Analysis

**Strength** – As far as strengths of Apple are considered, they are its best operating system (iOS), its best touch screen feature, is stylish and modern looking phones. Recently it launched its multiple touch screen feature which is the only one of its type. The basis of marketing for Apple is online, i.e. via internet with the help of which the company was able to make savings of nearly 400 million and the customers of Apple are very loyal which adds up in to its strengths a lot.

**Weakness** – There are many weaknesses those Apple possess as far as Indian market is considered. Numbers of stores selling dedicatedly for Apple are very less. Battery backup of these mobile phone are not very appreciable. Since the prices of its products are higher, then the drawback is that these products are not available in grey markets also.

**Opportunities** – As this company is has been continuously popular for its attractive and innovative features in handsets. Latest it launched its MacBook pro which are easy to operate and understand and can generate more customers. It is the very first company to incorporate the internet access in phones and also 5G features which are going to be the maximum demanded ones in the nearby future.

**Threats** – Samsung, OnePlus and Google are the companies which are offering major threats to Apple because they are making iPhones available at comparatively cheaper rates. There is one more threat for this company which is the contravention of trademark between Cisco and Apple and this can hinder the growth to certain extent.

## Reasons for failure in India

The major drawback that this company possess which led to its failure in the Indian market is the Vi ltd. and Airtel being given the authority to sell and promote its product in the market. Whilst these companies did not go well with their work had had no experience related to handset selling and also do not possess any sort of bonding with the distribution network in the country.

The other factor was that it made its products available only to its dedicated and personal stores which brought down the sale and customers to large extent. These phones are accesible to upper- middle class and higher class only.

The cost and price of Apple's products are also the factor which led to the failure of the brand in India. It is considered now that the underestimation of Indian market by Apple can lead to hinder its growth and future opportunities to greater extent as it is the most growing market in the world (*Mehra and Gupta, 2008*).

## Conclusion for Apple

Now we come to the apple Smart phones. Apple is also is branded company. Name of brand Apple is very much successful in comparison to Brand name Samsung. But this Apple brand is mainly adopted by High class people. All types of classes except high class people are not able to buy the Apple Smart phones. The price of Apple /smart phones is high in comparison to Samsung Smart phones. Since India is a developing country, it is not the developed country like US and UK etc. So the percentage of poor people in India is more. And due to the high price of Apple Smart phones, the large numbers of people of India do not able to afford the Apple Smart phones. If we are looking the current market scenario in India, Apple's iPod and Apple's iPhone are very famous across all over world. But Apple has been a failure due to many reasons. And the most appropriate is building strategy. An offensive approach is using by strategic focus will be market expansion and market share gain.

## CONCLUSION

In this section of the research Conclusion is given for two companies that are Samsung and Apple. How Samsung sustain own Market position and how Apple compete to Samsung. Firstly the market strategies of two companies, their effectiveness and consequences result will be analyzed based on the internal and external data source. We discussed the marketing strategies which are adopted by two Smartphone companies Samsung and Apple. The marketing strategies, by adopting few marketing strategies any companies make a successful company. In analysis, we discussed the success of Samsung's Smartphone and Failure of Apple's Smartphone. In Indian economy Smart phones are booming.

In introduction we discussed about our project aim and Smartphone industry and methodology. Then literature review where we discussed marketing strategies and utilities of Smartphone and importance of innovation of mobile phones. After that we discussed research methodology. Then analyses is done, there are three analysis are done here, first is industry analysis here we discussed firstly Indian telecom sector and the about Smartphone's, second is Samsung Company analysis in which we discussed the market overview for Samsung, segmentation of Samsung in Smartphone industry and Porter generic Model. Third is Apple company analysis, in which company overview and competitors of Apple iPhone and why iPhone is failure in India. Finally in conclusion we conclude that the Smartphone markets for Samsung and Apple.

### Market Expansion

Building strategy mainly focuses on pulling sales and customer from rival companies or market expansion. There are three ways by which a company expands own market in country. They are: new users, new uses and increased frequency of use. By the way of new users obviously a company expands own business or markets in country due to the special features of the product of company convince the news users and the marketing of that company is increased. And users Attracted from the products progress and adopted it. Second way is new uses, by the new uses, a company can expand own market of business in all over world. And the third way is to increase the frequency of use.

### Market share gain

Building strategy is also focus on market share gain. The market strategy cannot be expanded when a building strategy pursued in market. Companies attain the success at the expense of competitors. This will lead the some degree of confrontation. Kilter and Singh defined five main confrontation strategies. These are

Frontal attack, Flanking attack, Encirclement attack, Bypass strategy, Guerrilla tactics.

As per basis of the studies of Apple's iPhone or Apple's Smartphone in the previous section of literature. Apple takes the advantage of its technology development and innovation skills. As per the basis of survey, the large number of consumer is willing to purchase an iPhone. In these large numbers of consumer, mainly consumers are youth, and the age of these youth is between of 21 to 30 years. It can also be categorized under the early adopters as they are young and have high income of source, highly educated and socially and technologically active. In competitions with Samsung's Smartphone and Oneplus' smartphones, Apple should enhance own business features in case of Smart phones and to make it popular in all classes of people.

### Marketing mix for Apple iPhone in India

**Product** Apple is branded company. So apple should focus on the range of the products, there is no doubt the quality of product is awesome. Therefore By increasing the range of products, then all type of classes of people able to purchase Apple iPhone. Means Apple include entry level product in own product. So the Smart phone or iPhone of Apple is affordable. Apple products are very fashionable means the iPod and

iPhone of Apple are available in different colors. So it is used by youth as the fashion accessories. Apple can also consider value creation through customer contact that is online contact, creating Apple customer base and expanding warranty to get more phone supports.

**Promotion** This is the one of the greatest reason of the failure of Apple Smartphone. When a company launches own product, then expand this product in market of all over world. Promotion the product of that company is very important. By promotion, the product of the company and company which launches that product both is famous and successful. Due the promotion, Samsung is the one of the leading telephony company in all over world. In modern world, a number of people are known what is Samsung???????? Why????? Because the promotion of Samsung accessories through advertisement on paper, TV etc. So lack of advertisement is one of the reasons of the failure of Apple. To be become a leading company of India, Apple should focus on Advertisement through hoardings, television and Newspapers. In India if the advertisement of any product is done by celebrities like Sachin Tendulkar, Amitabh Bachhan etc. Then the product which is advertised by celebrities is very famous and the sale of that product is increased every day.

**Price** This is also the reason of the failure of Smartphone of Apple. The price of Apple products is very high and Apple Smart phones are very costly in comparison to the Smart phones of Samsung. Apple is the branded company so people of developing country India think that the product of Apple is so costly. So the sale rate of Apple decreased in India. But in Developed countries like US and UK, the sale rate of Apple's product is very high. So make the position in India, Apple should start with small price product that everyone could affordable. Or Apple should reduce the price of own product to make the position in Indian economy.

**Place** Apple are facing a lot of challenges in selling own products in India. Especially in India, Apple faced a lot of challenges because India is a developing country, so the majority of people are poor. And Indian people want to purchase the product which has a number of features at lowest cost. But we talk about the cost the price or cost of Apple product is very high. Apple is very much successful in UK and US because these countries are developed countries. And these countries are rich. So they can afford the Apple product and also used as the Fashion accessories.

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