

Huawei: An Information and Communications Technology Company

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Abstract

This research paper gives an account of Huawei, a global leader in the provision of Information and Communications Technology (ICT) infrastructure and smart devices. Huawei has grown from a company that offered cheap smartphones in order to appeal to customers to a global leader in the smartphone industry by providing a brand that can compete with Apple and Samsung. The success of Huawei has been linked with the company's capability to convert the world into a digital globe by providing safe, flexible, and open ICT infrastructure platform to industries and organizations. The company has therefore been able to attract customers from various countries worldwide. Huawei changed its business model of flooding the globe with unbranded and cheap phones and now produces high-quality and branded phones. Politics have hampered the company's growth in the US. However, in Sub-Saharan Africa, its growth has been remarkable as Africa is a high-quality network provider at a low cost. The Middle East is an imperative market as both a region and a growth driver. The massive growth has been attributed to the ambitious projects undertaken by Huawei. It has improved its competitive advantage by outsmarting the current technology by the development of 5G networks. The company has also achieved viable leadership through the rotation of its CEOs. It has been offering the best phones in the market through the provision of phones with high-quality cameras.

Keywords: Huawei, information and communications technology, smartphones, network

Introduction

Huawei is an international brand regarding smart devices and Information and Communications Technology (ICT) infrastructure. The company offers integrated solutions in four domains: cloud services, smartphones, tablets, and telecom networks. Huawei is dedicated toward ensuring that every individual has embraced the digital world and that every residence and company enjoy it (Huawei, 2018).

The company offers high-quality products, services, and solutions that are secure and competitive. It has open partnerships with ecosystem partners, enabling the company to create long-term value for its customers. In addition, the company has also been able to inspire innovation, enrich home life, and empower its customers. The global growth of Huawei has been attributed to high investment in research to meet customers' needs. Huawei has employed more than 180,000 workers and operated in more than 170 nations. The company has been established and initiated its operations in 1987 in Shenzhen, South China (Huawei, 2018). This research will encompass on the global presence of Huawei, its growth in various countries, and where it stands concerning its competitors.

Global Presence of Huawei Company

Huawei is a remarkable global company and has been instrumental in changing the world of ICT. It has created value for its customers through the assistance of telecom carriers, which has enabled Huawei to build over 1,500 networks (Huawei, 2018). Consequently, it has been able to

link a third of the global population. The company has various partners who have assisted it in serving multiple government institutions. The company has therefore been able to help diverse customers in areas like finance, manufacturing, transportation, and energy. The success of Huawei has been linked with its capability to convert the world into a digital globe by providing safe, flexible, and open ICT infrastructure platform for industries and organizations (Huawei, 2018). The platforms are viable as they offer better ICT services; this has led to the attraction of numerous customers as they meet the diverse needs of various customers across the globe. The company has stretched toward offering a digital global environment through smartphones and tablets, which have also acted as a form of entertainment. Huawei commenced operations through the provision of cheap gadgets rather than focusing on a particular market niche. It did not reach the peak of achievement it desired. Thus, it changed its tactics to compete with other global smartphone companies effectively. They offered high-quality products that attract customers from companies like Samsung and Apple.

Huawei has significantly contributed to the growth of the ICT industry. It has always believed in joint success, collaboration, and transparency. It has been able to expand the value of ICT in providing service through joint innovation with peers, partners, and consumers. This has guided to the creation of a symbiotic and robust industry ecosystem. It is evident that Huawei has been involved in various open source communities, venturing into industry alliances and organizational collaborations (Huawei, 2018). The company works hand in hand with these institutions on mainstream standards, culminating in the laying down of a platform of collective success. Huawei has undergone into partnership with various industries to enhance innovation in upcoming domains such as network functions virtualization, cloud computing, 5G, and software-defined networking.

