

How *explosive* should the launch of the new Samsung Galaxy Note8 be?

TEACHING NOTES

The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

Teaching plan

The purpose of this teaching plan is to help the case instructor(s) in gaining a comprehensive understanding of the case and its learning objectives. Further, it will serve as a guiding tool to prepare, organize and structure the case presentation, and to create an engaging case discussion with active participants for optimal learning outcomes. The target audience of this case can be master's degree students in the course *Corporate Brand Management and Reputation* at Lund University but also other collegians—from schools all over the world—that pursue an undergraduate or graduate degree related to business. Moreover, the case is also of interest to researchers and practitioners by basing on a real-life managerial crisis.

The teaching plan consists of a brief case summary with a rationale for being an evergreen case, in-depth learning objectives and an overview of key learnings. In addition, it provides productive discussion questions and detailed teaching suggestions, including a board and a time plan.

Case synopsis

In August 2016, Samsung launched the Galaxy Note7, but the initial excitement of both the company and the market dropped painfully after only a few days when reports covered phones that were bursting into flames. With an increasing number of incidents and massive media coverage, Samsung had to quickly step up its actions from a reluctant withdraw to a global recall within only one month. Hence, the company's newest flagship product did not yield high earnings but, in fact, caused tremendous costs through the overall crisis handling and a record-breaking recall. As a consequence, the next phone model—and a version of the same product line—was loaded with an urgent need to compensate for the crisis, and to gain back trust. Therefore, the following question arises:

How should Samsung communicate the launch of the new Samsung Galaxy Note8 and how should the company—if at all—refer to the previous crisis?

Rationale for being an evergreen case

This case proves relevant due to exceptional insights to and learnings from management decisions that were taken *after a crisis* and *before a launch*—and this time stretch can be considered as one of the most sensitive periods. Further, the case touches upon both crisis management and corporate communications and, thus, allows for challenging and complex discussions spanning from crisis handling to a company reset. Hence, the case encourages the development and evaluation of solutions by giving room to an abundance of potential management decisions that affect a corporate brand on the whole.

Moving beyond the corporate level, this case affects societal concerns by dealing with the sensitive topic of product safety that can be identified as one of the customers' primary interests. Nevertheless, the customers can neither access or assess all information needed so that a company's (and industry's) competence and conscience to provide material must both grow and change. As a consequence, "traditional" marketing communication for products of all kinds may shift from a pure or primary focus on pioneering performance towards another kind of essence, or else wise change in its structure.

Many lessons can be learned from this specific case study and applied to other corporate (crisis) situations. Hence, the case can be considered as an "evergreen case" and as a valuable exercise for both researchers and practitioners.

Learning objectives

After reading and analyzing this case, the participants should have gained increased knowledge in the areas of corporate brand identity and reputation, corporate communication and, finally, also crisis and change management. Hence, these areas will be outlined in the following paragraphs and augmented with theories and models that prove relevant for a profound understanding of the case and successful solution-finding. Further, they also exemplify how relevant theories relate to actuality, and how these can be applied in similar business situations.

Corporate brands

In contrast to a product brand, a corporate brand focuses on the whole enterprise rather than its individual parts, and it personalizes an organization in regard to its heritage, values, beliefs and behavior (Roper & Fill, 2012). Hence, it creates long-term value from the company's positioning, activities, portfolio and employees with a common set in symbolism, communication and behavior (Roper & Fill, 2012).

For corporate brands, it is important to distinguish different building blocks: *corporate personality* as a company's core nature ("what it is"), *corporate identity* as the company's presentation and differentiation ("how it wants to be perceived"), *corporate image* as the company's interpretation by stakeholders ("how it is perceived"), *corporate reputation* as the overall estimation of opinions by stakeholders ("how it is held"), and *corporate communications* as the company's management and marketing ("how it communicates") (Roper & Fill, 2012). A company's reputation is usually referred to as the accumulation of the brand's image so that the specific and short-term perceptions by stakeholders accumulate in general and long-term assets (Roper & Fill, 2012). Hence, a company's image is likely to change more quickly than its reputation, but in times of a crisis, both are at risk (Greyser, 2009).

Corporate Brand Identity and Reputation Matrix

The Corporate Brand Identity and Reputation Matrix (CBIRM) combines both corporate brand identity and corporate reputation in a single managerial framework

to simplify the process of structuring and to evaluate a brand in success and/or crisis (Greyser & Urde, 2016). The CBIRM (**Exhibit 1**) is structured as a three-by-three matrix with directing towards an outer “space” (**Figure 1**). Here, the company’s brand core shapes all surrounding elements that echo the company’s promise and values and, further, build a reputation (Greyer & Urde, 2016). Hence, the most severe cases of reputational damage are those that affect the brand’s essence.

With the exploding batteries of the Galaxy Note 7, Samsung faced a severe crisis that threatened the brand essence of giving innovation to people with the highest standards of security (**Figure 1**). As a consequence, most elements were affected and the company’s credibility, performance and trustworthiness decreased significantly with also with a weak value proposition and a declining position that lead to low-level relevance and differentiation on the market. Yet, Samsung managed to re-gain these crucial assets with the launch of the new Galaxy Note 8, and the company’s high commitment during the crisis has proven strength in terms of attitudes and behavior. Further, the company sustained its authenticity with strong communication (talking), core values (being), stewardship (staying) and reputational reservoir (defending) (Greyser, 2009).

