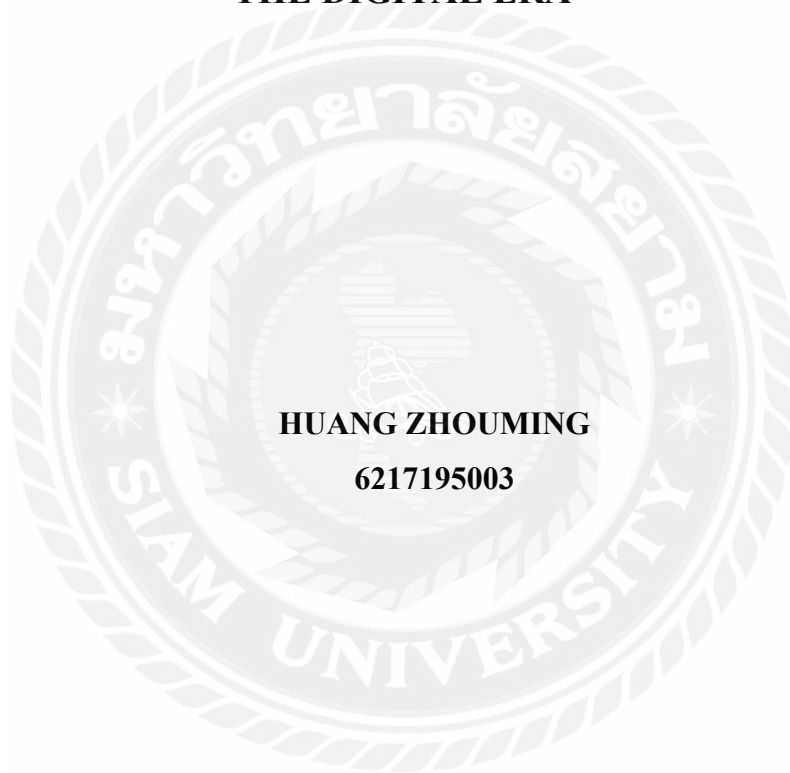




**STUDY ON HUAWEI'S DIGITAL TRANSFORMATION IN  
THE DIGITAL ERA**



**HUANG ZHOUMING**

**6217195003**

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR  
THE MASTER'S DEGREE OF BUSINESS ADMINISTRATION  
GRADUATE SCHOOL OF BUSINESS  
SIAM UNIVERSITY**

**2023**



## STUDY ON HUAWEI'S DIGITAL TRANSFORMATION IN THE DIGITAL ERA

HUANG ZHOUMING

This Independent Study has been Approved as a Partial Fulfillment of the  
Requirement of International Master of Business Administration in International  
Business Management

Advisor: .....

(Dr. Zhang Li)

Date: .....4...../.....11...../.....2023.....

  
.....  
(Associate Professor Dr. Jomphong Mongkhonvanit)  
Dean, Graduate School of Business Administration

Date.....8...../.....11...../.....2023.....

Siam University, Bangkok, Thailand

**Title:** Study on Huawei's Digital Transformation in the Digital Era  
**By:** HUANG ZHOUMING  
**Degree:** Master of Business Administration  
**Major:** International Business Management

**Advisor:** .....  
(Dr. Zhang Li)

..... 4 / ..... 11 / ..... 2023 .....

### ABSTRACT

There is no doubt that after the epidemic and in the new infrastructure era, resilience will be re-examined in an uncertain environment, and digital transformation will be accelerated and the construction of highly resilient intelligent enterprises will be truly invincible in future market competition. As a top domestic smartphone company, Huawei has gradually become the focus of consumers at home and abroad in recent years. Faced with the continuous emergence of new technologies and the ensuing of new concepts, Huawei actually has a lot of confusion in the choice of how to achieve digital transformation. This paper uses the PESTEL analysis method of SM theory to analyze the external environment of the enterprise. Then establish the SWOT matrix through the SWOT analysis method to determine the strengths and weaknesses faced by the Huawei. And put forward several suggestions and development directions for this. Huawei needs companies to promote the digital transformation of business R&D and design, production and processing, operation management, and sales services by combining production, management, and sales with cloud computing, the Internet, and big data, thereby giving birth to new formats and new businesses. mode. At the same time, three research objectives are proposed. 1) To evaluate the impact of digital transformation services on the effectiveness of digital transformation in Huawei. 2) To investigate the challenges faced by Huawei in the context of the US ban and its impact on the company's investment in independent research and development (R&D) and chip manufacturing. 3) To examine the strategies and approaches employed by Huawei to address the limitations imposed by the US ban and the absence of Google certification on its sales share in overseas markets.

This study hopes to provide some reference value for all companies that encounter digital transformation problems in the new era in solving related problems. So that companies after the epidemic can quickly restore their previous overall levels

**Keywords:** digital era, digital transformation, SWOT analysis, development reference value

## Declaration

*I, HUANG ZHOUMING, hereby certify that the work embodied in this independent study entitled “Research on Huawei’s Digital Transformation in the Digital Era” is result of original research and has not been submitted for a higher degree to any other university or institution.*

*Huang Zhongming*  
.....  
(HUANG ZHOUMING)

July 1, 2023



## ACKNOWLEDGEMENTS

In this section, I would like to express my gratitude to Dr.Zhang Li , advisor and Dr. Jomphong Mongkhonvanit, Dean, Graduate School of Business, Siam University, Bangkok, Thailand for them thoughtful and caring supervision by menas of his educational excellence. I am most grateful to them especially for them deep understanding of the Independent Study and his good communication skills.

