Marketing Doctor

Marketing Check-up

Nokia

As of August 26, 2025

Condition: Stable

A phone name on a network business

In 2007 Nokia held 37.8% of global mobile phone sales, more than Motorola and Samsung combined. Today it sells network equipment and services to telecom operators and large cloud companies. The company survived. The consumer brand lost its meaning. This check-up looks at the marketing decisions behind that shift and what the famous name still costs a business that no longer makes phones.

Key takeaways

- Nokia led on volume, but customers changed the job they hired a phone to do. Its own CEO wrote in 2011 that rivals were “taking our market share with an entire ecosystem.”
- Its 2011 bet on Microsoft’s Windows Phone handed the part of the experience buyers valued most to a partner.
- In 2013 Nokia sold its phone business to Microsoft but kept the brand, later licensing it to HMD for phones.
- Nokia now sells networks to operators and cloud companies, but its famous name still says phones. One name, two promises, two audiences.

Marketing health check

Area	Finding
Name	Famous for phones it no longer makes.
Business	Network equipment and services for operators and cloud companies.
Story	Outdated. The name says phones; the business sells networks.
Licensing	Split. Nokia-branded phones made by another company under licence.
New direction	Connectivity for AI and data centres.

Timeline

When	What happened
2007	Nokia sells 435 million handsets, 37.8% of the global market.
Feb 2011	CEO Stephen Elop's memo says rivals are winning with ecosystems.
Feb 11, 2011	Nokia adopts Windows Phone as its main smartphone platform.
Sep 3, 2013	Microsoft agrees to buy Nokia's phone business. Nokia keeps the brand.
Apr 2015	Nokia agrees to buy Alcatel-Lucent and doubles down on networks.
May 2016	HMD global gets a ten-year licence to make Nokia-branded phones.
Feb 2025	Justin Hotard, from Intel's data centre and AI group, is named CEO.
Jul 2025	Nokia says connectivity is "a critical differentiator in the AI supercycle."

What happened: the job changed

In 2007 Nokia held 37.8% of global mobile phone sales. Scale looked like safety. Then the iPhone and Android turned phones into software ecosystems. In a February 2011 memo, chief executive Stephen Elop told staff: "The first iPhone shipped in 2007, and we still don't have a product that is close to their experience." UK brand preference, he wrote, had "slipped to 20 percent."

His summary: "Our competitors aren't taking our market share with devices; they are taking our market share with an entire ecosystem." Customers had changed the job they hired a phone to do, and Nokia was still built for the old one.

The diagnosis: three marketing problems

- **Volume mistaken for loyalty.** Nokia measured strength in units shipped while preference slipped.
- **The experience handed to a partner.** In 2011 Nokia adopted Windows Phone as its main smartphone platform. The part of the phone buyers now valued most, the software and apps, belonged to someone else.
- **A name without a new story.** Nokia kept a famous consumer name after leaving the consumer business, so the name kept saying phones while the company sold networks. That is a positioning problem: one name, two promises, two audiences.

The treatment: a second life in networks

In 2013 Microsoft agreed to buy Nokia's phone business, while Nokia would "continue to own and manage the Nokia brand." In 2015 Nokia agreed to buy Alcatel-Lucent and rebuilt around network equipment. Its buyers are now network operators, which calls for a B2B marketing strategy built on proof and long relationships.

In 2016 it licensed the name to HMD global to make Nokia-branded phones. In 2025 it named Justin Hotard, from Intel's data centre and AI group, as chief executive, and he said "Connectivity is becoming a critical differentiator in the AI supercycle."

The result: the company survived, the consumer brand faded

Nokia is operating and profitable on its own measures, but growth is hard. Net sales for 2024 were €19.22 billion, down 9%, and in July 2025 it cut its profit outlook. Large cloud companies made up 5% of second-quarter sales, a new audience that needs to hear a new story about the old name.

Lessons for your marketing

1. A lead in volume is not loyalty. Track preference, not just units.
2. Run a competitor analysis that includes new kinds of rivals, not only the ones you already beat.
3. If a partner owns the experience your customers value most, you no longer own your brand promise.
4. When the business changes, retell the brand for the new buyer, or the old meaning will keep working against you.
5. Be careful licensing your name for products you no longer control.

The doctor will see you now.

Book a free marketing check-up at marketingdoctor.ca/contact. We'll examine your marketing, show you what's holding growth back and prescribe what to fix first.

Sources

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