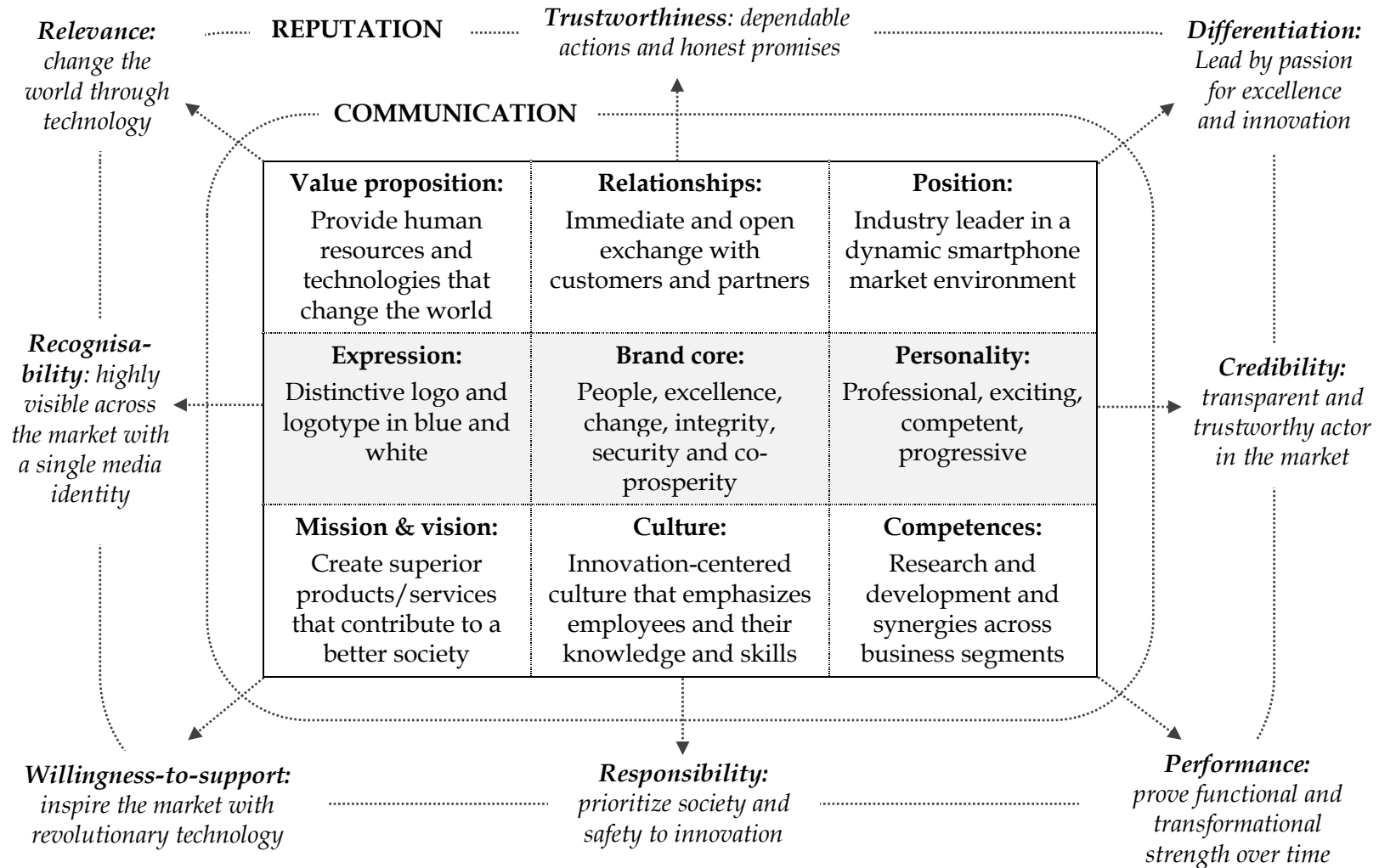
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Reputational reservoir

Knowledge of how a reputational reservoir can help in times of a crisis adds another perspective to understand how Samsung could recover so well from the Galaxy Note7 incidents. In general, reputation is an intangible asset that both supports and protects a business at all times, but building a reputational reservoir takes additional (and a rather outstanding) amount of time and the involvement of a multitude of stakeholders (Greyser, 2009).

Samsung has spent around 80 years on building a reservoir of goodwill and trust among its stakeholders. Therefore, the company’s steady reputation and history of making high-quality, innovative, and safe products with a strong customer focus serve as a reliable foundation. Based on this well-developed reputational reservoir, the company was able to (1) *draw from* the existing and positive reputation among both shareholders and stakeholders for the crisis’ solution, (2) *provide for* a new and developed reputation, and to (3) *maintain* the reputation’s core: giving innovation to people with the highest standards of security.

Figure 1 Corporate Brand Identity and Reputation Matrix (Urde & Greyser, 2016) applied to Samsung

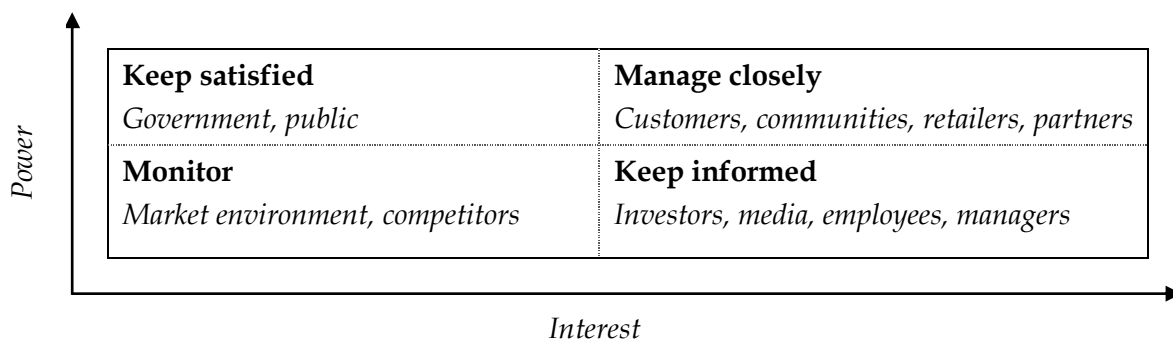


Stakeholder Management

Stakeholder management refers to the process of engaging in and maintaining a good relationship with internal and external actors, and anyone that has a relevant linkage and influence over the business is crucial (Roper & Fill, 2012). In times of a crisis, it is especially vital to provide transparent information to, for example, employees and investors (internal), and customers, the media and the public (external) while keeping the stakeholders' different interests in mind (Roper & Fill, 2012).

