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Standardization and adaptation in multinational corporations: case study on Samsung's marketing mix strategy

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Abstract

International marketing is the process of planning and conducting transactions across borders to create exchanges that satisfy the objectives of individuals and organizations (Czinkota & Ronkainen, 2006). The standardization approach understands markets as homogeneous and defend that the key to succeed is the ability of the company to standardize goods and services (Buzzell, 1968). On the other hand, the Adaptation Method highlights the difficulties in using a standardized approach and support the tailoring to fit in the unique dimensions of international markets (Thrassou & Vrontis, 2006). We illustrate these conceptual arguments through a case study of the Samsung mobile business, profiling its marketing mix strategy in four different countries: Brazil, China, France, and United States, and comparing it to the headquarters in South Korea. The methodology used multiple sources of data, both primary and secondary to guarantee its value and authenticity. The study concludes that Samsung applies both strategies: standardizing its core competencies and characteristics and adapting non-core characteristics to fit the cultural and economic aspects of different countries. Promotion is the marketing mix element more adapted while placement and pricing have the same overall strategy across countries. Product concept and name is standardized while some characteristics as color may be adapted to fit cultural preferences. This conclusion is aligned with the literature and contribute to the International Marketing and Standardization and Adaptation field, as it brings a practical and applied study on a well-known company.

Keywords: International Marketing. Standardization and Adaptation. Mobile. Case Study.

1. Introduction

Due to the expansion of companies to other countries and the increased competitiveness on a global scale, the term international marketing has become a subject of wide interest within both academics and corporations. It is noticeable the improvements in transportation and communication technologies leading the growth of international capital and global markets (Venables, 2006). Also, McCann (2008) defends that multinational enterprises have an important role not only in their parent countries, but also in other nations around the globe.

Globalization is a phenomenon, which implies not only trade, but a functional integration of dispersed and fragmented activities, forming global chains of production (Martinez, 2007). Daniels, Radebaugh and Sullivan (2002) use the term to refer to the deepening relationship and broadening interdependence among people from different countries. One of the main challenges for companies is to develop strategic plans that are competitive as the globalization of markets intensifies (Cateora, 1990).

Consequently, international marketing involves the planning and execution of transactions across different countries to fulfill both personal and corporate objectives (Czinkota & Ronkainen, 2006). It is through international marketing that the discussion about global standardization and local responsiveness arises presenting a complex dilemma for companies. Standardization may lead a loss of sales, while customization may sacrifice the firm's production and marketing efficiencies (Moon, 2005). Although Standardization and Adaptation discussions have presented important organizational aspects in international marketing, Solberg (2002) suggests that it is often neglected in the literature.

The concept of Marketing Mix and 4P's can be defined as the set of activities comprising a firm's marketing program (Borden, 1991). According to Yoo et all (2000), each element of the marketing mix has a positive or a negative impact on the company's brand equity, requiring companies to have a well-defined strategy.

Considering the number of companies expanding operations overseas, the present study analyzes how a multinational company apply its marketing strategy based on standardization and adaptation approaches in different countries. To achieve this purpose, a case study on the international marketing mix strategy of Samsung mobile business in four different countries (Brazil, China, France, and United States of America) was analyzed and compared to its strategy in the company's headquarters in South Korea. As a conclusion, the present study contributes to the international marketing management field, as it presents a case study on how an established brand in the mobile industry applies its marketing mix strategy in different countries compared to its headquarters and balances the standardization and adaptation concepts on its implementation.

2. Literature Review

2.1. Cultural and Institutional distance between countries

Based on international economic research, the framework created by Ghemawat (2018) suggests that the amount of trade operations between countries is influenced by similarities and differences among four different dimensions: Cultural, Administrative, Geographic, and Economic (CAGE). The Cultural aspect relates to the interactions among people that generate attributes of a society not enforced by laws; the cultural and language difference between countries can increase or reduce the possibility of economic interactions. The Administrative/Political dimension includes laws, policies, institutions and international organizations created by political power and enforced by governments. The Geographic dimension englobes the physical distance between countries, common land borders, different time zones and climates, access to ocean and topography. And, finally, the economic aspect relates to differences in the economic mechanisms that can affect cross-border activities and relationships.

Based on Ghemawat (2018), if two countries have the same official language, are part of the same regional trade arrangement, share a common border, and have similar levels of per capita income, the probability of trading is 10 to 15 times higher if compared to countries not sharing the same aspects. Firoz & Ramin (2004) states that cross cultural comparison of factors affects corporate performance and should not be a challenge, but an opportunity to be exploited.

Hofstede and Minkov (2010) define culture as what differentiate members of a group from another. The cultural dimensions represent independent preferences for one situation over another that differentiate countries, rather than individuals. The Hofstede model of national culture consists of six dimensions: (1) Power Distance Index, (2) Individualism versus Collectivism, (3) Masculinity versus Femininity, (4) Uncertainty Avoidance Index, (5) Long-Term Orientation versus Short-Term orientation and (6) Indulgence versus Restraint.

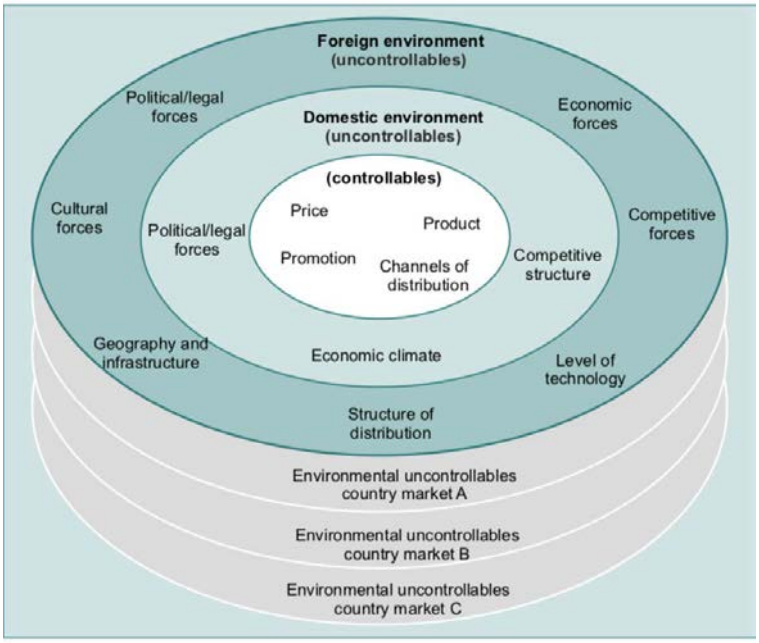
The Power distance index can be defined as the relationship between authoritarian relations and inequality in power. Furthermore, the Individualism versus Collectivism dimension describes the type of relationship predominant in each culture and shows whether the person is centered on him/herself and family (individualism) or whether they belong to a strong, cohesive group and are loyal to them (collectivism). The Masculinity versus Femininity aspect defines how societies deal with emotional roles. A masculine society expects men to be more assertive, though and materialist, while women is expected to be more tender, modest and value emotions.

The Uncertainty index evaluates how people feel threatened by uncertainty and try to avoid it. The Long-term orientation versus Short-term normative orientation evaluates personal virtues, mainly perseverance and parsimony, to achieve long-term goals or respect for tradition and social obligations for the short-term orientation culture. Finally, the Indulgence versus restraint dimension relates to how people enjoy life and have fun.

