

# After Apple, Samsung is also worried about sales and profits plummeting

In the first quarter, Samsung Electronics recorded unprecedentedly high profit margins, but only three months later, things seemed to turn 180 degrees.

In the previous quarter, Samsung Electronics recorded an unprecedented high level of profitability, but only three months later, everything seemed to turn 180 degrees. In the latest move, the company leader had to issue a guiding document, warning that the company's revenue and profit in the last three months as of December 31, 2018 are likely to plummeted compared to the same period last year. Samsung expects its revenue in the last three months of 2018 to reach about 59 trillion won (about US \$ 52.5 billion), which is 11% lower than the level of the previous 12 months, while operating profit is given. is down 29%, to about 10.8 trillion won (about 9.6 billion USD).



1. Apple may lose \$ 9 billion because iPhone sales in some markets are not as expected

These forecasts shocked investors and analysts, especially when Samsung was expecting to collect about 13.2 trillion won operating profit from 62.8 trillion won in overall revenue. On its side, Samsung has also issued a statement explaining the new guidelines issued above. The company will wait until the income statistics are completed before making detailed comments.

According to analysts, the two main factors leading to the decline in sales and profit of Kim Chi giant are determined by the gloom in the memory business, and the increase in competitiveness within smartphone market. More specifically, the demand for memory chips is believed to have decreased due to inventory adjustments, as well as market realities from Samsung's large customers. As for the smartphone segment, Samsung said in 2018, they spent more on marketing campaigns for their smartphone products, while facing

declining sales due to the outburst. strong up from Chinese manufacturers and strong seasonality. In addition, clear results are also affected by an unspecified recurring expense.



### 1. 2018 smartphone market: Winners and losers

For the current business quarter, Samsung expects its overall income to still be prosperous because the general demand for memory chips is still quite bleak, but the situation is expected to improve in the second half. now on. Meanwhile, Samsung is focusing on 5G and foldable mobile devices in the hope of improving the business performance of the mobile division. In addition, OLED panels for smartphones will continue to be promoted to penetrate the smartphone market.

### 1. Apple brings iTunes and AirPlay 2 to Samsung smart TV models

Can see the common difficulties of smartphone manufacturers in the second half of the year 2018. Before Samsung, Apple also issued a warning of a deficit of up to 9 billion dollars because iPhone sales continued to decline in important markets such as China and Europe. While the problem with Apple is that the market demand and trade relations troubles between the US and China are much more difficult for Samsung. Korean manufacturers are currently facing stiff competition from Chinese smartphone manufacturers such as Huawei, Xiaomi, Oppo, especially in the low, middle and high-end segments. In addition, the difficulty in the memory chip business is also what makes Samsung's leadership stand still. However, things are still ahead, waiting for Samsung's wise moves as well as the market trend in 2019!

See more:

1. Improved iPhone screen of former Apple engineer makes Apple also 'crave'
2. Although the iPhone is sluggish in the international market, Apple set a record of sales in Malaysia and Vietnam.
3. Samsung Galaxy S9 / S9 + in Vietnam officially updated Android 9 Pie with One UI
4. Upgrade calendar to Android Pie for Samsung devices is supported

You finished reading the article "**After Apple, Samsung is also worried about sales and profits plummeting**" edited by the [TipsMake](#) team. We hope this article has provided you with many useful tech tips and tricks. You can search for similar articles on tips and guides. Thank you for reading and for following us regularly.

---