To manage stakeholder relationships efficiently, it is essential to address and prioritize the relevance of each group and to regularly conduct stakeholder analyses to identify and assess their influence and importance (Friedman & Miles, 2006). Here, a company can weight a respective group's importance against the most important factors relevant to either a particular issue or the business overall. Further, the power/interest matrix allows a company to identify key stakeholders that possess the main power over how an issue will evolve (**Figure 2**). In times of crisis, it can also help to prioritize actions.

Figure 2 Power/interest matrix (Johnson, Scholes & Whittington (2005), adapted from Mendelow (1991)) applied to Samsung



A stakeholder group with high power and high interest should be fully engaged, and a company should make a strong effort to satisfy them. Further, stakeholders with high power but less interest should be kept satisfied while stakeholders with low power, but a keen interest should be sufficiently informed and integrated due to their potential knowledge and engagement. Lastly, stakeholders with low power and a low interest should be monitored and kept in contact with minimal efforts in communications.

For the Samsung case, the matrix suggests to closely manage customers and retailers due to their high interest and power, and it is recommended to evaluate communities and partnerships carefully. Further, these stakeholder groups are not only most affected by the Galaxy Note7 incidents but also most crucial for the Galaxy Note8 launch. The media, on the other hand, is an important voice that must be informed and integrated to prolong the company's message and also to gain reach. Moreover, it is important to keep the investors and governments both informed and satisfied by highlighting the company's efforts to solve the incident and introduce a market-driving new product.

Samsung's employees and managers remain key stakeholders all along the process as the company's outward mirror, and they must properly be informed and integrated to secure engagement and security. Here, it is important to provide transparent information and to openly create a dialogue. Finally, the public and market movements, including competitors must be monitored to identify second-order consequences.

Corporate communication

Corporate communication rules over the content that an organization is willing to share about itself with the aim to explain the mission, reinforce the vision, depict the values, create reputation, declare change and raise awareness – hence, it is directed to both internal and external stakeholders (Roper & Fill, 2012). Further, it gives the corporate strategy both a direction to assure performance and a platform to develop relationships as a strategic stakeholder activity (Roper & Fill, 2012).

The corporate communication mix spans primary, secondary and tertiary levels that have all been balanced in the present case with experience from, advertising towards and a conversation among stakeholders (Roper & Fill, 2012). Here, communication can serve transitional and functional outcomes to either relate to or persuade stakeholders (Roper & Fill, 2012) and the manifold Samsung case had been able to depict both: providing information with the incident investigation (=transitional) and positioning the brand with the product launch (=functional). Interestingly, the case also highlights Samsung's hybrid strategy to stress both the organization's expertise and its social responsibility (Roper & Fill, 2012).

In times of a crisis, corporate communication does not only feature top-down communication from the management but also bottom-up conversations between stakeholders (Roper & Fill, 2012). As a consequence, Samsung lost control to a certain extent and the brand's credibility had been at the mercy of disillusioned stakeholders. After a long period of silence during the investigation, however, the company fully focused on providing honest information with only little or no focus on persuasion or even manipulation. Hence, the chosen public information approach with a one-way flow (Roper & Fill, 2012) enabled the brand to diminish attacks and to, subsequently, commence the launch in the sense of a two-way approach with reciprocal exchange. Both approaches can be analyzed by the means of style, tone, timing and additional identifiers of a media identity that allow for visibility, distinctiveness and authenticity (Roper & Fill, 2012). Samsung had proven to communicate accurate information with the inherent truth in a consistent and most formal manner but forfeited timely (sufficient) reactions to the media reports and arising questions – here, the company could have communicated even though essential information was still missing. However, the company gained back trust by subsequently invoking all communication efforts, proficiently handling the recalls and by not having speculated in the first place.

The framing of messages allows a company to shift the audience's attention for a desired decision-making by emphasizing specific issues and/or overshadowing others (Roper & Fill, 2012). Especially during a crisis, this approach allows an

organization to explain the issue and to conduct beneficial storytelling that draws from the company's expertise and serves both defensive and expansive positioning. As a result, Samsung drew the public debate away from the exploding Galaxy Note7 and pushed it towards the new Galaxy Note8. In a way, Samsung kept telling a story with the company's overall performance as introduction, the crisis as main part and the new launch as prospective conclusion.

Overall, corporate communication is destined to influence audiences that—in turn—have the potential to affect the organization with three main dimensions: management communications, marketing communications and organizational communications (Fombrun & van Riel, 2004). Here, the two-sided case of Samsung provides both strong insights into management and organizational communications for the crisis and marketing communications for the launch.

Management communications

Management communications define the endeavor of the senior management to reinforce and represent the company by directly communicating with internal and external stakeholders (Roper & Fill, 2012). Hence, leading managers comply with their role as head of the company but also a symbolic preeminence that can valuably enhance credibility and authenticity (Roper & Fill, 2012). Further, management communications are often considered as most significant by both media and the public (Roper & Fill, 2012). On that account, managers are often seen as the face of the company and especially during crises, they may act as a reliable authority.

The CEO of Samsung addressed the public at an early stage and apologized for the Galaxy Note7 incidents. However, actual communications with substantial information have only been shared after the extensive investigation and the company, by then, strived to communicate as a whole; as a unit. Hence, DongJin Koh fulfilled his role as a professional but also appeared as an individual person that was deeply affected by the harmful incidents. Also, other leading managers and key players of the company expressed themselves freely, and with candid and honest answers. For this reason, Samsung had been able to assume human traits rather than the cold character of global corporations. The company's leading figures have also inaugurated the "Unpacked" event for the Galaxy Note8 and, thus, set an example for continuity and strength. Further, the CEO's opening speech was reinforced by product experts that demonstrated advanced expertise and also authenticity.

Organizational communications

Organizational communications target the development of relationships with investors, the media and the public to encourage corporate customers (Roper & Fill, 2012). Investor relations are to provide actual and potential investors with the necessary information for an appropriate investment decision while media relations focus on key figures in the journalistic environment (Roper & Fill, 2012). Further, public affairs aim to react to and to influence externalities with knowledge and/or financial support (Roper & Fill, 2012).