2.3. International Marketing

According to Czinkota and Ronkainen (2006, p.4), International Marketing can be defined as "the process of planning and conducting transactions across national borders to create exchanges that satisfy the objectives of individuals and organizations". Moreover, Cadogan (2012) defends that international marketplaces are different from domestic markets and brings new issues that must be taken into consideration when developing a strategic orientation.

Figure 1: The international marketing task



Source: Ghauri & Cateora, 2009, p.29

The international marketing task (figure 1) represents what global companies need to deal when expanding abroad. The inner circle represents the marketing mix elements. Next, it is the domestic variables affecting foreign operation. Then, there are the influences that international companies suffer from foreign countries. Since the Marketing Mix is the only element that is under the company´s control, and the Domestic and Foreign environment can not be controlled, it is possible to conclude that competing in an international marketing can be both challenging and a business opportunity for companies.

Ghauri & Cateora (2009) highlight the most significant elements in the uncontrollable circle as: political/legal forces, economic forces, competitive forces, level of technology, structure of distribution, geography and infrastructure and cultural forces. Furthermore, as the companies are not used to the international environment, one challenge they might face is the difficulty in recognize the potential impact of some uncontrollable aspects, underestimating its consequences.

2.4. Standardization and Adaptation

The choice for being global or local created a new concept, the glocal. Glocal is a word that captures the global and local perspective at the same time (Gross, Turner, & Cederholm, 1987). According to Moon (2005), to deal with these situations, there are four different strategies that multinationals can use: (i) Domestic – low integration and low differentiation; the headquarter have an important influence in the knowledge development and innovation –; (ii) Multidomestic – low integration and high differentiation; responsiveness to local market demands (according to Douglas and Wind (1987), this type of corporation is focused on responsiveness because they think international markets are more heterogeneous than homogeneous) –; (iii) Global – high integration and low differentiation; based on scale economies, the emerge of global market for standardized products (in other words, corporations that sells the same thing, in the same way everywhere, and operates at relatively low costs (Levitt, 1983)) – and; (iv) Transnational – high integration and high differentiation; maximizes both responsiveness and integration, where knowledge and innovation are developed and shared. Bartlett and Ghoshal (1989) say that, to achieve global competitive advantage, costs and revenue must be managed simultaneously, and innovation can arise in many parts of the organization.

This dynamic introduces the discussion about the paradigm of being flexible to local consumers or learn from global consumers, in short, to decide when to use a standardized marketing mix and when adjust it in order to fit the particularities of the local market. Supporters of standardization approach understand markets as homogeneous and defend that the key to succeed is the ability of the company to standardize goods and services (Buzzell, 1968). Also, it is common to defend that the consumer needs to not vary significantly across market and nations, resulting in economies of scale both in production and marketing (Levitt, 1960). On the other hand, the adaptation approach highlights the difficulties in using a standardized tactic and support the tailoring to fit in the "unique dimensions" in different international markets (Thrassou & Vrontis, 2006) – where these differences can be between countries or even regions inside the same country (Papavassiliou & Stathakopoulos, 1997). Douglas and Craig (1986) argue that standardization may be the most desirable international strategy but, in order to have a successful global marketing, it is necessary to evaluate the broader context of the company's overall strategy rather than relying solely on customer market considerations. Some benefits of standardization, according to Douglas and Craig (1986) are: economies of scale in production and marketing; transference of know-how and experiences from one country or market to another; uniform global image of a company/brand throughout the world; easier control and co-ordination of activities around the world. The authors also pointed barriers for standardization, such as governmental and trade restrictions, differences in available media forcing the company to adapt its marketing campaigns, differences in customer interests and response patterns, and competitiveness.

According to Vrontis, Thrassou and Lamprianou (2009), there are several significant reasons pulling the marketing mix towards standardization and adaptation. Regarding adaptation, significant reasons are market development, differences in physical conditions, legal and political reasons. For standardization, significant reasons are easier planning and control

and costs reduction (Figure 2). Nguyen (2011) listed potential reasons for adaptation or standardization for each component of the market mix strategy (Figure 3).

Figure 2: Marketing mix toward standardization and adaptation

ADAPTATION	Reasons pulling towards Adaptation	Product	Placement	Promotion	Price	Reasons pulling towards standardization	STANDARTIZATION
	• Market development • Economic differences • Culture differences in consumer perception • Competition • Technology • Sociological differences • Legal and Political aspects • Level of consumer similarity • Marketing infrastructure	• Product variety, design, features • Quality • Brand Name • Packaging • Size and colors varieties • Performance • Pre-sales service • Delivery • After sales service and warranties	• Distribution channels, distributor value, place of shops, logistics	• Advertising • Sales • Personal selling • Direct Marketing • Public Relations	• Price levels, list price, price changes • Discount allowances, payment, period, credit items	• Economic of scale in production, research & development, and promotion • Global uniformity and image • Consistency with the mobile consumer • Easier planning and control • Stock costs reduction • Synergetic and transferable experience	

Source: Adapted from Vrontis, 2003.

Figure 3: Causes for standardization and adaptation in a Company's Marketing Mix

	Product	Placement	Promotion	Price
ADAPTATION	• Government regulation • Product Standards • Cultural Differences • User's habits	• Nature of the market • Customer characteristics • Nature of the product • Culture • Low legislation	• Customer satisfaction • Cultural differences • Environmental and other factors as political and legal constraints	• Profits and sales volume can increase due to different markets • Lack of control due to market differentiated pricing • Bad image of multinational firms
STANDARTIZATION	• Cost-effective • Highly product image		• Improve efficiency and save costs • Increase firms' image as whole • Increase customer's trust, loyalty • Trend of globalization	• Low-risk (fixed return is guaranteed) • Good image of multinational firms

Source: Adapted from Nguyen, 2011.

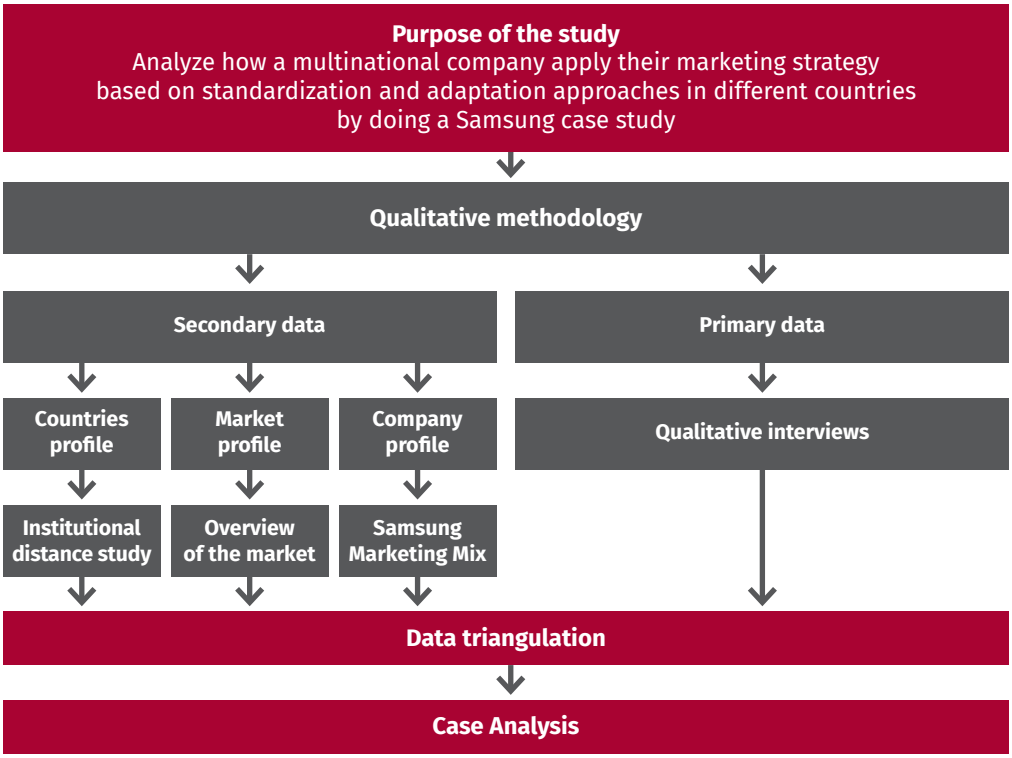
Finally, managers should be able to not only maximize profit and add value to the product, but also reduce local differences and unnecessary waste (Moon, 2005). In other words, it is necessary to maximize the effectiveness and benefits of both concepts taking into consideration: (i) the degree of standardization or adaptation that respect the competitive strategy of product and branding, placement, promotion and pricing (Riesenbeck & Freeling, 1991), and (ii) organizational and environmental aspects (Quelch & Hoff, 1986).

