

# RESEARCH ON MARKETING STRATEGY OF HUAWEI COMPANY IN THAILAND

## INTRODUCTION

### Research background

In the process of global economic integration, more and more Chinese enterprises began to explore the "internationalization" of the development path. Because of the low labor cost and the lack of advanced technology, many enterprises choose the route of labor-intensive and low-tech products. But Huawei has opted for another route—the supply of High-tech communications equipment. Huawei started the international marketing route in 1996 and developed a set of strategic plans and marketing strategies to enter overseas markets according to the overseas market situation. In just 9 years, Huawei has clearly become the leader in China's high-tech sector. In the first half of 2005, Huawei achieved global sales of RMB 45.3 billion, including overseas sales of 2.47 billion U.S. dollars, covering more than 90 countries and regions, providing equipment for more than 300 operators worldwide. Huawei is not only striding forward in developing country markets, but also has a substantial breakthrough in the developed world market. Huawei began its foray into Thailand in 1999, Huawei established its Thailand branch in Bangkok after two years of market research in 2001.

Based on the tenet of "good quality, low price and good service", Huawei Thailand Branch enjoys a certain popularity in the telecom industry of Thailand and establishes the overseas High-tech brand of China Telecom equipment supplier. Thai government departments and people from all walks of life enthusiastic help and support establishment of Huawei, and Thailand's mainstream mobile, fixed telecommunications operators and industry partners have good long-term relations of cooperation.

For example, the Thailand's largest mobile telecoms company, the company originally in Thailand only 2 million mobile telecom customers, since in cooperation with Huawei, it less than two years has developed to 12 million mobile users, accounting for 60% of the national users. In addition, the Thai modern telecommunications company also has 10 million prepaid fee households, popular in Thailand's 1-2call (prepaid users) is the exclusive supply of Huawei Branch. Huawei has also provided a network platform and mobile Smart network for modern Thai telecoms companies, which have accounted for 20% of the company's network platform in just a year. As the mainstream equipment supplier of Thailand's telecom market,

Huawei Thailand has sold 3 billion baht (about 77 million U.S. dollars) to Thailand in 2002, becoming a big taxpayer. Huawei has not been complacent but has set a higher goal for itself. Huawei in Thailand has 100 employees, most of them are High-tech telecom personnel, of which Thai staff accounted for 75%. The company plans to further promote the "service localization" and "market diversification" strategy, the Thai telecom industry to increase the strength of the service.

### **Purpose and significance of research**

International competition is the subject that all the enterprises in our country are prepared to develop and grow, so it is urgent for each enterprise to sum up the past development experience in order to meet the challenge of economic globalization. More importantly, the world economy is experiencing a new round of economic crisis, every industry has the opportunity to shuffle, and any enterprise must choose the right business strategy, in order to achieve a strategic advantage in the new industry pattern. At the beginning of international business, Huawei took Thailand as the main target market in Southeast Asia. This article will deeply analyze the competition situation of Huawei company outside, by comparing the opportunities, threats, advantages and disadvantages with competitors, and combining with the relevant theories of international marketing, this paper puts forward the marketing mix strategy in line with Huawei's product strategy, price strategy, channel strategy and promotion strategy, and expands the current market share of Huawei Company, is of great practical guiding role.

### **Research ideas and methods**

This thesis focuses on solving the problems in international marketing of Huawei Technology Company, which belongs to the application research type. The specific research method is to analyze the problems in the current international marketing of Huawei based on the literature and research, from the knowledge of marketing theory and international marketing theory, and to combine own professional knowledge and relevant data. Considering the current trend of industry development and Huawei's advantages and disadvantages compared to domestic and foreign competitors and summed up the Huawei Company's marketing strategy in Thailand market.

### **Collection and collation of data**

#### General information acquisition

Huawei is accustomed to low-key and avoid direct contact with the media, but there are still a considerable number of timely news in the media, such as the more

professional "China Communication Network" and "Sadie Network", as well as Huawei's official website; Books and periodicals about Huawei Enterprise, such as "Huawei Truth", "out of Huawei", "Coyote Breakout", "Huawei Four Face", "Huawei's World" and so on.

### Research framework

Figure 1-1 Research framework