Samsung conducted media relations at a rather late stage of the crisis with sharing information via press conferences and releases, and also published interviews – here, the product recall had been fast-paced while the overall knowledge has spread rather slowly. The product launch, however, had been conducted with the full force of activities, including strong publicity and a revealing launch event. For both periods in the company’s most turbulent time, investor relations and public affairs had been maintained at high level. Further, corporate advertising can build awareness and define or defend the reputation among stakeholders especially after a crisis, sourcing from professional, creativity or consistency-based communication (Roper & Fill, 2012). Here, Samsung had been able to emphasize its expertise by constantly communicating what has already been done and what is yet to follow – for both the crisis and the launch.

Overall, Samsung has moved from a crisis towards a fresh start rather fast so that the company’s public relations strategy shifted from being defensive to acting expansive: with providing information first and develop awareness at last (Roper & Fill, 2012). Here, Samsung had been able to meet three major characteristics that Roper and Fill (2012) find most important: a high perceived credibility in terms of objective proficiency, a high degree of attractivity by being honest and able to motivate recipients, and a high degree of power. Consequently, the company had been able to increase its credibility by demonstrating expertise, trustworthiness and likeableness.

Marketing communications

Marketing communications comprise promotional activities to attract and engage consumers and to provide for a successful sale of products or services (Roper & Fill, 2012; Ghauri & Cateora, 2014). Hence, the respective measures must be evaluated as a communications process that consists of a sender and a receiver that – upon encoding and decoding a message – communicate (Ghauri & Cateora, 2014). However, the receivers’ feedback is affected by uncontrollable and unpredictable external influences, and this noise can detract from the intended dialogue (Ghauri & Cateora, 2014). Noise naturally builds up in the market environment but for the launch for the Galaxy Note8, it also – and mainly – circled around the Samsung Note 7’s exploding batteries and sourced from both the public and the media as external forces; and further, rumors came into play. However, Samsung centered and encoded their message around an agreed core theme: that the new phone was the company’s best product yet. Thereby, the company managed to maintain its media identity without generating reminder campaigns. Further, Samsung introduced its Samsung Galaxy 8 with standardized advertising around the world and, thus, emphasized its coherent communication patterns once more.

The promotional mix consists of advertising, sales promotions, public relations and personal selling that all differ in regard to the inherent aim and a long- or short-term focus (Ghauri & Cateora, 2014). Therefore, communication measures can provide functional, expressive, emotional, general or first-strike information to establish authenticity, transparency, consistency and credibility (Roper & Fill, 2012). For the new product launch, Samsung provided both functional and expressive information

with focusing the company’s expertise while distancing from (too) emotional messages that may trigger undesired memories. Here, it is important to acknowledge that the product launch had been an extraordinary activity that crucially differs from day-to-day communications – with distinct key objectives, a wider reach and a greater extent. Further, the product launch of the Galaxy Note8 was the first major marketing communication since the Galaxy Note7’s crisis. Hence, it has also been important to sensitize employees and partners, with a focus on retailers and sales personnel, since the immediate contact between customers and the new product is loaded with experience and emotions but crucial for the company’s success (and recover).

Crisis management

A crisis occurs when a disruptive and sudden event threatens the business or its stakeholders, and the process of dealing with such an event is referred to as crisis management (Roper & Fill, 2012). Crisis management happens along the phases of pre-impact, impact and readjustment to firstly identify and prepare for a crisis, secondly constrain and neutralize the impact and, lastly, recover and realign the business (Roper & Fill, 2012). More specifically, Augustine (1996) outlines six stages that are crucial for crisis management, and each stage requires different actions to minimize potential harm. These steps can be considered in the context of the Samsung case to clarify the company’s handling of the crisis (Table 1), and they also indicate what made the company came out of it as a winner.

Table 1 Six stages of crisis management (Augustine, 1996) and Samsung’s actions

Different stages of crisis management	Required actions	Samsung’s actions
Stage 1: avoiding the crisis	Identify potential risks and threats, estimate cost of prevention	N/A but crisis management most likely exists
Stage 2: preparing to manage the crisis	Make a plan to deal with a variety of undesirable outcomes if the prevention does not work	N/A but crisis management most likely exists
Stage 3: recognizing the crisis	Face reality and start to act accordingly	Two product recalls, refunding, and public apology
Stage 4: containing the crisis	Appoint a crisis group and a spokesperson, and communicate with all stakeholders	Internal and external experts assigned to work nonstop on solutions
Stage 5: resolving the crisis	Show speed and substance in behavior by credible responses	Commitment to getting to the bottom of the incident
Stage 6: profiting from the crisis	Monitor recovery, and learn and implement changes to prevent similar disasters in the future	Improved processes and successful launch of the Galaxy Note8

In contrast to issues management, which scans the environment for latent and active issues of rather minor impact, crisis management is focused on handling major disruptions (Roper & Fill, 2012). Here, a crisis can come in many forms with the company being either a victim, the scenery of an accident or the reason for a preventable event (Roper & Fill, 2012). According to Greyser (2009), companies should, thus, assess the seriousness of the crisis by looking into (1) whether the root of the crisis lies within or outside the business, (2) whether the crisis is related to the brand core, and (3) the potential impact of the brand's reputation and the business activities. Here, several studies have suggested that direct communication and substance are the key factors to rebuild trust and to rescue a brand (Greyser, 2009).

With the exploding batteries of the Galaxy Note7, Samsung faced a severe crisis that comes from within and threatens the brand's *raison d'être* of giving innovation to people with the highest standards of security – further, the incidents were preventable. As a consequence, Samsung showed substance in behavior and took corrective actions with a strong determination to avoid the incidents' repetition. Luckily, the company diminished the crisis only during the crisis' very first stage, when stating that almost every phone was safe, but moved towards rebuilding the brand rather fast with recalling the product worldwide. Hence, the company was not only able to repair the customers' trust in the brand essence but also to increase its credibility.