HUANG ZHOUMING

2023



## CONTENT

ABSTRACT.....	II
Declaration.....	III
ACKNOWLEDGEMENTS.....	IV
CONTENT.....	V
Chapter 1 Introduction.....	6
1.1 Research background.....	6
1.2 Research Problem.....	8
1.3 Research Objective.....	9
1.4 Scope of the study.....	9
1.5 Research Significance.....	10
Chapter 2 Literature Review.....	11
2.1 Digital era.....	11
2.2 Digital transformation.....	11
2.2.1 The meaning of digital transformation.....	11
2.2.2 Digital Transformation Content.....	12
2.2.3 Factors Affecting Digital Transformation.....	12
2.3 The state of digital transformation.....	15
2.4 Digital Transformation Trends.....	16
Chapter 3 Research Method.....	18
3.1 Literature research method.....	18
3.2 Case analysis method.....	18
3.3 PESTEL analysis model.....	19
3.4 SWOT analysis method.....	22
Chapter 4 Finding and Conclusion.....	25
4.1 Finding.....	25
4.2 Conclusion.....	26
Chapter 5 Recommendation.....	28
References.....	30

# Chapter 1 Introduction

## 1.1 Research background

With the rapid development of the world's digital economy, especially in the 5G era, the global digitalization process has entered a new stage. The rapid development of the digital economy has promoted economic globalization, and countries around the world are deploying the digital economy (Gao, 2020). Digitalization has brought unprecedented opportunities and challenges to social development, and digital transformation has become a problem that enterprises have to face (Strohmaier, Schuetz, & Vannuccini, 2019). As all countries put the digital economy as the top priority of economic development, the proportion of the digital economy in the total economic volume continues to increase, and the digital transformation of my country's economic structure is inevitable (Ma, & Du, 2022). The digital economy will improve the quality of economic development and accelerate the modernization of the economy. play a key role in the construction of the system. National leaders have repeatedly mentioned the digital economy in important meetings to accelerate the transformation of the economy to the digital economy, accelerate the development of digital industries, promote the integration of modern digital technologies and traditional industries, and promote and accelerate the digital transformation of industries (Guerrero, Lattemann, & Michalke, 2021). Entering 2020, due to the spread of the global new crown pneumonia disease, the world's economic development has encountered major difficulties. Because the control of the epidemic has not achieved the expected effect, the World Bank predicts that the world economy will shrink by about 5.2% (Wang, 2020), When to recover mainly depends on when the epidemic is effectively controlled. With the spread of global diseases, people's main energy is to fight the epidemic, which has caused many enterprises to face operational crisis, and a large number of enterprises have not survived until the end of the epidemic. For business operation problems, many employees are working remotely from home due to the epidemic. The development of the epidemic has accelerated the digital transformation of Chinese enterprises. These changes are all thanks to the application of digital technology. The current post-epidemic era has accelerated the development process and scale of the digital economy, and the digital economy has received more and more attention from all countries. Countries around the world agree that the digital economy will become the main driving force for future economic recovery (Li Gang & Huang, 2020 ). "New Coronary Pneumonia: Emphasizing the Necessity of Bridging the Digital Divide" released by the United Nations, this research report also pointed out that the spread of the new crown epidemic has further promoted the development of the digital economy and increased the proportion of the digital economy in the total economy (Jiang , Lu & Chen, 2019). Countries around the world have also begun to invest major public funds in the construction of the digital economy. Among them, the

United States will invest about 300 billion US dollars in the digital field in the next few years, and the European Union has also made a major decision to develop the digital economy to revive the economy. In particular, the Chinese government in the "14th Five-Year Plan" clearly proposed to focus on the development of the digital economy to increase the proportion of the digital economy in the national economy, and digitalization is the cornerstone of the development of the digital economy. Therefore, in the long-term goals of 2035, it is also stated once again that efforts should be made to develop the digital economy, promote digital upgrades in all walks of life, and speed up digitalization. The organic integration of technology and traditional industries will enhance the international core competitiveness of my country's industrial clusters (Zhang, 2021).

In the face of the global economic slowdown caused by the epidemic and the opportunities brought by the development of new technologies such as big data, artificial intelligence, 5G, etc., although the economies of various countries have also been significantly negatively affected (Yan, 2020), global trade exchange activities have decreased. , but with the continuous improvement of user needs, it also prompts enterprises to continuously improve R&D innovation. If traditional enterprises do not make changes, they will be eliminated by the market, or even replaced by other companies boasting borders. If domestic enterprises want to develop healthily and sustainability, they must seize the development opportunities of the times and conform to the trend of the times. The digital economy is the main theme of the development of this era. Facing the opportunities of digital transformation, they are exploring and implementing digital transformation from top to bottom. However, from the "2020 Chinese Enterprise Digital Transformation Index Research" report released by Accenture, it can be seen that only about 11% of the enterprises that have undergone digital transformation have complete digital transformation capabilities (Ding & Jin, 2020), becoming a leader in digital transformation. Most enterprises' digital transformation stays at the technical level, and has not achieved a comprehensive digital transformation, which affects sustainable development. Digital transformation is the improvement of overall operational efficiency. We need to find effective methods for transformation, which can help enterprises establish their own core competition and improve the ability of enterprises to develop sustainability. With the changes in the international situation and the policy support of various countries, many enterprises are seeking transformation and upgrading to achieve new breakthroughs. For enterprises, accurate transformation and upgrading can enable enterprises to gain a foothold in the competition(Bach, Spremić,& Vugec, 2018).