The company has enabled sustainable development as a corporate across the globe. It acts as a responsible corporate citizen even as it strives to bridge the digital divide. It has stretched its presence to regions such as the Arctic Circle and Mount Everest. The company is currently aware of the significance of telecommunications in response situations that are deemed to be an emergency. The company has significantly helped in mitigating the effects of various predicaments, such as those during the Japan tsunami leading to nuclear contamination and in West African after the outbreak of Ebola (Huawei, 2018). Huawei has mitigated the effect of these disasters through the provision of reliable telecom equipment in these zones. It has also enhanced sustainability through environmental protection and low carbon through its delivery, manufacturing, R&D, design, and planning activities. The company has also presented its customers with high-tech and high-quality solutions and products that reduce environmental impact and save energy. Huawei also considers people to be significant to its success as it develops the next cohort of ICT young talent in over 108 regions and countries (Huawei, 2018). This move ensures its success in future programs in making the globe a digital community.

The Growth of Huawei in Various Countries

Huawei changed its business model of flooding the globe with unbranded and cheap cell phones. Since then, the company has grown to be a brand that is well known globally and is now a serious rival in the mobile market competing against other well-known companies like Samsung and Apple. Huawei has continued to grow and has taken its products into various countries and is now ranked third as a smartphone brand. It serves a market share of 8.3%. In Europe, Huawei has been well accepted, and its growth has been tremendous due to the new improved brand image and

the provision of better products. In Europe, Huawei has more than 11,000 employees, and to enhance its research and development, the company has dedicated 1,900 employees to this department (Shepard, 2016).

Various challenges have hampered the growth of Huawei in the US as a result of the botched campaign by the US government. In the US, intelligence officials have advised US companies not to undertake any form of business with Huawei. This reasoning is based on security concerns and the potential state influence of the Chinese. However, Huawei has always had plans to expand its operations in North America (Wei, Samiee & Lee, 2014). The security concern of the US is due to Huawei CEO's military background. This has culminated in Huawei being targeted on political grounds. Huawei is involved in the distribution of telecom equipment to major internet providers. Additionally, the company is involved in providing internet data to all government agencies.

Huawei first commenced its business in Sub-Saharan Africa in 1998, particularly in Kenya. This is because Kenya has a reputation of being a builder of the high-quality network at a preferred low cost. After entering Africa, 18 years later, Huawei now operates in over 40 African countries (Rukato, 2016). The company has been trying to mitigate the negative perceptions around Chinese companies conducting business in Africa. The strong penetration and reputation of Huawei among African nations are due to the three core strategies of Huawei in the region. They include initiating projects involving power saving and ecological equipment that operates with solar and wind energy, building ethical relationships among relevant stakeholders, and strategic pricing. The pricing strategy in Africa has put Huawei above its competitors as it offers high-quality products at a low price. The company has also been successful in nurturing intermediaries in Africa (Rukato, 2016). This has culminated in localized innovation in Africa. Huawei has advocated for joint

ventures, wherein it has partnered with local network operators so that they can have a clear picture of the local market and of how it operates. This has led to accelerated innovation in the company where local realities have been implemented in the products and services.

Reports have indicated that the African market has been favorable for Huawei due to its role in increasing the company's global profits. In 2017, Huawei's market share was over 15% in Africa. In the South African market, the brand was ranked third in terms of its strategic marketing. The total revenue collected in Africa in 2017 was \$92.5 billion. The company is now focused on rolling out its new innovative technology in Africa such as 5G, artificial intelligence, cloud computing, and Internet of Things (Rukato, 2016). The innovation rolls out in Africa will be instrumental in mitigating the challenges faced in the African market of going the digital way.