It is important to acknowledge that Samsung is a highly recognized brand with established values and a history that has influenced the company's ability to handle the crisis successfully. In contrast, a smaller and/or younger company with a less robust reputational reservoir may have suffered more. In line with Augustine (1996), Samsung has proven that deciding what a company stands for in advance of a crisis makes it more likely to manage the crisis successfully. However, a corporate brand's favorable halo (Roper & Fill, 2012) can flip over into a negative one by only one part (or product) ending up in a crisis.

Further, the company proves capable of harvesting the crisis' potential success without fueling the failure and, thus, produces crisis management instead of mismanagement (Augustine, 1995). Nevertheless, a bit of luck does also influence a crisis, its management and its outcomes altogether.

Change management

Change management refers to activities that aim for an organizational transformation to better address new market environments, ranging from small-scale modifications to whole turnarounds (Kotter, 1995; By, 2007). As shown in the Samsung case, changes are often prompted by a crisis with a reactive change management and ad-hoc activities of all shapes and sizes (Burnes, 2004) but they can, nonetheless, be characterized by the rate of occurrence, the type of source and scale (**Table 2**).

The *rate of occurrence* describes the continuity of a change that can come from rapid shifts due to external forces (=discontinuous) or successive adjustments on either operational (=incremental) or strategic levels (=continuous) that – for the latter two types – slowly evolve or happen accentuated (By, 2007; Burnes, 2004).

The *type of source* refers to the initial course of a change that can follow a top-down vision from status quo to the future (=planned) or a bottom-up development with open-ended processes (=emergent) (By, 2007; Senior, 2002).

The *scale*, lastly, depicts the manner of a change that can be characterized by personnel matching procedures (=fine-tuning), distinct modifications (=incremental adjustment), or major shifts to parts of the organization (=modular transformation) or the organization on the whole (=corporate transformation) (By, 2007; Senior, 2002).

Table 2 Characterizations of change (By, 2007) applied to Samsung

Rate of occurrence	Type of source	Scale
Discontinuous	Planned	Fine-tuning
Incremental	Emergent	Incremental adjustment
Continuous		Modular transformation
		Corporate transformation

Table 3 Steps during a change process (Kotter, 1995) applied to Samsung

Steps during a change process	Samsung's actions
Establishing a great enough sense of urgency	Recognized the crisis, evaluated its impact and drew conclusions
Forming a powerful enough guiding coalition	Assembled internal and external experts plus the management
Creating a vision	Developed an engaging safety promise with encompassing changes
Communicating the vision	Shared knowledge and aspirations for the future across the company
Empowering others to act on the vision	Adjusted production and testing processes along the value chain
Planning for and creating short-term wins	Implemented changes and launched the Galaxy Note8 as planned
Consolidating improvements and producing still more change	Retained evaluation and improvement processes, and formulated new visions
Institutionalizing new approaches	Integrated the changes into the business model with highlights in the mission

When examining the Samsung case, it becomes obvious that the company carried out rapid changes after an external crisis (=discontinuous) with clear instructions from the management about changed procedures and processes (=planned) that mainly base in the area of product safety (=modular transformation). However, the organization had been affected on the whole with an ongoing examination of potential improvements (tendency towards incremental changes), reactions from both internal and external stakeholders (tendency towards emergent changes), and an overall sensitization (tendency towards corporate changes).

Kotter (1995) describes a change process as a series of phases that are equally important for a successful transformation. Here, Samsung turned the crisis into an opportunity by following eight crucial steps (**Table 3**). Evidently, the Galaxy Note8 plays an important role in overcoming the crisis and introducing the change. Hence, the crisis and the launch are intertwined and can hardly be evaluated on their own.

Overview of key learnings

Discussing this case allows the audience to achieve vital learnings that range within the areas of brand identity and reputation, corporate communication, and crisis and change management. Here, the key learning objectives are of cognitive nature, referring to knowledge accumulation that can be outlined with Bloom’s taxonomy of knowledge, comprehension, application, analysis, synthesis and evaluation (**Table 4**).

Table 4 Key learnings objectives (Anderson, Krathwohl & Airasian, (2001), adapted from Bloom, Engelhart, Furst, Hill & Krathwohl (1956))

	In the case of companies	In the case of Samsung
Remembering...	...how companies can rise after a crisis by managing the impact and by focusing on the future	...how Samsung managed a high-profile launch after only half a year of recovery from a crisis that affected the brand’s essence
Understanding...	...how different techniques and methods can mitigate brand damage and further build on the reputation	...how Samsung benefited from a strong brand identity, a reputational reservoir, and strategic corporate communication
Applying...	...key concepts of brand management, reputation and communication to develop managerial decisions	...models about brand identity and reputation, corporate communication, and crisis management and change management
Analyzing...	...components of progressing and final managerial decisions and their consequences.	... how Samsung balanced actions and communication for a past-oriented crisis’ and a future-oriented launch’ communication

	In the case of companies	In the case of Samsung
Evaluating...	...how a crisis is managed, and a launch is conducted with long- and short-term objectives	...how Samsung managed the crisis and the launch in a value-adding manner with long-term effects for both brand and stakeholders
Creating...	...a symbiotic action plan for crisis management and corporate communication	...a well-founded solution that allows Samsung to close up the Note7's crisis and introduce the Note8 as new flagship product

Discussion questions

An interactive and engaging case discussion is crucial for achieving the above stated learning objectives. Hence, the case instructor(s) should activate the audience with a straightforward question:

How should Samsung communicate the launch of the new Samsung Galaxy Note8 and how should the company – if at all – refer to the previous crisis?

Further, it is recommended to guide the discussion and to direct thoughts with the following assisting questions:

- What is the status quo and who are the main stakeholders?
- Which parts of the Samsung brand did the crisis affect (the most)?
- How did the crisis affect Samsung's image and reputation?
- How can Samsung assess the crisis' long-term impact?
- How related is the crisis to the brand and/or product name?
- How strong is the association between the affected product (Samsung Galaxy Note7) and the new product (Samsung Galaxy Note8)?
- What communication and brand decisions must follow?