3. Methodology

The objective of this study was to identify elements of the strategy more susceptible to adaptation and those more susceptible to standardization. For this purpose, a case study approach was chosen for an in-depth evaluation of the contextual setting, the organization strategy, and individual evaluation according Stake (1995; 2010) and investigates the implementation of Samsung´s marketing mix strategy in four different countries in comparison with the headquarters' strategy relative to standardization and adaptation approaches.

Primary and secondary data was used for triangulation and thus, give more credibility and confirmability of the findings. The secondary data analysis aimed to (i) understand countries cultural differences and how this would impact Samsung strategy approach, (ii) highlight the mobile industry sector through a market share, Product Lifecycle and Porter's five forces analysis, and (iii) perform Samsung Marketing Mix analysis. Primary data collection was based on qualitative interviews with Samsung customers and employees to validate findings of the company´s strategy in each country.

Figure 4: Methodology Diagram



Source: Own creation

3.1. Secondary Data Collection: Institutional Distance study

Four different countries (Brazil, China, France, and United States) were chosen according to geographic localization, size and growth of the mobile market, and market expectations. An institutional distance and culture study of the four countries was carried out using a CAGE Distance Framework.

3.2. Secondary Data Collection: Mobile Sector

Creswell and Creswell (2017) define a qualitative research data collection as a process to examine documents, observe behaviors and interview participants. To make the information relevant and trustworthy, multiple sources of data were used and categorized into themes that cut across the data collected. Thus, general information about the company (origin, mission, vision, values) was gathered through the companies' institutional websites and Euromonitor data collection.

3.3. Secondary Data Collection: Marketing Mix

The Marketing Mix of a company is defined by Neil Borden (1991) as the set of activities comprising a firm's marketing program. The section aims to analyze and compare Samsung marketing mix (product, placement, promotion, and price) in Brazil, China, France, United States and the company headquarters in South Korea.

The Product aspects and portfolio were collected by accessing the companies' official website in each of the analyzed countries. The Placement dimension, also known as marketing channel, analyzed the direct and indirect distribution model of Samsung by gathering data from the official website and Euromonitor. Regarding Promotion, the focus was on advertising on YouTube and social media of Instagram. Finally, the Price strategy analysis used the official website as a source of data.

3.3. Primary Data Collection: Qualitative Interviews

According to Creswell and Creswell (2017), qualitative interviews aim to elicit participants' views and opinions about a subject. In the present study, the qualitative interviews were conducted to (i) understand distinct employees' view on the process of internationalization, and (ii) understand local culture and consumers' perception of the company. A total of 13 interviews were collected, 10 with consumers from the participant countries (1 South Korean, 4 Brazilians, 4 Chinese, 1 French and 1 North American), and 3 with Samsung's employees (2 Brazilians and 1 American). This sample size was enough to generate a rich set of data before reaching theoretical saturation, according to Glasser and Strauss (1967).

The questionnaires for the Qualitative Interviews were semi-structured with open-ended questions to guarantee spontaneity and freedom of expression for the interviewees, plus demographic questions for control. The interviews were carried out in a remote and physical contact, depending on the location of the interviewee, and the participants received and signed a consent form to guarantee the willingness to participate and confidentiality of the information.

4. Findings and Discussion

4.1 Institutional Distance: The CAGE Distance Framework

For this study, Brazil was chosen because it is a South American country, an emerging country with a growing smartphone market. The retail volume sales of smartphones remained stable in 2019, reaching 48 million units (Euromonitor, 2020). China, an Asian country, was chosen due to its large population and considered a highlight in the smartphone market, with new companies gaining significant market share worldwide. The country had the largest retail volume of the market in 2019, with 456 million of units (Euromonitor, 2020). France, a European country, is culturally settled with a stable smartphone market with 33 million of units sold in 2019 (Euromonitor, 2020). And the United States, a North American country, is a consolidated market: third country in retail units, after China and India, with 316 million of units in 2019 (Euromonitor, 2020). A CAGE analysis was run to understand the institutional distance between these countries. To further the cultural aspects and the relationship of the subsidiary with the headquarters, Hofstede cultural dimensions theory was used.

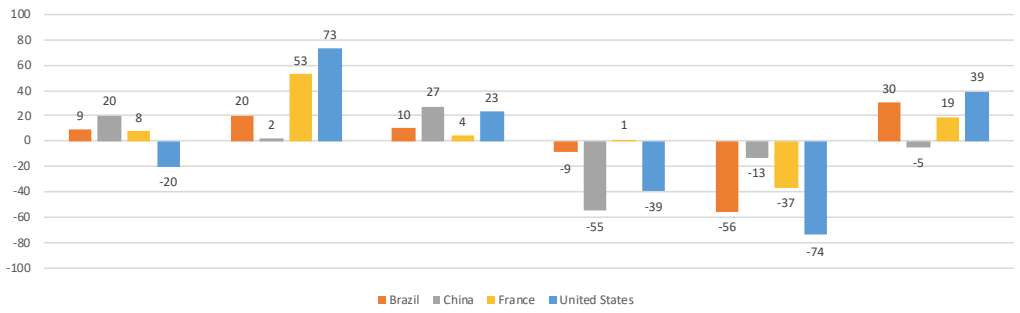
Table 1: Hofstede Dimensions Summary

	South Korea	Brazil	China	France	United States
Power Distance	Score 60 (mid): slightly hierarchical society	Score 69 (high): hierarchy as an important aspect and symbol of power	Score 80 (high): higher ranking, polarized subordinate – superior relationship	Score 68 (high): centralized power in companies and government	Score 40 (low): hierarchy per convenience and superiors should be accessible
Individualism	Score 18 (low): collectivist society, values long term commitment with groups	Score 38 (low): collectivist. Importance of creating relationships in the workplace that goes beyond work	Score 20 (low): collectivist culture. Act in the interest of the group and not individual	Score 71 (high): Respect authority but also values their own opinion and work	Score 91(high): people look after themselves and family. In business, there is high independence
Masculinity	Score 39 (low): feminine society – work to live focus, valuing equality	Score 49 (mid): balance between achievements and relationship	Score 66 (high): masculine society – orientation to success. Can sacrifice leisure	Score 43 (low): feminine. Welfare system	Score 62 (high): masculine society – "live to work"
Uncertainty Avoidance	Score 85 (high): rigid codes of belief and behavior	Score 76 (high): strong need for rules and legal system	Score 30 (low): comfortable with ambiguity. Adaptable and entrepreneurial	Score 86 (high): valorizes structure and planning	Score 46 (low): open to ideas but cautious about it
Long Term Orientation	Score 100 (high): long term oriented	Score 44 (mid): intermediate answer	Score 87 (high): pragmatic depends on situation, context, and time	Score 63 (high): pragmatic depends on situation, context, and time	Score 26 (low): practical, polarized ideas and looking for quick results
Indulgence	Score 29 (low): tendency to cynicism and pessimism	Score 59 (high): optimism and willingness to realize impulses and desires	Score 24 (low): tendency to cynicism and pessimism	Score 48 (mid): less relaxed and enjoy life less	Score 68 (high): work hard, play hard