The Middle East is an imperative market as both a region and a growth driver. The company has continued to build a better and connected region with the globe. In the year 2017, Africa, the Middle East, and Europe were responsible for 35% of Huawei's global revenue, which was a 20% increase from the previous years (Cherrayil, 2015). The massive growth has been attributed to the ambitious projects undertaken by Huawei. This is in addition to improved engagement in customer management, mobile broadband with high speed, and increased collaboration with local companies in the Middle East. The massive ICT growth in the UAE has also contributed to the success of Huawei in the country. An example of an ICT development in the UAE is the Dubai Smart City. The Middle East is a consistent market for Huawei due to the fast-growing mobile penetration in the country. Therefore, the expenditure on ICT will significantly increase in the years to come; thus, Huawei should brace itself for increased sales in the region.

How Huawei is Competing with Respect to Other Companies

Globally, the market for phones has been dominated by a limited number of large companies like Microsoft, Huawei, Samsung, and Apple. The rivalry between the companies has increased due to the small number of competitors and the elevated penetration of mobile gadgets. This has led to intensified price competition and research and development.

Huawei has, for an extended length of time, been the third largest vendor in smartphones globally (Anzai & Suzuki, 2018). This has changed in 2018 as it surpassed Apple to be the second behind Samsung. Huawei has been expanding its sales not only at home but also in other advanced economies. The company surged ahead due to the quality of the smartphone's cameras, which bolstered the reputation of the company's phone. Huawei has concentrated on the production of high-quality products so that it mounts in competition against its competitors. The brand's cornerstone is product quality, and it believes that any defect in products indicates that a company does not have a future. A small mistake would lead to an enormous loss. The company has even gone the extra mile to establish a research institute in Beijing, whose main function is testing the functionality of phones before they are shipped (Grewal, Saini, Kumar, Robert Dwyer, & Dahlstrom, 2018). The institute is composed of 23 laboratories, which can test approximately 5,000 gadgets simultaneously before they are shipped. The CEO indicated that the company values the quality of its products more than profit. A company cannot gain anything at the expense of quality.

After Huawei was excluded from the US market due to politics, the company shifted its focus to Europe and Asia so that it would achieve its goals to grow. Therefore, it vigorously competed for its market in these two regions, and thus, its market share has significantly increased.

Additionally, Huawei has been able to auger well with local markets by coordinating with local ICT companies in various regions. Therefore, in comparison to its competitors, Huawei has been able to penetrate foreign markets in a swifter manner (Grewal et al., 2018). This is why Huawei has increased its market base in Africa faster than any other smartphone company.

Huawei has strived to become the most viable telecom carriers. This has occurred by mastering the current technology, and it has also projected the future needs of customers. The strategic setting of Huawei is outsmarting the current technology. Huawei has outdone its competition through the development of 5G networks which will be very fast in comparison to the 4G network (Wei et al., 2014). The company is also a global leader in storage and cloud standardization. Huawei has more than 20 significant positions in the Internal Standards Organizations.

Huawei has also adopted a risky leadership strategy, but it has turned out to be the most brilliant business and leadership strategy. It has a small group of executives, which takes turns in being the CEO. This is in contrast to other companies that have one CEO who handles the entire decision-making process (Martin Roll Company, 2018). Having rotating CEOs has enabled Huawei to have an augmented breadth of expertise, which has made the company very successful in comparison to its competitors.

In the past 30 years, Huawei has remained committed to its core values. It has not taken any shortcuts to achieve its objectives, which has culminated in them providing quality products (Huawei, 2018). The company undertakes a practical approach in numerous functions. It has also shifted its efforts toward exercising patience in its investment to achieve technological breakthroughs. The company's core values are instrumental in its success.

Conclusion

Huawei is an international brand regarding smart devices and ICT. The success of the company over time has been attributed to the provision of quality products. The company takes time in learning about new markets and then develops technological devices that will better suit that market. This has enabled it to venture in more than 170 countries. The company was initially ranked third in the smartphone industry, but it has now surpassed Apple to rank second behind Samsung. The company has successfully entered the Middle East and Africa and is the leading company in China. Customers have appreciated smartphones from Huawei as they are of high quality and the cameras are outstanding in comparison to other phones. Huawei will proceed to make strides in the ICT market and try and outdo Samsung in the smartphone industry.

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