The course of the discussion primarily depends on the audience and respective knowledge, experience, background and motivation. Therefore, the case instructor(s) should consider group dynamics and allow minor digressions that further develop the case. However, transitions and a shift towards solution-finding are strongly advised.

Teaching suggestions

A successful case can only evolve upon an advised presentation, and general teaching recommendations and specific teaching approaches can actively support the achievement of learning objectives. Hence, the case instructor(s) benefit from a detailed guidance along the process of planning, conducting and concluding the case for the first time, and for further usage in other contexts.

Pre-presentation and introduction phase

The pre-presentation phase refers to the thorough preparation of the case instructor, and if several instructors are to present, it is recommended to divide the responsibilities at an early stage: with moderator(s) that present and track time, and recorder(s) that take down notes. Moreover, instructors are advised to become familiar with both the case and the respective company in a timely manner for being able to provide the participants with a thorough understanding—plus, they will be most convincing and engaging as experts. Hence, the “case package” consists of the written case, the management decision, teaching notes and a presentation that will jointly support the instructors to fully immerse in the case. Further, speakers’ notes are provided in the presentation, and these can also be extracted for index cards.

Additionally, an outline of information should be shared with the participants in advance (as electronic memo) and/or before the presentation (as physical print) to establish the case as being “top of mind”. This outline should contain the case background and it can, thus, draw from the case synopsis in this teaching notes and additional material from the written case. Further, the case can be “launched” by sharing media material (e.g. video of an exploding Samsung Note7) to catch attention.

The introduction phase is meant to provide the participants with all information needed for a value-adding discussion. Hence, it is important to present the case in an interesting and inspiring manner to stimulate the audience and to prompt ideas. The presentation provided can valuably support and reinforce the spoken words by highlighting key information and capturing the train of thought—however, it may be updated accordingly. Further, the presentation can be enriched by alternative visual aids (e.g. board drawings) that will also be crucial during the discussion phase.

Overall, it is advised to lead the conversation on a first-name basis to promote openness and feel-good atmosphere. As such, the instructors are advised to present themselves shortly in the beginning and to ask the audience for name tags. Also, an outline of the presentation’s course should be presented to shape the audience’s expectations, and it is further recommended to arrange room for questions after the case presentation and a break between the case presentation and the discussion phase.

Discussion phase

In the discussion phase, the instructors will leave the floor to the audience and ask it to assume the role of members of Samsung’s Executive Board. From this point of view, the participants will answer the main question that should either be visualized on the screen or written on the board. The instructors, on the other hand, assume a neutral position to moderate the conversation—hence, they are not to influence ideas but to guide the development of thought. Further, the instructors bear responsibility to balance the “share of speech” and to give all participants the opportunity to speak their minds since taking turns will broaden the outcomes. For keeping track of the audience’s statements, ideas should be categorized as *challenges*, *alternatives* and *actions* (as later stated in the board plan). More specifically, these can be enquired by assisting questions that can be shared directly or gradually thrown in.

To conclude the discussion, the instructors should summarize main thoughts and negotiated management decisions—this is crucial to “lock in” the learnings. Hence, it is important to keep time, to restrain comments that go too long and/or too far, and to determinedly (but carefully) close up the discussion if needed. On the other hand, it can also be reasonable to end the discussion if interaction declines, and to open it up again after the presentation of the management decision.

Concluding phase

In the concluding phase, the instructors should present Samsung’s management decisions with crucial choices and actual deeds. Subsequently, the audience can evaluate the decision and compare it to the developed ideas from the discussion in regard to advantages and disadvantages, strengths and weaknesses. Here, another discussion may arise that—if time allows it—brings further interesting solutions. Overall, the presentation can be enhanced if the information is visualized, and if concepts and ideas are captured on the board/whiteboard. Further, a given structure of the presentation will crucially determine the subsequent flow of interaction, and the instructors are advised to monitor the audience’s dynamics closely.

Board plan

The board should be used to organize the discussion and to support the audience with relevant frameworks. Here, the instructors make suggestions to set thinking, but the audience can also contribute with suitable schemes. Overall, it is advised to begin with an assessment of the crisis’ outcomes for laying the foundation, and to subsequently shift focus onto the Galaxy Note8’s launch.

Mendelow’s matrix allows the audience to identify key stakeholder groups and to derive a weighted action and communication plan (**Figure 3**). Here, the instructors should briefly introduce the framework before the audience can apply it to the upcoming launch situation.

Further, it is important to develop and evaluate alternative actions, and to recommend a final solution based on relevant criteria and success factors (**Table 5**). Here, a table allows the audience to identify *challenges*, to collect *alternatives* and to structure *actions*. Further, the audience should be reflective and discuss involved risks.