Source: adapted from Hofstede Insights, n.d

Considering South Korea is in the zero axe in each dimension, Figure 5 shows the cultural distance between each of the four countries and the headquarters. By analyzing the graphic, it is possible to conclude that France is more like South Korea in the Power Distance, Masculinity and Uncertainty Avoidance dimensions. China has closer grades on Individualism, Long-term orientation and Indulgence. Finally, the country that has the largest variance is the United States, especially in Power Distance, Individualism, Long-term orientation, and Indulgence.

Figure 5: Hofstede Dimensions distance to South Korea



Source: Adapted from Hofstede Insights, n.d

The Administrative/Political section embraces laws, policies and institutions usually created by political power and enforced by governments.

Table 2: Administrative and Political view of the countries

	Diplomatic Relation	Korean Exports (USD)	Korean Imports (USD)	Investment in the country (USD)	Koreans living in the country
Brazil	Since 1959	5.3 billion	3.4 billion	9.3 billion	50,000
China	Since 1992	136.2 billion	107.2 billion	87.9 billion	307,000
France	Since 1949	3,541 million	5,879 million	2,883 million	29,167
United States	Since 1882	72.72 billion	58.87 billion	-	2.49 million

Source: Adapted from Ministry of Foreign Affairs, 2020.

The geographic aspect consists of physical distance between countries, common land borders and different time zones that can influence the relationship between companies.

Table 3: Geographical view of the countries

	Continent	Time Zones	Distance to South Korea–Seoul (Kilometers)
South Korea	Asia	+8 (Seoul)	-
Brazil	South America	-3 (São Paulo)	18,338 (São Paulo)
China	Asia	+ 8 (Beijing)	956 (Beijing)
France	Europe	0 (Paris)	8,989 (Paris)
United States	North America	-5 (New York)	11,078 (New York)

Source: Adapted from Time and Date, 2020.

Three important economic measures are: Gross Domestic Product (GDP), Unemployment Rate and Inflation Rate. The economic factors differences can affect cross-border activities and investment decisions. According to the International Monetary Fund (2020b), GDP is the total value of final goods and services produced inside a country in a determined period of time and can depict the size and performance of the economy. The Real GDP is the adjusted GDP taking into consideration price changes. The inflation rate can be calculated by the average Consumer Price Index (CPI) and it measures the average level of prices in a country taking into consideration the average consumer goods and services basket. The Unemployment rate calculates the number of people without a job as a percentage of the total labor force.

Table 4: Economic view of the countries

Series:	GDP (Billions of USD)	Real GDP Growth	Inflation Rate (average consumer prices)	Unemployment Rate
South Korea	1.63 thousand	2	0.5%	4.0%
Brazil	1.85 thousand	0.9	3.8%	11.8%
China	14.14 thousand	6.1	2.3%	3.8%
France	2.71 thousand	1.2	1.2%	8.6%
United States	21.44 thousand	2.4	1.8%	3.7%

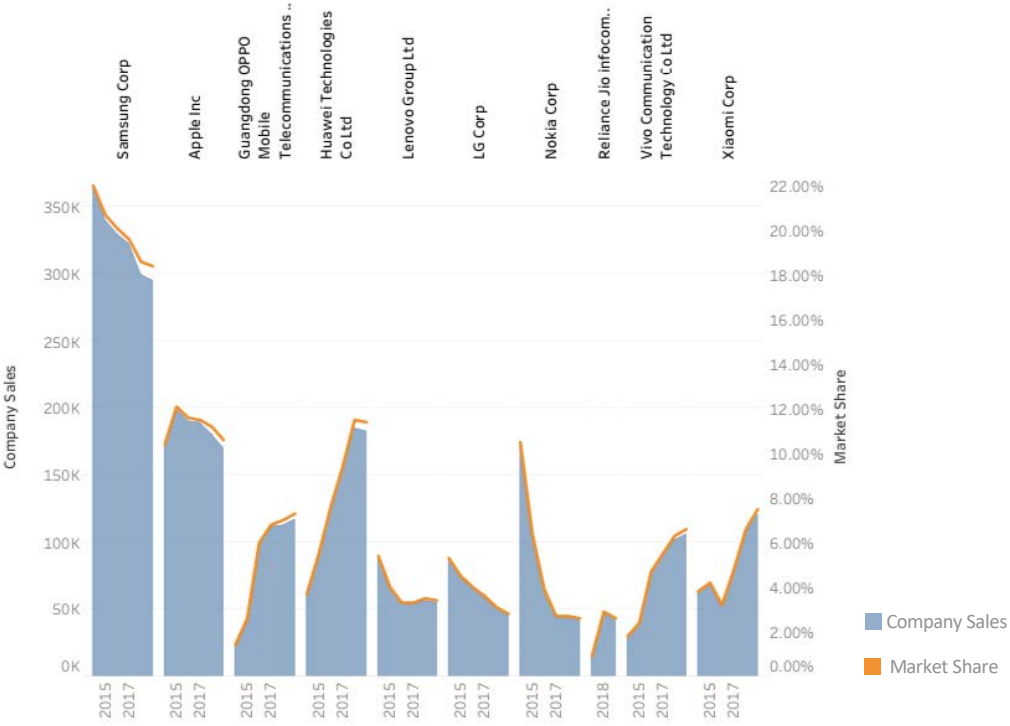
Source: Adapted from IMF, 2020a.

The United States have the biggest GDP (21.44 trillion dollars). However, China has a better number of the Real GDP growth, demonstrating that the country is developing in a fast pace with good economic health.

4.2. Mobile Industry Analysis

The market size of the mobile industry in 2019 was 1,602,455,200 units in retail volume (Euromonitor, 2020).