At the same time, with the advancement and practice of China's "One Belt, One Road" initiative in recent years, many people also have a profound demand for the improvement and improvement of their living standards (Li, 2020). Therefore, through the application of digitalization and intelligent technology, China will no longer take the old road of pollution first, and can use the new model to help more economic development and market scale, so that more people can live in the intelligent era. Another important point is that in a rapidly developing China, only



through technological innovation, talent training, and international cooperation can "change lanes and overtake" be achieved. Lane-changing overtaking is different from the frequently mentioned curve overtaking (Zhu, 2019). It is through the adoption of new disruptive technologies, especially digital and intelligent enabling technologies, that China's future new industrialization will be realized. This new type of industrialization includes greening, intelligence, service and customization. The transformation, formation and development of the large domestic circular market will attract more global entrepreneurs to invest and trade, and drive domestic and international markets. Therefore, digital transformation is particularly important for China to achieve its economic development goals for the next three decades.

According to the forecast of Gartner research organization, by 2020, 75% of Huawei's business will be digitized or in the process of being digitized (Su, 2019). Digital transformation has become the only way for enterprises to develop, and there is no choice. Among them, digital transformation involves people, processes, technology, etc. In fact, In the past two years, digital transformation has entered a deep-water area, and almost all leading service providers have realized that this is not easy: first, the application of 5G and the Internet of Things has opened a new round of technological innovation, and second, service providers need to explore new technologies and The intersection of business; second, spelling technology, spelling products to spelling services, changing spelling, improving service capabilities, and improving service quality are imperative; third, digital transformation has gradually become a new normal (Ciuriak, 2019).It is precisely because of this that Huawei Enterprise Services fully opened the era of Big Services 2.0 in early 2019. After this upgrade, Huawei Enterprise Services has established a new concept of "building a high-quality service industry alliance and providing a consistent service experience". "The positioning of various services related to digital transformation has become clearer (Tang, 2020), and the industry has been comprehensively upgraded.

## 1.2 Research Problem

Under the current situation, the challenges facing Huawei are mainly divided into the following aspects:

(1)The effect of digital transformation is not as significant as we thought. It is not that digital products and technologies are insufficient, but that the corresponding digital transformation services are not in place (Bjola, Cassidy, & Manor, 2019). It is as if the company has obtained digital magic weapons, but suffers from the lack of supporting instructions, and cannot exert the value of these magic weapons at all. In addition, the more digital products and technologies businesses use, the higher the demand for services. This is even more evident as the digital transformation of various industries enters deep waters. As Ma Jun, Director of Huawei EBG China Service Solutions Sales Department said: "Today, a single product portfolio can no longer meet the digital transformation needs of various industries. On the contrary, we need to provide a variety of products for different industries and different application scenarios. and

service." This is also a key consideration for Huawei Enterprise Services' unwavering promotion of "high-quality service" since last year.

(2) Due to the US ban, Huawei has to increase its investment in independent research and development and manufacturing of chips. This reminds me of the huge deficit caused by JD.com choosing to go it alone in logistics. At the same time, since there is no Google certification, its sales share in overseas markets will be greatly affected. Under the current technical conditions, it is difficult for one company to achieve complete de-beautification of production. Huawei must vigorously intervene in chip manufacturing and related industrial chains, provide technical support for talents, and even participate in some stuck industrial chains. In terms of links, it provides all-round support for capital and technical talent management, attracts domestic and foreign enterprises to participate, and jointly builds a de-beautified industrial chain, forming a huge industrial scale gradually formed from low-end to high-end (Bumann, & Peter, 2019).

### **1.3 Research Objective**

1 Evaluate the impact of digital transformation services on the effectiveness of digital transformation in Huawei. This objective aims to assess the extent to which the availability and quality of digital transformation services contribute to Huawei's overall success in implementing digital transformation initiatives.

2 Investigate the challenges faced by Huawei in the context of the US ban and its impact on the company's investment in independent research and development (R&D) and chip manufacturing. This objective focuses on understanding the specific obstacles Huawei encounters due to the US ban, particularly in terms of increasing investment in R&D and chip manufacturing capabilities.

3 Examine the strategies and approaches employed by Huawei to address the limitations imposed by the US ban and the absence of Google certification on its sales share in overseas markets. This objective aims to analyze Huawei's interventions in chip manufacturing and related industrial chains, as well as its efforts to attract domestic and foreign enterprises for collaboration, talent management, and building a de-beautified industrial chain.