Figure 3 Mendelow’s matrix with Samsung’s key stakeholders

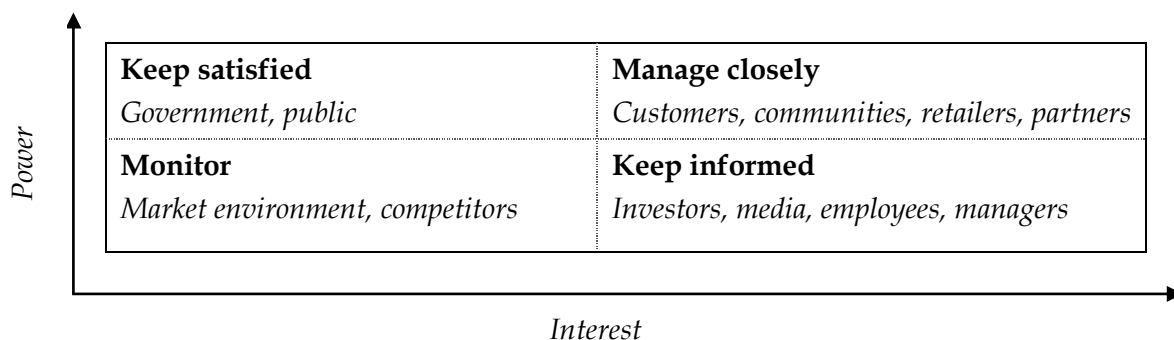


Table 5 Possible challenges, alternatives and actions for the launch

Challenges	Alternatives	Actions
Weak reputation after the crisis	<ul style="list-style-type: none"> • Management communication (i.e. CEO) • Organizational communication (i.e. corporate advertising, media relations, public affairs) • Just closing the chapter and starting off fresh 	<ul style="list-style-type: none"> • CEO publicly apologizes • Conduct a press conference • Publishes information about process changes and improvements
Urgent need for a success	<ul style="list-style-type: none"> • High-profile launch to secure awareness and sales • Identifying key stakeholders that are to be addressed 	<ul style="list-style-type: none"> • Conduct a high-profile launch • Tweet a teaser video • Unveil the Galaxy Note8
Financial burden caused by the crisis	<ul style="list-style-type: none"> • Postponing the product launch • Cost-saving low-profile launch 	<ul style="list-style-type: none"> • Launch the Galaxy Note8 • Focus on the future
High pressure from “the inside”	<ul style="list-style-type: none"> • Bringing all parties involved on the same page • Aligning strategy, objectives and boundaries 	<ul style="list-style-type: none"> • Internally align strategies and objectives • Combine efforts from different departments
Insecurity and anxiety among employees	<ul style="list-style-type: none"> • Management communication • Teambuilding workshops • Newsletters and FAQs 	<ul style="list-style-type: none"> • Integrate employees • Share all information
Ongoing media reports about the crisis	<ul style="list-style-type: none"> • Responding to media reports • Initiating interviews • Publishing in owned media • Highlighting positive reports 	<ul style="list-style-type: none"> • Address the public • Share all information
Unclear associations between Note7 and Note8	<ul style="list-style-type: none"> • Keeping the Galaxy Note product name • Placing the new product within another line 	<ul style="list-style-type: none"> • Keep the product line name • Refer to the improvements
Impact on the mother brand Samsung	<ul style="list-style-type: none"> • Communication by Samsung Electronics • Endorsement by Samsung Group • Conducting market research 	<ul style="list-style-type: none"> • Communication by Samsung Electronics only
Impact on the corporate brand	<ul style="list-style-type: none"> • Organizational communication about all business areas • Communication by other parts of the organization 	<ul style="list-style-type: none"> • Communication by Samsung Electronics only concerning the phones
Impact on the country brand	<ul style="list-style-type: none"> • Partnerships by public/political institutions 	<ul style="list-style-type: none"> • N/A

All frameworks can be simplified to a certain extent, in regard to extensive drawing and—for this case—secondary elements, to save time and to reduce complexity. However, key aspects must be contained to exploit their fullest potential.

Time plan

An estimated time plan is provided to support the instructors before and during the case presentation, and to ensure that all material and crucial elements for the case-solving process are covered. Hence, this plan provides an approximate distribution of time for each part of the presentation (**Table 6**). The total amount given is 45 minutes, and this time must cover 1) the company presentation, 2) the case presentation, 3) the audience instruction, 4) the audience discussion, 5) the management decision, and 6) the closing discussion.

The *company presentation* can be rather short since the awareness of and the knowledge about Samsung is presumably high—however, its philosophy and values should be highlighted due to its relevance for the case. Overall, it is recommended to assess the audience, to enquire previous knowledge and to, subsequently, adjust the depth of information, if needed.

The *case presentation* establishes the base for discussion with containing the most significant information for the subsequent case-solving and, thus, requires the major proportion of time spent by the instructors. Hence, it is important to allow sufficient time for all major events to be described in chronological order and detail.

The *audience instruction* should be kept short and simple to provide the audience with a thorough understanding of their task. Hence, the instructors may only provide the audience with the point of view that they are asked to assume as well as with the main question (and assisting questions).

The *audience discussion* will be the major contribution by the audience and, therefore, source of all learnings that are to be achieved. As a consequence, it is crucial to plan an ample amount of time for allowing ideas to evolve, and train of thoughts to be followed—here, drawings on the board and explanation of frameworks must be considered as well. Further, the instructors must observe the progress and the time, and also intervene, if needed.

The *management decision* is, again, part of the instructors' speech and prefabricated by the company's actual deeds—hence, it can be of short duration to provide an overview and to allow for more time during discussions.

The *closing discussion*, lastly, allows the audience to evaluate the actual management's decision and to re-evaluate the prior discussion's outcomes—here, the instructors can also raise questions that they find relevant but unanswered as of yet. However, it is important to plan time for a proper closing, referring to a brief summary of the overall event and key insights and learnings, as well as a warm "thank you".

Table 6 Time plan

Theme	Time
1. Company presentation	5 min
2. Case presentation	10 min
3. Audience instruction	2 min
4. Audience discussion	15 min
5. Management decision	5 min
6. Closing discussion	8 min

Epilogue

This case captures the interesting period between crucial crisis and an auspicious fresh start, and both the development of own solutions and the evaluation of the actual management decision deliver great learnings. Here, a brand’s identity and reputation, as well as corporate communication are in focus, but the case’s complex dimension also sheds light onto crisis and change management.

As an established brand that can now look back at 30 years of global business, Samsung managed to come out of a crisis as a winner due to an immense reputational reservoir and successful communications efforts. However, the case has also shown that the crisis management has not been effortless with a minor lack of practice when identifying a crisis and its impact—hence, the company was criticized for their low-level actions in the beginning. Bearing in mind, however, that Samsung faced the biggest recall in corporate history, the speed and the thoroughness are certainly impressive. Also, the subsequent corporate communications attracted both the market and the customers back on the company’s side, and into its close circle of trust.

Further, the case has shown that certain challenges are hard to foresee so that crisis management must permanently evolve and investigate in all directions. In fact, this crisis was a wake-up call for Samsung to never lower its efforts and to always pursue development. Hence, preparation and communications are not only crucial during a crisis but also afterward, and its angle and objectives will certainly coin the future.

Reflection

This management decision case was written within the master level course *BUSN35 Corporate Brand Management and Reputation (CBMR)* as part of the master’s program in *International Marketing and Brand Management* at Lund University. Here, the deliverable requirements were to prepare a written case, management decisions, teaching notes, a recorded presentation and, finally, a PowerPoint presentation to be presented in class during the CBMR case days.

