How Big International Companies Compare: Mobile Phone Industry

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In the current world, mobile phones have become almost a basic need for life. It is unimaginable of how life would be without cell phones. The pervasiveness of mobile industry has enhanced communication across international borders. Moreover, most cell phones today have phenomenal applications and features that support aspects such as social networking, photography, online payment, video conferencing, online chatting, and gaming among others. The cell phone industry has experienced stiff competition attributing from the growing demand for the latest mobile phone with exceptional features. The development of information technology, internet technology, and communication has led to the stiff competition in the cell phone industry with global cell phone manufacturers investing on marketing strategies to grow sales of their brands in the highly competitive global market (Edmondson et al., 2014). Every company adopts the latest features in the mobile brands to suit the demand of the technologically savvy customers. This has led to stiff competition in mobile phone sales globally.

This paper has selected three major competitors in the mobile industry including Samsung, Apple, and Huawei. The three companies have taken significant positions in the market and have made remarkable sales from their brands. There are other companies such as ZTE, Sony, LG and the growing companies like Oppo, Infinix, Xiaomi, and HTC among others that make the mobile phone industry adopt innovativeness to drive sales while establishing brand values and remain relevant in the market ("Top 10 Best Mobile Phone Companies in The World", 2017). This paper discusses various aspects of the competitive mobile phone industry with a focus on the three selected companies - Samsung, Apple, and Huawei. The paper compares and contrasts the existing cultural models and the economic systems existing in the global market. Besides a highlight of changes to drive changes in Apple Company are discussed.

Compare and Contrast Cultural Models

Culture has a significant impact on international business, and for this reason, several cultural models have been put forward to examine implications of the cultural models of global firms. The main cultural theories of international business were identified by Halls, Hofstede, and Trompenaars and Hampden-Turner. The three models are commonly known as the Globe model, Hofstede's model, and 7D model (Shi & Wang, 2011; Trompenaars & Hampden-Turner, 2011). The models were adopted from an extensive research examining managers and staff cross global firms to identify the key aspects of culture in international business. The three models share some similar approaches focusing on the importance of cultural values and beliefs in impacting the cultural norms of social groups in different nations. Besides, there are noticeable differences in the variable used to examine cultural dimensions and the rational approaches used to explain the different dimensions of culture.

Globe model analyzed the cultural dimensions in a nation and their impact on global leadership. The model expounds further on Hofstede's approaches of culture within a nation. Globe theory refers to Hofstede's theory but further claims that there is need to move from the simplistic theory of cultural dimensions within a nation. Venaik and Brewer (2013) argue that some of the dimensions were poorly constructed and lacked validity to produce a comprehensive and theoretical sound cultural theory. Globe research explored cultural dimensions at different levels in various organizations and societies. The theory provided nine cultural dimensions based on time, space, things, friendship, and agreements; adding four dimensions to the five dimensions constructed by Hofstede (Shi & Wang, 2011).

Hofstede model was constructed from research conducted by surveys and interviews with IBM employees across 66 countries. Hofstede identified five primary cultural dimensions

including, individual-collectivism, uncertainty avoidance, power distance, masculinity-femininity, and Confucian dynamism. Hofstede's theory is one of the most used approaches in cross-cultural research and various disciplines such as global leadership and international management (Beugelsdijk *et* al., 2017).

Trompenaars and Hamden-Turner identified seven dimensions of culture after examining managers across different countries. These dimensions include; collectivism versus individualism, affective versus neutral relationships, universalism versus particularism, specificity versus diffuseness, orientation toward time, achievement versus ascription, and internal versus external control (Trompenaars & Hampden-Turner, 2011). The theory is commonly known as the 7D model.

The three cultural models provide different and overlapping frameworks to identify the several dimensions of culture and their influence on international management and leadership. In essence, the approaches articulate the need for organizing the overlapping cultural dimensions in the society to avoid cultural conflicts that may be costly to a global organization (Cavusgil *et* al., 2017). Ultimately, managers and global leaders must engage in cross-cultural learning and training to develop and multicultural organization in an international market with different cultures.