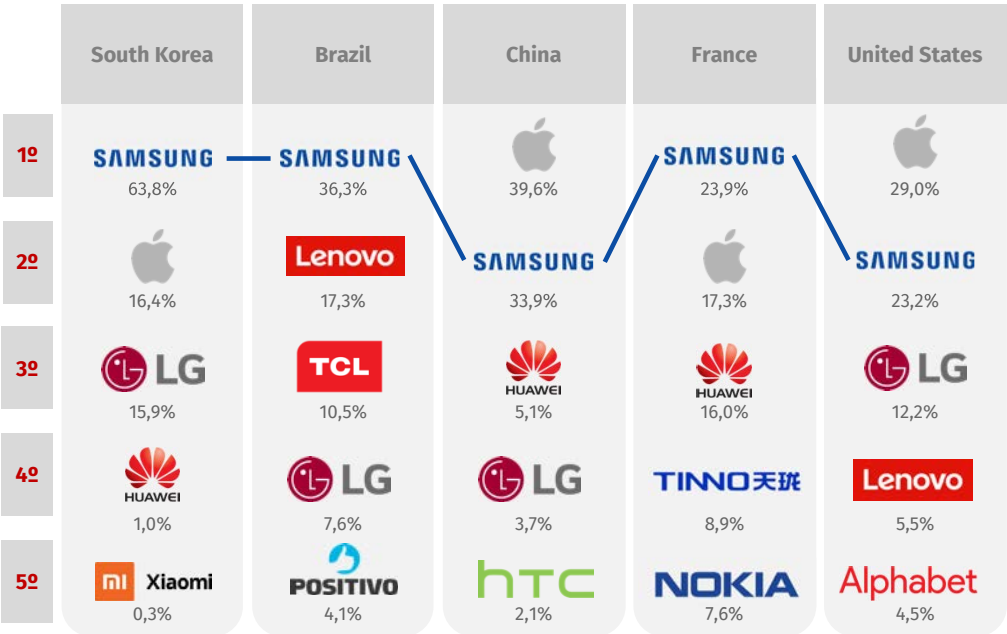
Figure 6: Mobile Industry Sales and Market Share from 2014 to 2019



Source: Adapted from Euromonitor, 2020.

Samsung was the market leader in the mobile industry market, with 18.4% market share in 2019. However, the company share has been decreasing (in 2014, it was 22%) because of the strong competition, specially from new entrants from China, such as Huawei, Oppo and Xiaomi. Huawei global market share has surpassed Apple in volume sales since 2018 with 11.5% against 11.2%. Figure 7 shows the top five companies in market share (retail volume), where Samsung is the leader or vice-leader in all analyzed countries.

Figure 7: Mobile companies Market-share per country



Source: Adapted from Euromonitor, 2020.

Vernon and Wells (1966) categorize markets in four stages: introduction, growth, maturity, and decline. The mobile device industry can be classified in the Mature Life Cycle Stage, where the product is stablished, consumers are aware of it, the market is saturated and company's profits depend on how they differentiate themselves and attract consumers.

4.2 Company Analysis

Samsung is a South Korean multinational company with headquarters in Seoul. Founded in 1969, started operations as an electronic manufacturer, selling products such as semiconductors, TVs, washing machines and refrigerators. In the late 70's and early 80's, the business diversified, and the company initiated the global expansion creating the Samsung Advanced Institute of Technology (SAIT) to develop its R&D department. The 90's were extremely important for its globalization process: the company became the world's largest producer of memory chips in 1992. Samsung had the strategy to focus on high quality products, provide consumer satisfaction and fulfill corporate social responsibilities. The combination of all these factors created a strong company that was able to continue growing even during the 1997 financial crisis. The digital era brought challenges for the company that responded with revolutionary products, keeping its competitiveness through innovation.

Currently, the company is the market leader in various categories, including mobile phones, and its goal is to "devote its talent and technology to creating superior products and services that contribute to a better global society" (Samsung HQ, 2020). Samsung considers talents and technology the most important assets of the company. The values of the firm are aligned with its goal and should be taken into consideration in every decision-making process: people, excellence, change, integrity, and co-prosperity. The financial performance of the company in 2018, according to the Consolidated Financial Statement in FY (apud

Samsung HQ, 2020) was 243.8 trillion KRW (221.6 trillion USD) of revenue and 44.3 trillion KRW (40.3 trillion USD) of net profit. Moreover, the global network counts with 216 global bases, 72 countries and 309,630 employees.

4.3. Marketing Mix

4.3.1 Product

The Galaxy family has 7 subgroups: Galaxy Z, Galaxy S, Galaxy Note, Galaxy A, Galaxy M, Galaxy J and Galaxy C. The first four models are present in all countries; however, Galaxy M and J are only available in South Korea, Brazil, and China. China is the only country with the Galaxy C series. The Galaxy S series is a Samsung high product line launched in June 2010; since then, the company has improved it with new technologies (S1 to S10).

Table 5: Models of Galaxy S series available on the official website

Series:	# S Series	S20	S10	S9	S8	S7	S6	S4
South Korea	8	Ultra S20+ S20	S10+ S10 S10e	S9	-	-	-	-
Brazil	17	Ultra S20+ S20	S10+ S10 S10e S10 Lite	S9+ S9	S8+ S8	-	-	-
China	16	Ultra S20+ S20	S10+ S10 S10e	S9+ S9	S8+ S8	-	-	-
France	18	Ultra S20+ S20	S10+ S10 S10e S10 Lite	S9+ S9	S8+ S8	S7 S7 edge	S6 S6 edge	-
United States	155	Ultra S20+ S20	S10+ S10 S10e	S9 S9	S8+ S8 Active	S7	S6	Mini

Source: Adapted from Samsung websites (Samsung KR; Samsung BR; Samsung CN; Samsung FR; Samsung US, 2020).

As can be noted, each country has a different portfolio of product in its official website. Although the S10 series is available in all countries, the products (S10+, S10, S10e and S10 Lite) have different characteristics regarding storage size, colors and price in each country. As an example, the S10 Lite is only available in Brazil and France and was created to bring the iconic Galaxy experience with a more accessible price.

Secondly, there are different color options in each country. For example, Flamingo Pink Color in only available in South Korea and United States, while Cardinal Red is only available in France. Also, the usual colors names are: Prism White, Prism Black, Prism Green, Prism Blue, and Canary Yellow. However, in China and Brazil the colors' names are different (128GB series): when translating, the name in China are Pale jade white, Fresh lemon yellow, Misty Ripple Blue and Carbon Crystal Black, while in Brazil are Blue, Black and White.