The work process started with teaming up in groups of 2-3 students and discussing potential brand management cases that must all base on real-life managerial problems. Subsequently, we pitched three cases to Mats Urde, associate professor in strategic brand management and this course's lecturer, and together aligned on a case that promised to be most suitable for learning outcomes and most thrilling for discussions in class. Here, we decided on the Samsung Galaxy Note7 crisis due to its multiple facets and broad learnings that can be gained from both analysis and discussion. Further, Mats encouraged us to add a twist by focusing on the launch of the new Galaxy Note8 shortly after the crisis rather than on the crisis itself. Hence, we left the supervision feeling both excited and highly motivated, and we immediately agreed on delivering a high-quality outcome and the best possible "case package".

The first days and week(s) consisted of intense research about Samsung as a company and the crisis to gain a fundamental understanding of how to structure our deliverables. After this intense desk research, we scheduled frequent meetings to talk about our progress and to go through written material and assigned individual tasks – this working method allowed us to split the work, to focus on sufficient progress, and to also open for feedback and improvement. In retrospect, this method has proven to be successful and also right for us as individuals to exploit both knowledge and ideas.

The frequent meetings, and also encouraging talks with other groups, has helped us to continuously move forward and to enrich our case with more and more perspectives. After the initial research phase with writing down the case as such, we started to conjointly prepare the visual presentation to ensure synergies between case details and presentation structure.

In the final week, we started to practice the case presentation in terms of timing and transitions, and further joined forces with another group to ensure that our written case was understandable and of high quality – here, we both gave and received feedback for final improvements. Finally, the presentation was recorded.

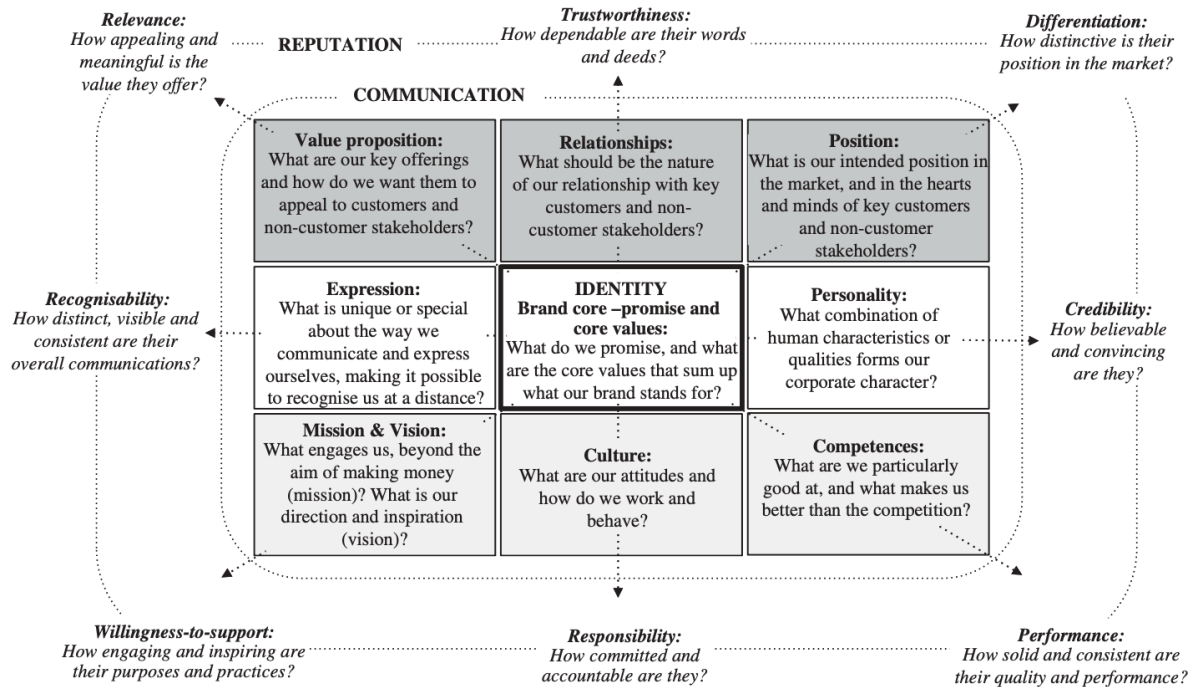
Certainly, there have been challenging times along the way from identifying the case to delivering the end assignment. First of all, we quickly realized that an intense study period was lying ahead with a high amount of workload so that setting up a working plan at a rather early stage was most crucial. Secondly, it was challenging to capture the case and its problem formulation, and to source out the most relevant information that comes from multiple and sometimes even conflicting sources – however, keeping an unbiased approach throughout the case is of the highest importance. Lastly, it also requires a "kill your darling" mindset to focus on only relevant information for both the case and the analysis.

Nevertheless, we recognized on the very first day of class that this case presents a great learning opportunity with acquiring skills and knowledge that apply to real-life business problems. Specifically, the learnings of how to analyze and tackle a problem from a multiperspective point of view to make a well-grounded decision have created a skillset that we genuinely enjoyed to practice. Also, we were finally able to combine both theoretical and practical knowledge in *the* most exciting way.

In conclusion, Mats has introduced a new style of teaching that is entirely case-based and further highlights teamwork to find solutions to relevant business problems—and luckily, we were even able to slip into the role as lecturer. Hence, we continually learned and developed hard skills by transferring theories and frameworks on corporate brands and reputation into realistic managerial action plans and solutions. Further, the live cases in class that were presented by different companies, parallel to writing our managerial case, have resulted in multi-faceted learnings. At the beginning of this course, it was said that “management is a wisdom that cannot be taught” and bearing our personal progress from this short time in mind, we could not agree more. Therefore, we feel thankful for these learnings that we will take with us into our future managerial careers.

Appendix

Exhibit 1 Corporate Brand Identity and Reputation Matrix (Urde & Greyser, 2016)



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