

OL 324: Samsung Standard Concerns

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### **Introduction**

In 1938, Lee Byung-Chul founded Samsung Company. The company has its head office in South Korea in the City of Seoul. The company manufactures clothes, motor vehicles, chemicals, consumer electronics, medical equipment, and electronic parts. The company started manufacturing electronics in 1969, and today, it is the world's leading manufacturer of electric appliances (Sull, 2015). The company started producing smartphones in the 2000s when it launched the Samsung Galaxy smartphones series, which become the best -selling smartphone in the world. This paper will discuss the quality issues that temporarily stopped the manufacture and distribution of the Samsung Galaxy Note 7 in 2016, their impact on the industry, and the remedial measures taken by the company.

### **Description of the standard concerns**

The Samsung Galaxy Note 7 was a smartphone targeting the high-end users that was launched in August 2016. The decision to stop its production was made after consumers blamed the phone for causing a house fire. The phone was also blamed for burning a Jeep car and caused alarm in planes when the devices started emitting smoke mid-air. The decision to suspend the sale of this brand was made after the company had announced that it planned to recall more than 2.5 million handsets after initial reports of fires due to battery malfunctioning. According to Loveridge et al. (2018), the batteries overheated and exploded, causing fires. Phones that had been traded in for new ones had faulty batteries that caused fires in the United States.

Samsung tested its phones to establish the root cause of the overheating and subsequent explosion of the device's batteries. The results showed that batteries supplied by two different manufactures had weaknesses. The ever increasing desire by smartphone manufacturers to make slimmer phones with longer batteries may have strained the battery manufacturing process.

Battery manufacturers were forced to use a small subset of cells that could quickly overheat and subsequently explode, causing a fire. According to Samsung, mistakes in the design and production of the batteries by the two manufacturers caused the malfunctioning of the cell. The company found out that the batteries in the Samsung Galaxy Note 7 lacked sufficient insulation material. Equally, the design for these batteries did not have adequate space to accommodate the batteries' electrodes.

### **The rationale for choosing Samsung**

Samsung is a leading manufacturer of high-end mobile phones in the world (Sull, 2015). Therefore, Samsung makes the best choice for this paper because it is interesting to note how the company responded to reports of its Samsung Galaxy Note 7 catching fire due to faulty batteries. As a top manufacturer of smartphones, Samsung acts a yardstick upon which other players in the industry are assessed in terms of quality and customer safety (Yun et al., 2018). Additionally, the reason for choosing Samsung is that this paper sought to unravel how a defective product like the Samsung Galaxy Note 7 got into the market, which puts a spotlight on the significance of an effective quality management system. Samsung makes a reasonable choice because there is a need to understand how the company's customers and competitors like Apple reacted to the news of the presence of a faulty device in the smartphone market.

### **Quality management system going forward.**

After the quality issues were noted, Samsung put in place a quality assurance system that must be followed by both the company and the manufacturers of the components. To avoid such quality issues arising in the future, the company executed a safety measure framework at the product planning and battery manufacturing stage. According to Jung and Ham (2017), the safety measure framework was established after the company got to the root cause of the problem.

**Competitors and customers' reactions**

The news on Samsung Galaxy Note 7's faulty batteries that overheated and exploded, causing fires shook the smartphone industry. The recall for the defective devices provided competitors like Apple the opportunity to market its iPhone brand. Many industry players, some customers shunned Samsung products due to the quality issues noted in the Samsung Galaxy Note 7 (Atashfaraz & Abadi, 2016). Such customers opted for the competitors' products, which increased the rivals' sales and revenue. On the other hand, competitors may have reacted to this news by scaling up their quality management systems to avoid such quality issues in their products. Customers' reactions must have tilted the industry sales in favor of Samsung's rivals.

**Conclusion**

The quality issue witnessed in this smartphone in 2016 was due to faulty batteries that overheated and exploded, resulting in fires. Samsung retained its position as the leading manufacturer and seller of high-end smartphones after the quality issue of 2016 by implementing product quality and safety measures. The smartphone industry is sensitive to product quality and safety for the users. Therefore, there is a need for industry players like Samsung to have robust quality assurance systems that ensure only the right products reach the market.

### References

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