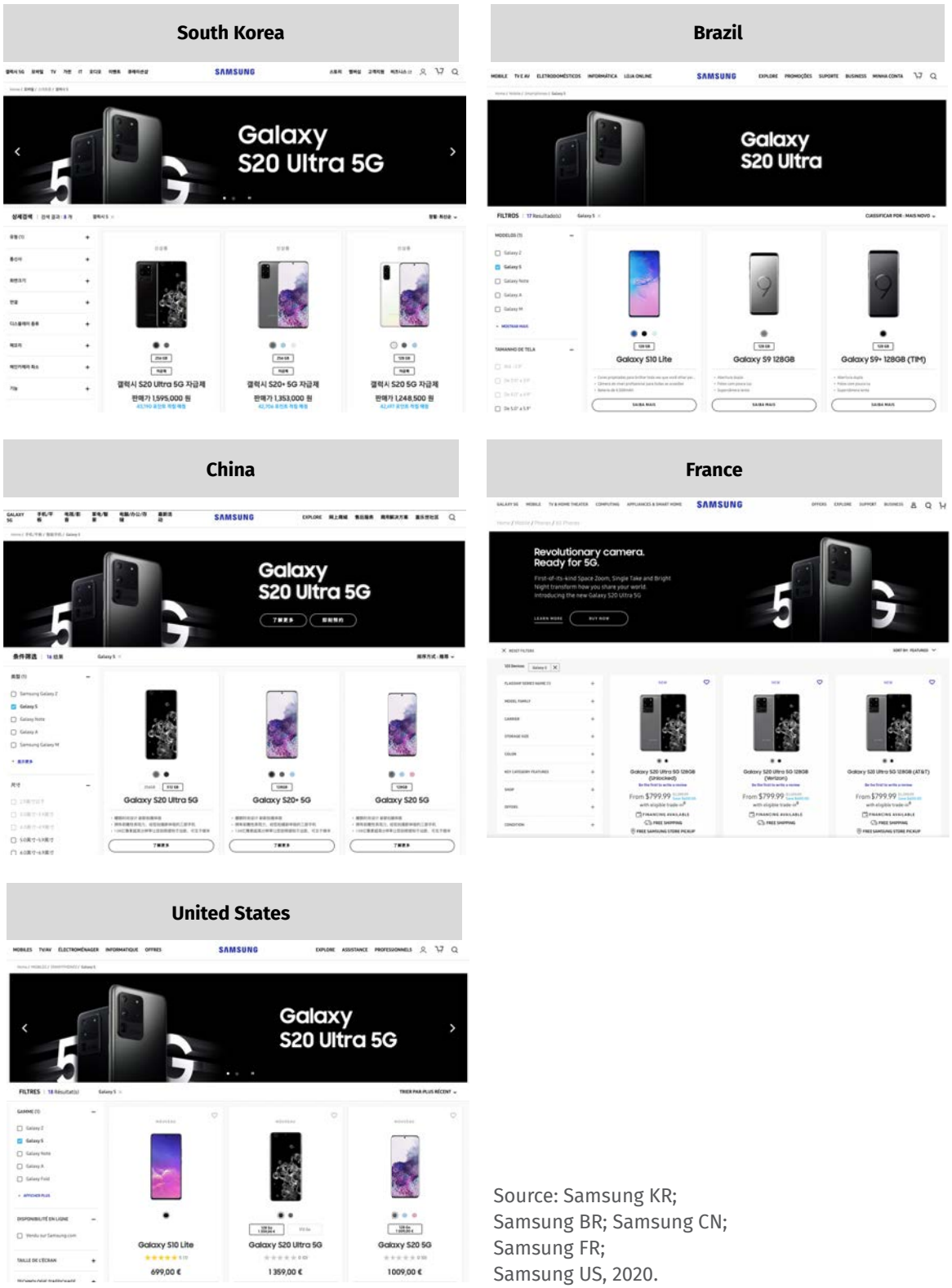
Storage sizes are the same in all countries, except for the S10e in United States that have one additional model (256GB). As a conclusion, although the company keeps the essence of the products (standardization), there are some slight differences regarding storage size, colors available and colors' names.

4.3.2. Placement

Official website

Samsung has official websites for each country, that in general present similar structure. For example, for the Galaxy S series, the website has a banner promoting the new Galaxy S20 and the available phone models (Figure 8).

Figure 8: Samsung website - Galaxy S series



Source: Samsung KR; Samsung BR; Samsung CN; Samsung FR; Samsung US, 2020.

However, the sorting criteria shows some adaptation for each country. Table 6 summarizes categories available and the appearance order. In summary, there are 8 sorting criteria in all websites and only three of them are common among all countries: series name, storage size, and key category features.

Table 6: Website Sorting Criteria

	South Korea	Brazil	China	France	United States
Series Name	1º	1º	1º	1º	1º
Model Family					2º
Carrier	2º				3º
Connection	4º		3º		
Camera	7º	5º	6º	6º	
Screen Size	3º	2º	2º	3º	
Screen Technology (display)	5º	3º	4º	4º	
Storage Size	6º	4º	5º	5º	4º
Color				5º	
Key Category Features	8º	6º	7º	7º	6º
Online Shop		8º		2º	7º
Offers				8º	8º
Lifestyle		7º			
Total filters	8	8	7	8	8

Source: Samsung KR; Samsung BR; Samsung CN; Samsung FR; Samsung US, 2020.

Distribution channels

According to Euromonitor (2020) (Table 7), most of Samsung mobile phones are sold in Electronics and Appliance Specialist Retailers, retail stores specialized in domestic devices, consumer electronics and computers such as Best Buy, Euronics, PC World, Media Market, Yamada Denki, and Gome (China). E-commerce (consumer goods sellers in the internet), hypermarkets (retail outlets that have a space bigger that 2,500 square meters with primary focus on groceries), and mixed retailers (aggregation of department stores, variety stores, mass merchandisers and warehouse clubs) also have great importance for Samsung´s sales. Only China does not have sales on discounters' stores, hypermarkets, and supermarkets.
As a conclusion, regarding the Placement element, the company has an overall strategy of mixing direct and indirect distributors, and physical and online stores.

Table 7: Samsung Sales Distribution

	South Korea	Brazil	China	France	United States
Discounters (Grocery Retailers)	0	0	0	0.7	0
Hypermarkets (Grocery Retailers)	1.1	11.2	0	15.9	5.9
Supermarkets (Grocery Retailers)	0	0	0	1.1	0
Electronics and Appliance Specialist Retailers (Non-Grocery Retailers)	83.0	49.1	77.3	37.2	76.6
Other Non-Grocery Specialists	0	0	0	0.8	0.1
Mixed Retailers	0.3	12.3	3.1	7.8	3.6
Homeshopping	0	0	0	0.3	0
E-Commerce	15.6	27.4	19.7	36.2	13.8

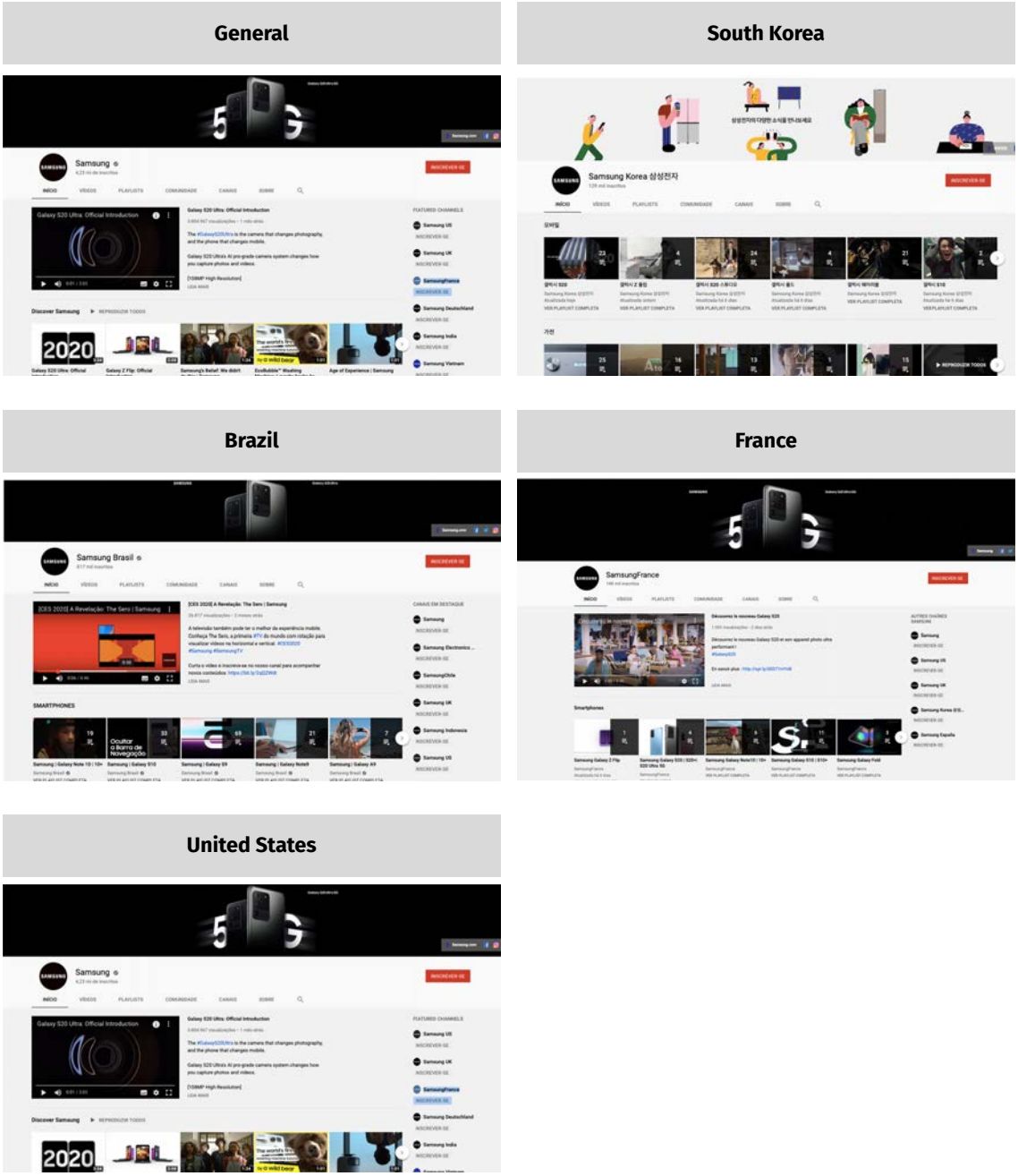
Source: Euromonitor, 2020.