These objectives provide a comprehensive framework for exploring the challenges and opportunities Huawei faces in terms of digital transformation services, the US ban, and the company's efforts to mitigate its effects. By addressing these objectives, the study can generate insights and recommendations to enhance Huawei's digital transformation strategies and navigate the complex landscape of international trade restrictions.

### **1.4 Scope of the study**

Taking Huawei as the research object, by using the relevant knowledge of strategic management theory, it conducts a comprehensive analysis of the current situation of digital transformation, and puts forward strategic suggestions suitable for Huawei's development. Status and strategy analysis of Huawei's digital transformation. By

introducing the domestic market environment of Huawei and the core advantages of Huawei products, and then combining political, economic, social, cultural, environmental and other aspects, it lays a theoretical foundation for Huawei's development strategy selection. By analyzing the internal and external environment of Huawei and the advantages and disadvantages of SWOT, analyzing the impact and importance of key factors on the transformation, put forward an effective strategy that is conducive to the sustainable development of the company. Implement the core strategy of adhering to digital transformation, and put forward key measures and suggestions to reasonably ensure the sustainable development of the company.

## **1.5 Research Significance**

This paper can shed light on the role and importance of digital transformation services in maximizing the benefits of digital transformation initiatives. The findings can contribute to a better understanding of how organizations like Huawei can enhance their digital transformation strategies by leveraging appropriate services, thereby improving overall business performance and competitiveness. Understanding the specific challenges Huawei encounters due to the US ban and their impact on R&D and chip manufacturing investments is crucial. The research can provide insights into the complexities of operating under trade restrictions and inform Huawei's decision-making process. The findings can also contribute to discussions around the global trade environment and its implications for technology companies. This research objective is significant as it can uncover innovative strategies and approaches used by Huawei to mitigate the effects of the US ban and the absence of Google certification. By understanding Huawei's interventions in chip manufacturing, collaboration, talent management, and building a de-beautified industrial chain, the findings can provide valuable insights for both Huawei and other companies facing similar challenges in adapting to trade restrictions and expanding their market share. This paper analyzes the development strategy of Huawei's transformation, analyzes their environment in domestic and foreign markets, and uses the theoretical knowledge of digital transformation to put forward rationalization suggestions and development suggestions to open the gaps in foreign markets. I hope this article can give other enterprises some inspiration to promote the stable and sustainable development of domestic enterprises after the epidemic.

## Chapter 2 Literature Review

### 2.1 Digital era

The environment of the digital age has given the communication media the performance of large information capacity and efficient interactive experience, which has triggered fundamental changes in the field of communication with the height of openness, compatibility and sharing, and has also had a profound impact on the overall development of human society (Hanson, Pupilampu, & Arthur, 2020). The digital age has greatly merged two relatively separate technological fields, communication and information. The impact of digital dissemination is enormous, enabling data that has long been segregated on the basis of national, mono-technical, monopolistic nature to be distributed on a global scale by various digital tools (wired network, cable, satellite, etc.). Free movement” . The consequences of the digital revolution actually went far beyond the economic realm, changing the fundamental nature of human communication, and this change in thinking had a profound impact on production and way of life. It also ushered in the modern era, and by the 20th century, information communication technology played an unparalleled role, which made communication between the masses possible anytime, anywhere. In addition, the integration of information and culture was also necessary, because in the Under the background of information dissemination in the digital age, the modern method of information transmission affects the transmission method of cultural products, and there is a situation where digitalization is used to define the degree of cultural development. In order not to lose the historical and innovative nature of culture, the culture will continue to spread. Going forward, our responsibility for continuous innovation and integration of cultural communication methods in the digital age becomes more and more important. As a result of human scientific and technological progress, digital networks should serve human beings and implement effective governance over human society. Therefore, sharing is the digital era. The next exclusive feature is also the way to go.

### 2.2 Digital transformation

#### 2.2.1 The meaning of digital transformation

If you want to clarify the meaning of digital transformation, we must first start with the meaning of digitalization. In 1946, the first computer in human history was born, marking the entry of mankind into the digital age. The "bit" unit, as the processing and processing information medium of the computer, consists of two digits "0" and "1". Negroponte (1995) first pointed out that with the advent of computers, "bit" replaced "atom" as a new medium unit for carrying information. He firmly believes that newspapers and radio and television will eventually go digital. This is the first time the concept of "digitalization" is mentioned.

Baldwin (1996) further elaborated the concept of digitization in the book: first, the network repeatedly shares the information in the computer to different audiences; The integration of video, etc. has changed the way of information dissemination, and these original information will be covered in digitization. Digitalization is the premise and foundation of digital transformation. Digital technology has given birth to the current Internet and new media, and both the dissemination of information and the terminals that receive information have undergone qualitative changes. Digital transformation is based on the original digital technology, using new technology integration as a means, applying new technology to optimize existing products and services, and constantly using new concepts and models to serve customers, manage talents, and manage products, so that products and The process of making services more market-oriented and humanized (Agutter, Steinberg, & England,2017).

