

# Samsung and AI: Changing Business

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## Objective

The objective of this case study is to examine Samsung's utilization of artificial intelligence (AI) to drive innovation and enhance its product offerings. The study will focus on the key aspects of Samsung's AI strategy, namely Integration of AI into Samsung's corporate practices and services, Challenges faced by Samsung in incorporating AI into its corporate practices and the company's approach to addressing these challenges, Impact of Samsung's application of AI in its industry as well as the company's market position in the Internet of Things (IoT) industry. The case study will provide insight into the benefits and challenges of incorporating AI corporate practices and highlight the impact that a strong AI strategy can have on a technology company's market position and innovation efforts.

## Introduction

Samsung, a South Korean electronics company, entered the Indian market in 1995 and has since established itself as one of the leading smartphone and consumer electronics brands in the country. The company has a strong presence in India, with multiple research and development centres, manufacturing plants, and retail stores. In recent years, Samsung has been praised for its corporate social responsibility practices in India, such as implementing eco-friendly initiatives and partnering with local organizations to improve communities. However, the company has also faced criticism for some of its business practices, such as allegedly violating labour laws and exploiting natural resources. Overall, Samsung's entry into India has had a significant impact on the country's economy and technology industry.

## About Samsung and AI

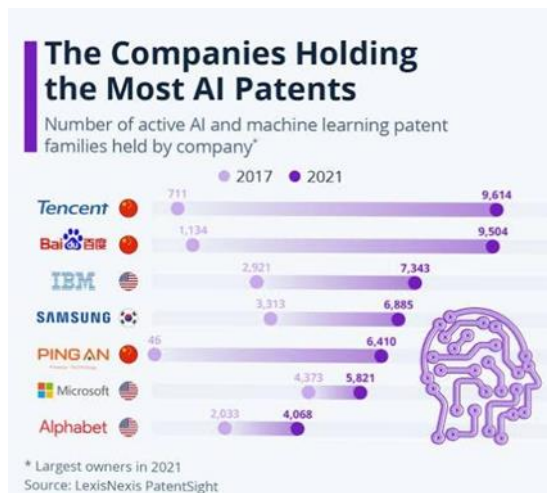
Samsung is a South Korean multinational electronics company founded in 1938 by Lee Byung-Chul. Initially a small trading company, Samsung has grown over the years to become one of the largest and most recognizable technology brands in the world. The company offers a wide range of products, including smartphones, televisions, home appliances, and semiconductors. Samsung is also a major player in the global technology industry, with a strong presence in areas such as artificial intelligence and virtual reality. Over the years, Samsung has faced challenges, including intense competition and controversies over its business practices. Despite these challenges, the company has continued to innovate and grow, establishing itself as a leader in the technology industry and a major contributor to the global economy.



Fig. 1: The Samsung logo, featuring the company's name in blue letters against a white background, is simple yet recognizable. The blue colour represents reliability and stability, while the stylized letters are meant to convey a modern and innovative image. The overall design is intended to convey a sense of trust and confidence in Samsung's products and services.

Samsung is a South Korean multinational electronics company that has experienced significant growth and expansion over the past few decades. The company was originally established as a small electronics shop in 1938 and has since grown into one of the largest technology companies in the world. Samsung's growth has been driven by a focus on innovation and a commitment to research and development, as well as strategic acquisitions and partnerships. The company offers a wide range of products, including smartphones, televisions, home appliances, and semiconductors, and operates in several countries around the world. Samsung's success and growth have made it a major player in the technology industry and a recognized brand globally.

## AI Strategies To Capture The Market



**(fig 2: Samsung is the industry leader when it comes to patents, no other company has been nearly as close in the cell phone industry)**

Samsung has been at the forefront of incorporating AI technology into its products and services, making it a leader in the market. The company has achieved this through a combination of innovative research and development, strategic partnerships, and strong branding.

One of the key ways in which Samsung has captured the market with its AI technology is through the incorporation of Bixby, its virtual assistant, into its flagship smartphones. Bixby has been designed to be highly intuitive and provide a seamless user experience, allowing consumers to access information and perform tasks hands-free. This has made Samsung smartphones particularly appealing to busy professionals who value convenience and efficiency.

In addition to Bixby, Samsung has also invested heavily in developing AI-powered home appliances, such as refrigerators and air conditioners, which can be controlled through voice commands or a smartphone app. This has allowed the company to tap into the growing demand for smart home technology and has given it a significant advantage over its competitors.

Another way in which Samsung has captured the market with its AI technology is through its partnerships with leading technology companies and start-ups. For example, Samsung has formed a strategic partnership with Harman Kardon, a leading audio company, to develop AI-powered home theatre systems. This partnership has allowed Samsung to offer consumers a unique and personalized home entertainment experience, further enhancing its position in the market.

Finally, Samsung has also leveraged its strong brand image to promote its AI technology. The company has consistently positioned itself as a leader in innovation, emphasizing its commitment to incorporating cutting-edge technology into its products. This has helped to create a strong brand perception, which has translated into increased consumer trust and loyalty.

In conclusion, Samsung's investment in AI technology has played a significant role in capturing the market. Through innovative research and development, strategic partnerships, and strong branding, the company has established itself as a leader in the field and has successfully differentiated itself from its competitors.

### Samsung in India

Samsung has been implementing an AI-focused strategy in the Indian market in recent years. Some of the key initiatives taken by the company include:

- **AI-powered smartphones:** Samsung has launched several AI-powered smartphones in the Indian market, such as the Galaxy S21 and the Galaxy A52. These smartphones use AI-powered cameras and other features to enhance the user experience.
- **AI Research Center:** Samsung has established an AI research center in Bengaluru, India, to support the development of AI-based solutions for various industries in the country.

- **AI-based customer service:** Samsung has implemented AI-powered customer service in India, which helps to improve the overall customer experience by providing quick and accurate solutions to customer queries.
- **AI in home appliances:** Samsung has introduced AI-powered home appliances in India, such as refrigerators, washing machines, and air conditioners, that use AI to provide enhanced performance and energy efficiency.

In terms of market analysis, the Indian AI market is expected to grow at a CAGR of over 50% from 2020 to 2025, driven by increasing adoption of AI-powered technologies in various industries. Samsung's focus on AI in the Indian market positions it well to take advantage of this growth opportunity.

Overall, Samsung's AI strategy in the Indian market is aimed at delivering innovative and user-friendly AI-powered products and solutions to customers, while also tapping into the growing demand for AI in the country.

### **Samsung : Customisation for Indian Market**



Samsung tailored its products to the Indian market by:

- **Localizing products:** Samsung offers a range of smartphones that cater to the specific needs of Indian consumers such as dual SIM capabilities, long battery life, and affordable price points.
- **Manufacturing in India:** Samsung has established manufacturing facilities in India, which has enabled the company to reduce costs and increase accessibility to its products for Indian consumers.
- **Focusing on affordable premium devices:** Samsung offers affordable premium devices in India, which provide consumers with a high-end experience at a lower cost.
- **Customizing marketing campaigns:** Samsung tailors its marketing campaigns in India to reflect local cultural values, preferences and spending habits, as well as to promote its products as culturally relevant and accessible.
- **Partnering with local retailers:** Samsung has formed partnerships with local retailers and distributors to increase its reach and accessibility in India's vast and diverse market.

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