4.3.3. Promotion

Advertising

To identify different advertising approaches, a search for official commercials was made in the websites' videos. In the case of Korea, Brazil, France and United States, Samsung has an official account on YouTube. In China, the local version of YouTube is called Youku, and it displays only one advertisement about Samsung Galaxy family. All other videos were users' videos comparing Samsung products with other brands. All the YouTube pages, except from South Korea, have a banner with their new product launch (Galaxy 20).

Figure 9: Samsung pages on YouTube



Source: SamsungMobile; SamsungMobileKorea; SamsungMobileBrasil; SamsungMobileFrance; SamsungMobileUSA, 2020.

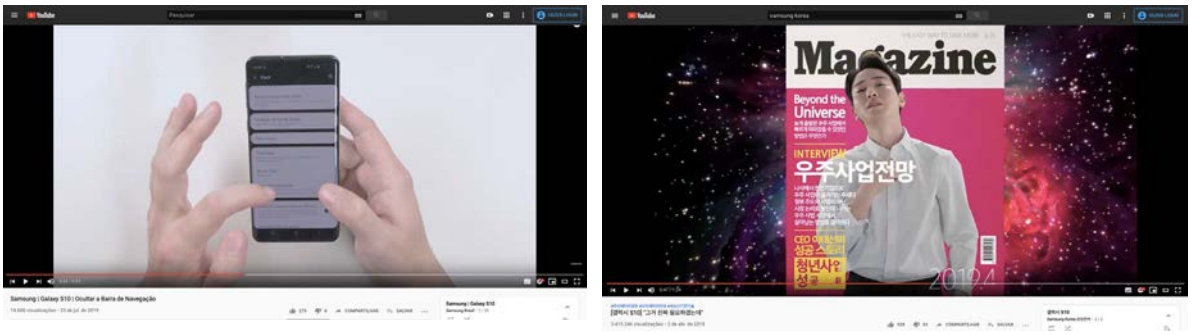
To better understand the online advertisement, an analysis of the S10 series ads available was categorized and classified into: Product Launch, Feature Launch, Feature Tutorial, Discounts/ Promotions, and Insurance (Table 8). It is possible to note that each country has a different strategy regarding the type and intensity of advertisement. Brazil and Korea presented the most differences both in intensity and content. In Brazil, there is a special section for Features Tutorials video aiming to teach consumers on how to use the product. On the other hand, the content used in the Korean advertisement is typical about the country, with a unique kind of humor and storytelling (Figure 10).

Table 8: Categories of Samsung Advertising Videos on Youtube

	South Korea	Brazil	France	United States
Product Launch	2	4	3	2
Feature Launch		9	7	2
Feature Tutorial		19		
Discounts and Promotion		1		
Insurance			1	
Total	2	33	11	4

Source: Based on SamsungMobile; SamsungMobileKorea; SamsungMobileBrasil; SamsungMobileFrance; SamsungMobileUSA, 2020.

Figure 10: Differences in Promotion between Brazil and South Korea

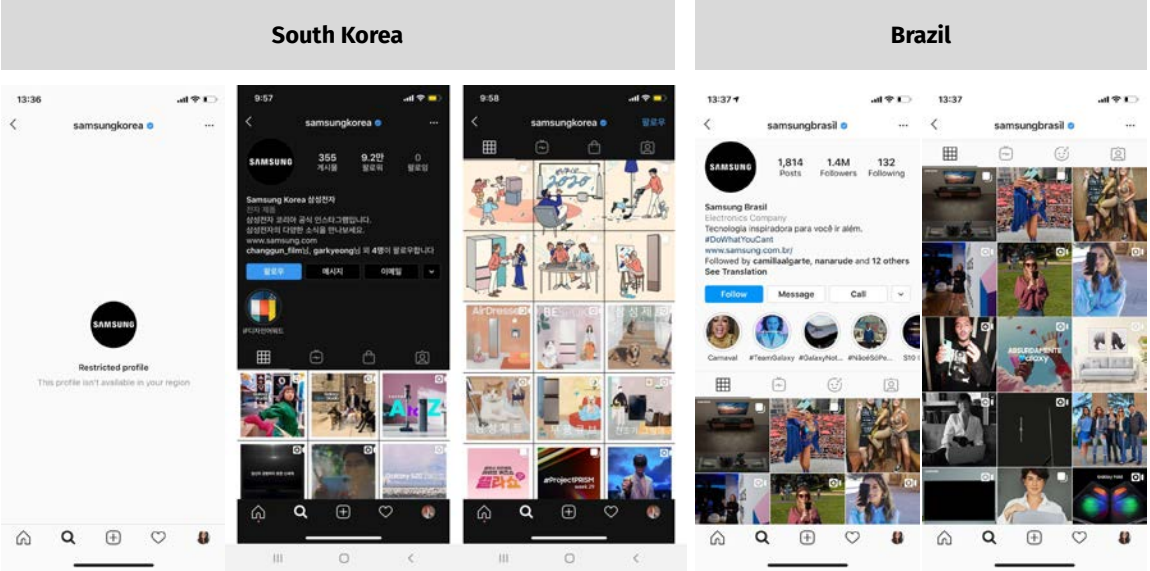


Source: Adapted from SamsungMobileBrasil; SamsungMobileKorea, 2020.

Social Media

Brazil, France, and South Korea have their own Samsung Instagram profile; the United States is the only country that has both a Samsung and a Samsung Mobile Profile; China does not have a Samsung profile due to its social media censorship; and South Korea's profile is private and can only be accessed by people who are in the country. The South Korea's account has a lot of graphic design figures and few people pictures. On the other hand, in the Brazilian account it is possible to note a more relaxed content, with several photos of people using the products.