### **2.2.2 Digital Transformation Content**

Matt et al. (2015) believe that the digital transformation of enterprises should start from four dimensions: the use of technology, changes in value creation, structural changes and financial aspects. Pascucci (2019) believes that the automation of the digital transformation process of enterprises is being driven by "artificial intelligence" and "big data", and the possibility of information exchange and information between a large number of topics is redefining new business scenarios, creating new industries, and also Created a true business ecosystem. Vardarlier (2020) believes that digital human resource management, along with the increase in the use of communication technology, brings benefits such as organizational efficiency, increased productivity, reduced bureaucracy, reduced costs, reduced paper usage, and created added value. Digital systems are quick and easy, enabling employees to improve skills and improve performance. Then the development part of the human resources department has not been transferred to digital media in a short period of time, and it is unrealistic to realize digitalization in one transition. Li Yong (2020) believes that the path of enterprise digitalization is divided into six stages: 1. Build a digital thinking mode; 2. Customer first, promote the digital transformation and development of enterprises; 3. Form a professional talent team and train professional and skilled talents; 4. Take "management + IT" as the method to improve the efficiency of digital management; 5. Design a well-designed digital transformation model; 6. Break the shackles of corporate organizations and strengthen external cooperation. The digital transformation of enterprises is not only the transformation of production and operation, but also the innovation of business philosophy, innovation and optimization of management.

### **2.2.3 Factors Affecting Digital Transformation**

#### **(1) Digital technology**

Pascucci (2019) believes that the emergence of IoT technology will greatly increase the personalization of products and services, which can generate and provide a large amount of data and information in real time. The automation of the digital transformation process of enterprises is being driven by "artificial intelligence" and "big data", and the possibility of information exchange and information between a large

number of topics is redefining new business scenarios, creating new industries, and also creating real business ecosystem. IDC (2017) believes that the global digital innovation model promoted and promoted by platforms mainly represented by cloud, big data, mobile and information technology will gradually move towards the second stage of development: from the Internet company-based, independent island type Innovation-assisted experimental development stage, towards platform-based and global ecosystems, digital products and services are rapidly exploding. Frank GENS, senior vice president and principal analyst at IDC, commented on this: In the rapidly rising digital economy, all enterprises must be able to operate as a native digital enterprise, revolving around a large digital innovation Internet network. Build a business and eventually become a new business species. Liu Shuming (2018) believes that in the data application analysis stage, big data analysis methods are adopted, and a professional data analysis team is formed to form a visual analysis report, make full use of the digital assets of the enterprise, and transform it into the productivity of enterprise development.

### (2) Management leadership

Yao Kai (2018) believes that the digital transformation of enterprises requires different types of talents. The first is digital leadership talents. It is necessary to establish a separate department responsible for digital transformation to carry out digital publicity, identification and promotion. The second is the talents who ensure the implementation of digital transformation. They are responsible for specific implementation plans and daily support. Among them, the requirements for leaders are generally as follows: the ability to quickly understand the business; the ability to ask questions and be curious about things; the ability to have a global vision and planning ability; the ability to abstract business scenarios; strong communication skills; Ability to quickly evaluate new technologies. Zhu Wei (2019) believes that the digital transformation of enterprises is still a management proposition, and managers should stand in the perspective of digital marketing, formulate long-term strategies, and manage the challenges of organizational change and talent structure. In digital transformation, technology is not the most important, managers should focus on long-term performance, reshape organizational vitality, and forge new corporate contracts. Businesses should focus on "touch points" between business and individuals, and between business and business, turning them into points of trust. Li Yong (2020) believes that digitalization is divided into six stages, and the realization is to build the thinking of digital transformation, especially the leadership thinking.

### (3) Continuous investment in digital transformation

The degree of investment in information technology is related to whether the transformation of an enterprise can be continued. Investment is the lasting driving force for digital transformation and the foundation of innovation. The degree of dependence of the business model on digital applications, an open and transparent organizational system can enable better communication between various departments, a flat organizational structure, a corporate culture that encourages innovation, and the level of digitalization in the industry.

Zhu (2006) identified technological advantages, organizational size, competitive pressure, and partners as key factors that jointly influence the adoption and diffusion of digital transformation in enterprises.

#### (4) Different awareness of digital transformation

CIOs may see digital as a way to improve operational efficiency, while CMOs may see digital as the answer to increasing customer engagement. And true digital transformation requires both. The key to successful digital transformation is often the ability to create a new and unique customer experience. This is an enterprise-wide effort, and it is the CEO's responsibility to take ownership and drive the alignment of IT and business. Business executives need to tie the transformation to the personal stakes of their employees, keep an open mind, and involve employees. Successful transformation leaders often use formal or informal events to demonstrate determination and will to overcome difficulties.

#### (5) Talent shortage

Digital transformation requires new talent, including software engineers trained in the latest programming languages, and product managers who understand what customers want in a virtual assistant. Companies are paying exorbitant salaries for UX design specialists, Dev Ops engineers, data scientists, and AI professionals as long as the company can find them. But demand far exceeds supply, most businesses find it difficult to attract seasoned software developers, product managers and other technical professionals, and a lack of talent and attrition is killing digital transformation.