Recommended Model for Samsung Company

International companies prefer to integrate the three models rather than focusing on one model to enhance cultural awareness and realize the benefits that accrue from utilizing the combination of the three cultural models. According to Cavusgil *et* al., (2014), companies project cultural theories in their corporate and organizational culture, leadership, marketing, internal and external communication, branding, business negotiations and partnerships, and problem-solving. In this case, the most appropriate model that Samsung should adopt is centered on a corporate

culture that augments strong corporate ethics focusing on volunteerism and corporate social responsibility in the community. This humanistic approach will ensure that Samsung is accepted as a global corporation that places the concern of the people at their core business management. As recommended by (Cho *et* al., (2014), Samsung should focus on growing the brand value by creating awareness that the brands are designed to empower the technological and educational needs of the people which are important aspects of the economic progress of the society. Samsung's branding should emphasize on selling the brand with a humanistic perspective to the cultural dimensions of the people such as democracy and transcendence in the society (Chung-gu, 2015). Ultimately, the integration of Hofstede's cultural model in the organization will improve the corporate culture and ensure unique in the functionality and designs of the Samsung brands.

Economic Systems

The mobile phone industry involves the creation of an innovative brand that suits the needs and functionality expectations of the customers. For this reason, product differentiation strategy is the most appropriate economic system for the three companies. The economic system will drive competition in the industry thus ensuring the firms focus on creating brands that are highly differentiated in the market. Considerably, this will result in brand equity while providing an opportunity to provide unique products targeting a particular market segment. Consequently, product differentiation strategy improves the revenues and the market share (Cecere *et* al., 2015).

Potential Effects of the Economic System

Notably, product differentiation strategy may create the following potential effects on the global mobile phone industry.

I.   Reduced production costs: With product differentiation, it is likely that companies will focus on economies of scale by producing more products for different market segments thus reducing the production costs (Cecere *et* al., 2015).

II.   Opportunities for multiple raw materials suppliers: With product differentiation, companies will use different products from different suppliers providing competitive advantages for unique brand products in the market. This also ensures companies change their brand specifications to suit the changing customer needs, tastes and preferences.

III.   Enhance customer satisfaction: Differentiation ensures companies are more innovative and improve on productivity to suit customer needs (Peppard & Ward, 2016). This creates opportunities for partnerships boosting growth in the industry thus contributing to the global economic progress.

Actions to Drive Economic Progress

Nations may be ranked depending on their economic development; hence the differential of developed, underdeveloped and developing countries. One of the major factors that contribute to the economic progress is the political stability, gross domestic product, national revenues, and economic balance of imports against exports. The three companies can enhance the economic development of the society following the proposed generic actions;

I.   Economic interventions: Realizing the existing gaps and opportunities in the market economies and assisting in growing the market to fill the economic gaps and provide more opportunities for international investments in the market.

II.   Establishment and implementation of sustainable development plans: This will ensure the growth and stability of the national economic progress.

III.   Political stability and economic empowerment of the society: This involves creating opportunities for international investors while safeguarding the local industries and empowering the small and medium entrepreneurship. Regulations and policies to control international business and ensure consumer protection should be implemented (Cecere *et al.*, 2015).

Leader at Apple Company

I would be interested in leading Apple Inc. This is due to the growth of the market and its focus on innovativeness. Moreover, am a tech savvy and I have always been amused by Apple products ranging from my iPhone 5s and MacBook. Besides, I have followed reviews of Apple employees, and I am interested in how Apple value their employees as essential aspects of the organization. Also, it would be an exciting opportunity to lead a globally recognized company for its innovative products and growth in the revenue and market share (Jun & Sung Park, 2013).

Steps to Becoming a Global Leader

Becoming a global leader in an international company entails adopting global leadership and management skills. I would enroll in seminars and learning platforms focusing on global leadership. Also, I would focus on international traveling to interacting with different cultures. Trompenaars and Hampden-Turner (2017), emphasized that cultural awareness is an important aspect to be successful global leaders. Lastly, I would participate in global leadership and management talks, discussion forums and programs to enhance my communication across diverse cultures (Nahavandi, 2016).   In essence, learning globally recognized languages would be an added advantage as a global leader in eliminating the language barrier during communication.

Global Changes at Apple Company

To conclude, as a global leader at Apple Inc., I would ensure growth in the market share by expanding to potential global markets including China, Brazil, Russia, and India. Additionally, I would grow the market share by investing in asset management through partnerships with corporations in manufacturing industry and real estate sectors. Moreover, I would ensure that the human resource department is effectively delegating its roles. Apple should source raw materials from rivalry companies such as Samsung's processors' manufacturers and labor from respective countries with a large workforce. Lastly, the company should ensure transparency in all its operations ensuring retention and loyalty of the existing employees while attracting competent staff to work for the company.

Conclusion

In conclusion, culture is an important aspect of international management and leadership. Global companies should ensure they are aware of the existing cultural dimensions in different markets to avoid cultural conflicts that may ruin the reputation of the organization. Global leaders focus on cross-cultural management to ensure they have a competitive advantage in leading across different markets internationally.

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