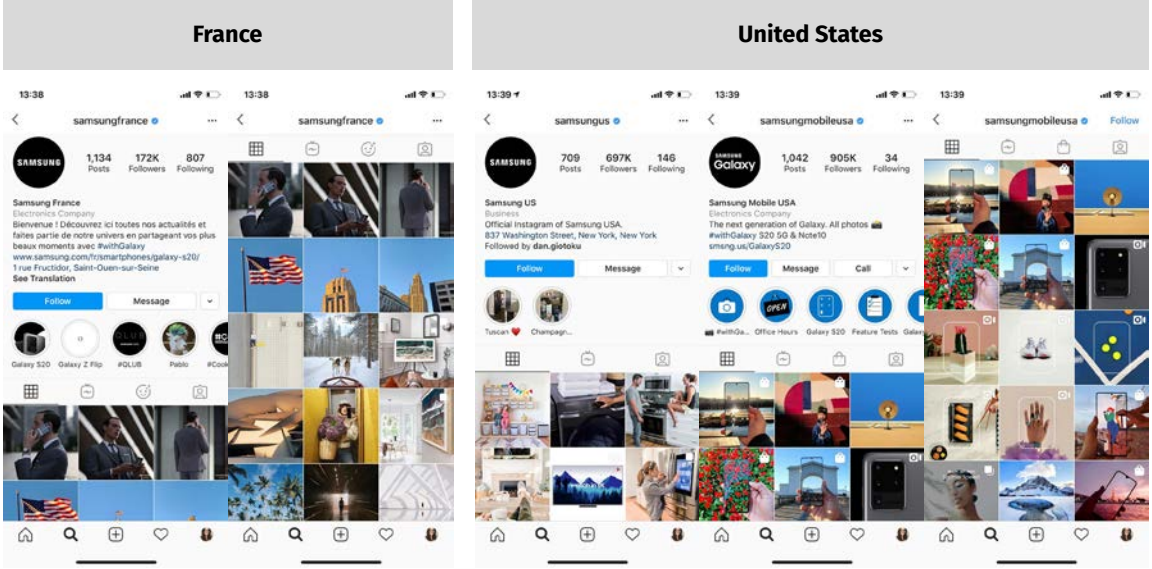
Figure 11: Samsung Instagram account in South Korea and Brazil



Source: Samsungkorea; Samsungbrasil, 2020.

Comparing the French and the American accounts, it is possible to note that both have more pictorial content. However, the pictures in the French account looks more serious and architectural, while the American is more playful and colorful (Figure 12). Finally, as noted in the YouTube analysis, it is possible to conclude that the countries adapt the content of their Instagram account.

Figure 12: Samsung Instagram account in France and United States



Source: Samsungfrance; Samsungus; Samsungmobileusa, 2020.

4.3.4. Price

Pricing determines the value perceived by the target consumer in a competitive context. Dolan and Simon (1996) support that the perceived value represents the maximum price consumers are willing to pay for a determined product. Therefore, companies should use this concept when deciding their pricing. To analyze Samsung pricing strategy, Apple was chosen as a key competitor due to its presence and importance in all countries analyzed. Apple´s 11 series is comparable to the Samsung S20 series, and Apple X series is comparable

to Samsung Galaxy S10 series in terms of features and launching date. Apple has a bigger variance in price, with the iPhone 11Pro Max and 11Pro targeting a more high-end consumer. For Samsung, the pricing strategy is similar in South Korea, Brazil and China, where the prices follow the complexity of the product (S20 Ultra > S20+ > S20 > S10+ > S10 > S10e > S10 Lite) and at the same time the storage capacity (1TB > 512GB > 256GB > 128GB). Some differences can be noticed in the United States, where Samsung has a price strategy similar to Apple. The S10+ in France has a minor adaptation in pricing being cheaper when compared to other countries. Regarding the pricing component of the marketing mix, Samsung has a global strategy that is slightly adapted in each country.

4.4. Qualitative Interviews

The conversation with consumers and native people from de analyzed countries were crucial to understand how cultural aspects influence business. Some of the most interesting findings were:

I. **Product - Colors of the products available in the website:** the Chinese culture has a particular way to talk about colors, where the traditional structure uses something that represents the color and an adjective, plus the color. Also, this is a way to give the color a more meaningful cultural aspect;
II. **Placement - Main channels used to purchase cellphones, specifically Samsung models:** although the distribution strategy is similar in the different countries, the names of the sales outlets vary by country;
III. **Promotion – Social media:** as China has a censorship of media, different channels for promotion are used. The qualitative interviews with native Chinese were crucial to find out more about the media used in the country.

Interviews with Samsung employees reinforced that there are internal processes common to all Samsung branches. The company keeps one local employee and one Korean employee in all top management position as a strategy to guarantee the same standards in all countries. Most of the information confirmed the findings from the secondary data analysis: basic product specification is the same but some aspects may differ according to local market preferences (memory, battery and selfie camera), pricing strategy is defined based on product specifications and local competitors and most volume is sold by retail distributors. Regarding promotional strategy, Samsung has invested heavily in promoting its products and strengthening the brand through social networks as Instagram confirming that part of the strategy is defined globally and part locally.

5. Conclusion and implications

The objective of this study was to identify how Samsung establishes its marketing mix strategies (product, placement, promotion, and price) in four countries: Brazil, China, France, and the United States compared to its headquarters considering standardization and adaptation approaches. In overall, it brings light on how multinational companies, specially Samsung, are working their marketing mix. From the analysis, it is evident that Samsung applies both strategies: standardizing its core competencies and characteristics and adapting some parts of its strategy to fit with local culture. The present study confirms that the theories in the literature review are up to date and contributes to create a practical and applied case of how multinational companies implement their strategies in a globalized world.

For the Product element of the marketing mix, some product lines are available in some countries analyzed, showing that the company adapts the breadth in the product line planning. This adaptation can also be found in the length and depth, as the number of items offered is different – for example, the S10Lite is present only in Brazil and France. Although the company keeps its products essence, there are some adaptation regarding storage size, colors available and colors name. The Placement strategy of Samsung shows that there is a combination of direct and indirect distributors and physical and online stores in all the countries.

By analyzing YouTube videos and Instagram profiles, it is possible to conclude that the company has an overall Promotion strategy, but each country has the flexibility to adapt it and create new content. The Brazilian YouTube page has a special section of Feature Tutorial videos that aims to teach consumers on how to use the product, and the content used in Korean advertisement is typical in that country, with a unique kind of humor and storytelling. In the Pricing strategy, Samsung clearly has a global strategy that is slightly adapted in some countries depending on the context. United States changed their price positioning towards a more expensive brand like Apple. In France, the S10+ has a minor adaptation in pricing being cheaper when compared to the other countries.

The qualitative interviews reinforce the information found and bring light to some cultural aspects behind decisions to adapt locally, demonstrating a coherence between customers´ and employees´ perception and the strategy implemented. In a nutshell, the company applies a Transnational strategy, with both high integration and high differentiation. The brand is known by the advanced technology and innovation, and this perception is consistent throughout the world due to the maintenance of its core competencies in different places. But also, the company can successfully create competitive advantage by being responsive to cultural and local adaptations. The present study contributes to the international marketing management field, as it presents a case study on how an established brand in the mobile industry applies its marketing mix strategy in four different countries compared to its headquarters and balances the standardization and adaptation concepts on its implementation.

6. Limitations

This is a case study applied to a company, Samsung, in four different countries (Brazil, China, France, and the United States) compared to the headquarters in South Korea, thus cannot be generalized to all multinational companies due to cultural and organizational aspects influencing it. Finally, the study could benefit from an internal data analysis and more interviews with internal people.

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