#### (6) Goals and methods of digital transformation

Most companies have exited wait-and-see mode after poor financial health and mounting pressure from their boards and competitors. Most leaders still struggle to figure out what exactly they need to change, and how. This indecision can create inertia, or worse, wrong decisions. One of the main challenges facing businesses is how to

Digital transformation strategies are aligned with short- and long-term financial goals, especially for publicly traded companies that benefit from shareholders and Wall Street.

#### (7) Lack of continuity

Change always goes with resistance. Initiating digital transformation is one thing, sticking to it and getting results is another. This requires leaders to pay attention to details, pay attention to details, and address specific problems or obstacles encountered in the transformation journey. As a senior executive, participate in the execution of high-value initiatives, monitor the achievement of transformation goals, and help address key obstacles encountered.

## 2.3 The state of digital transformation

The birth of the World Wide Web in 1990 brought the Internet to commercial use and formed a new industry, which also marked the advent of the digital age. Due to the earlier access to the Internet in European and American countries, foreign scholars have conducted research on the digital economy and digital transformation for a long time. In the digital age, enterprises will face the problem of digital transformation. The theoretical research on enterprise transformation and digital transformation in foreign countries is earlier and more in-depth, and the transformation connotation, content, motivation and path are more in-depth, which provides a reference plan for my country's digital transformation.

Don Tapscott (1995) believes that the digital revolution of information technology is a new economic form of human based on intelligent network. From the perspective of economics, the digital economy is to use digital technology to optimize and allocate resources through the screening, processing, storage and utilization of big data, so as to achieve high-quality economic development. Using the digital economy can indirectly play the role of resources and accelerate the development of productivity. He is also considered to be the first person to propose the concept of "digital economy"; Kling (1999) believes that digital transformation reduces the cost of social development and can provide more employment opportunities. William B. Rouse (2005) in "Enterprise as a System: Basic Challenges and Approaches to Transformation" believes that from the perspective of theory and practice, the resulting IT technology and interoperability level are the keys to the success of enterprise transformation. It provides a broader perspective for digital transformation research; Mathews and Cho (2000) believe that the implementation of new technology strategies by enterprises can promote the transformation and upgrading of traditional enterprises; Manyika (2011) research believes that by using big data technology, cloud computing, AI Digital technologies such as the Internet of Things, Internet of Things, etc. to break through the barriers between industries, make the industrial boundaries wider, accelerate the integration of various industries, and promote the structural transformation and upgrading of traditional industries; George Westerman (2014) From the perspective of business performance, he believes that Digital transformation can radically improve business performance.

Vossen (2017) Summarizing digital transformation into three main parts, including: transforming customer experience, transforming operating models, and transforming business models; Jansson and Andervin (2018) believe that digital transformation is the result of the adaptive competition of enterprises in digital transformation from the internal and external environment; Dr. -Ing Uwe Winkehake (2019), from the perspective of corporate strategy, comprehensively analyzed the content and process of digital transformation of enterprises in the context of the digital economy era. From the perspective of transformation, Brian believes that digital transformation will reshape technology, business, and value, and digital transformation will redefine the survival and development of enterprises.



Gordon Earle Moore (1968) believes that innovation is the eternal theme of business; Nicholas wrote in one of his books, "Digital survival": "Computers are not just calculations, they will change the way we live." In our times, digitalization is not only an opportunity, but also a crisis. It will completely change the previous way of life and the operation mode of our country's enterprises. This is also the significance of many scholars studying digital transformation. Anabel (2016) believes that the application of digital technology will improve customer satisfaction, so digital transformation means a huge change for enterprises; Nwankpa (2016) research found that digital transformation of enterprises has a positive impact on the future development of enterprises.

Blumenthal (1994) believes that digital transformation should be carried out from three aspects: operation, technological innovation and strategic transformation; Gereffi (1999) believes that digital transformation should be carried out from internal upgrading, upgrading of corporate homes, industrial upgrading within countries, and international and inter-regional industries. Upgrade these four paths to achieve; Frank (2019) believes that digital transformation should be technology innovation and service innovation, which are similar to enterprise business; Kohtamäki (2020) believes that only service business model innovation, technology-driven products and processes The organic combination of innovation and simultaneous advancement can provide the best solution for the operation of enterprises in the complex and dynamic market environment.

## **2.4 Digital Transformation Trends**

With the continuous advancement of new national infrastructure such as 5G, artificial intelligence, and the Internet of Things, it will provide a solid technical and network foundation for more enterprises to transform and upgrade to digital. 5G will alleviate the problem of network data transmission in large Chinese enterprises. More and more data and content will be continuously transmitted to the core systems of large Chinese enterprises through 5G networks. The valuable data and content provide key support for the decision-making and development of large Chinese enterprises.

In the future, technologies such as digital twins and VR/AR will likely be used by enterprises on a large scale and put into digital enterprise transformation. With the widespread adoption of platforms and tools with more sophisticated simulation and modeling capabilities, better interoperability, and digital simulation in IOT sensors and visualization systems, companies are gradually realizing the digitalization that creates more granular and dynamic emotions. Simulation models have become a possibility. Digital twin technology can play a key role in improving manufacturing efficiency, optimizing supply chain, changing expected area maintenance, and effectively alleviating road traffic congestion. More and more small and medium-sized enterprises, especially those that have transformed from the original product sales to the original product + service + bundled sales method, or the original sales-as-a-service enterprises, are generally applying digital Twin technology. As the company's capabilities and management maturity continue to increase, in this case, more companies will start to

use digital twin technology for process optimization, data-driven decision-making, and design of a new product, New services and business models.

Since the concept of digitalization was proposed in 1995, digitalization technology has developed by leaps and bounds in the past 20 years. From the informatization stage at the beginning to the Internet stage in the early 21st century, and then to the pan-cloud stage later, the continuous evolution and development of digital technology promotes the constant change of information transmission methods. From the original computer language of "0" and "1", to the emergence of advanced languages such as C and C+, to the birth and development of pseudocodes such as JAVA and JS, the degree of digitization of information is getting higher and higher, and the degree of integration of information And the efficiency of use is getting higher and higher. With the integration of more and more digital information, the existing concept of big data has been formed, and the latest technologies represented by AI and machine learning have brought the quality of information to a higher level.

At this stage, digital transformation is developing in the direction of digital intelligence, taking advantage of the opportunities of new national infrastructure such as 5G and artificial intelligence to realize digital intelligence. As a leading carrier service provider in China, Huawei is constantly paying attention to and promoting its own technological evolution while iterating its internal products. Based on the advantages of new technologies, the continuous development of cloud technology, and the continuous reduction of costs, the system of large group-type enterprises will continue to be centralized, and data barriers will be broken through, and data islands will become less and less, or even cease to exist. At the same time, with the continuous accumulation and mining of data, the Group's decision-making will be more intelligent, and the feedback will be more objective and timely.

## **Chapter 3 Research Method**

This paper takes Huawei's digital transformation strategy adjustment in the context of the development of the digital age as the research object, and first analyzes Huawei's external environment through the PESTEL analysis method. Analyzed Huawei's internal resources and capabilities by using value chain and other theories, and then used the SWOT matrix analysis tool to analyze Huawei's current strengths and weaknesses, as well as the opportunities and challenges it faced, and concluded that "leading the industry and operating excellence" suitable for Huawei The overall development strategy of "effective growth", and the differentiated competition strategy with cost leadership and technology leadership, and finally gives the corresponding digital transformation strategy implementation strategy and strategic control measures. This artic adopts the literature research method, through the impact of the digital age on enterprises and the impact of digital transformation on enterprises, synthesizes the problems encountered by Huawei's digital transformation, and puts forward relevant suggestions. The second is to use SWOT analysis and PESTEL theoretical analysis to discuss the external environment encountered by Huawei in the digital age. Through the analysis of the political environment, economic environment, social and cultural environment, technological environment, natural environment and legal environment, the challenges and possibilities of Huawei's sustainable development are comprehensively obtained; three possible development strategy assumptions are provided.

### **3.1 Literature research method**

Through the research and analysis of the selected cases of Huawei Corporation's digital transformation, the relevant case materials involved in this article are mainly from the official website and the annual reports of listed companies. The motivation, the chosen path and the method adopted for the digital transformation of Huawei Corporation were identified. Finally, through the analysis of the operating data before and after the transformation of Huawei Corporation, the effect of the digital transformation of Huawei Corporation was evaluated, and finally the digital transformation was found to be beneficial to the enterprise. This conclusion of the transformation is proposed to provide a reference for the digital transformation of similar enterprises in my country.

### **3.2 Case analysis method**

Through the research and analysis of the selected cases of Huawei Corporation's digital transformation, the relevant case materials involved in this article are mainly from the official website and the annual reports of listed companies. The motivation, the chosen path and the method adopted for the digital transformation of Huawei Corporation were identified. Finally, through the analysis of the operating data before

and after the transformation of Huawei Corporation, the effect of the digital transformation of Huawei Corporation was evaluated, and finally the digital transformation was found to be beneficial to the enterprise. This conclusion of the transformation is proposed to provide a reference for the digital transformation of similar enterprises in my country.

### **3.3 PESTEL analysis model**

PESTEL analysis, also known as macro environment analysis, is an effective tool for analyzing the macro environment. It not only analyzes the external environment, but also identifies all the forces that have an impact on the organization. It is a method of investigating influencing factors outside the organization. Each letter represents a factor, which can be divided into 6 major factors: Political, Economic, Sociocultural, Technical, Environmental, Legal.

1. Political factors: refer to political forces and relevant policies, laws and regulations that have actual and potential impacts on the organization's business activities. Huawei Corporation activities must comply with local laws and regulations. Different regions have different regulations. Most importantly, companies must adapt to local conditions and adapt to local rules.

(1) Political stability: Political situation refers to the social and political stability of a country or region. The political and social stability of that country also has a great influence on the management of companies. If there is political stability, the business environment of enterprises will be improved. On the other hand, if the political situation is unstable, social chaos, national and regional chaos, social and economic stagnation, business operations will be significantly affected. This not only affects social and economic development and people's lives, but also has a significant impact on the development of business operations. Social events such as riots, wars, and regime changes can have a bad impact on corporate activities and can quickly change the status quo of the company. For example, frequent regime changes, especially political instability due to political changes due to violence, will also directly affect the production and development of enterprises. Therefore, social stability has a great relationship with the business development of enterprises.

China's political situation has been relatively stable since the founding of the People's Republic of China, and the society has become increasingly harmonious. The government has been taking various measures that are conducive to the stable development of society to ensure national stability. It is also adopting a series of policies to actively create a good business environment. Enterprises do not violate government policies and regulations. Under the circumstance, there is sufficient room for development, and the people of our country live and work in peace and contentment under the leadership of the government, making the country prosperous. These stable factors give enterprises a good environment for development. In the new era, Chinese enterprises are actively going global while expanding the domestic market, all of which benefit from the political stability of our country.

(2) The impact of government actions on enterprises: The government and the market are different functions of managing resource allocation. The government meets the needs of society by developing enterprises in the market. The government has formulated policies to support the development of enterprises, enabling companies to support the government to improve development. To a large extent, under the guidance of policy and enterprise development, they can understand and guide the market more directly and accurately, so as to make products more in line with market demand. Therefore, there is an interconnected relationship between government and corporations. The government's preferential policies include directly or indirectly attracting investment, reducing taxes, subsidizing, improving the environment, employment, introducing talents, etc., to promote the healthy development of enterprises.

(3) The government's specific attitude towards organizational development and its role and the basic policies it implements:

The industry in which Huawei operates is also a relatively high-tech industry. At present, the Chinese government strongly supports the development of high-tech enterprises. The Chinese government has always encouraged enterprises to innovate, and is committed to serving enterprises and helping them develop better. President Xi Jinping emphasized the following: We must unswervingly support and protect and support the development of the private economy. We must create a good legal environment for private enterprises and further optimize the business environment. Enterprises are encouraged to reform and innovate, establish various science and technology demonstration parks and high-tech enterprises with policies such as tax reduction, exemption, and tax rebate. Among them, my country's "14th Five-Year Plan" clearly proposes the development of the digital economy and encourages enterprises to carry out digital transformation and upgrading.

2. Economic factors: refer to the economic structure, industrial layout, resource conditions, economic development level, future economic trends, etc. outside the organization. Economic conditions determine Huawei Corporation market size in the region.

The overall scale of my country's economy has become second only to the United States. From the reform and opening up in 1979 to the present, my country's economic development has been growing at a relatively high speed compared with other countries. Although it suffered a major epidemic in 2020, the economy has suffered setbacks. Since 2020, due to the impact of the global epidemic, the global economy has been in a state of shrinking, and the economic development of various countries has begun to slow down or even negatively grow. However, my country's epidemic prevention measures have enabled my country's economy to take the lead in achieving growth, and macroeconomic development has tended to grow steadily. The government has also adopted a series of policies to promote stable economic development.

3. Social and cultural factors: refer to the historical development, cultural traditions, values, educational level, customs and other factors of the members of the society where the organization is located. Social and cultural factors also reflect the level of education, which in turn affects consumption concepts and value orientations.

Social and cultural factors mainly include the following aspects: ① Demographic factors: due to the large population in my country, Chinese enterprises can continue to develop domestically and their rapid growth is largely due to my country's demographic dividend; ② Social mobility: Since the reform and opening up Over the past 30 years, my country's population mobility is rare in the world. According to the National Bureau of Statistics, my country has more than 200 million migrant workers. The population mobility drives economic development and makes it easier for enterprises to utilize talents and products. Marketing; ③ Consumption Psychology: Since modern times, the living materials of our people have always been in a state of shortage. With the reform and opening up, people's lives have become richer, and people have begun to pursue material enjoyment. my country is a big consumer country in the world, and different enterprises are pursuing materials. It is different. Based on my country's population base, all kinds of enterprises can find their own living space.

4. Technical factors: technical factors include not only those inventions that cause revolutionary changes, but also the emergence, development trends and application prospects of new technologies, new processes, and new materials related to the production of enterprises. Such as Huawei's 5G. my country's "14th Five-Year Plan" and the 2035 Vision have included digital development in the national strategy. The new round of scientific and technological revolution and industrial transformation has developed in depth. Thanks to the rapid development of information technologies such as AI, big data, Internet of Things, and cloud computing, my country's Digital development has achieved remarkable results with the support of national policies. Huawei promotes business optimization and upgrading with the help of emerging technologies. Based on my country's industrial scale advantages, supporting advantages, and first-mover advantages in some fields, Huawei creates high-quality enterprise development and provides customers with smarter display solutions.

5. Environmental factors: elements of an organization's activities, products or services that interact with the environment.

6. Legal factors: a comprehensive system composed of external laws, regulations, judicial conditions and citizens' legal awareness.

Although the epidemic has caused huge economic losses on a global scale, the overall pattern of the world has not changed. Peace and development are the eternal themes of the new era. China's resilience and resilience in fighting the epidemic is a reflection of the rise of China's comprehensive national strength. With the development of social productive forces and the continuous improvement of scientific and technological level, people's requirements for material living standards also increase. The quality of Huawei Corporation customer communication channels often determines the company's business capabilities. The scenario facing Huawei under the epidemic is a more complex market environment: due to the spread of the epidemic around the world, customers cannot be seen and transactions cannot be conducted. Various exhibitions have been suspended, leading to many of the usual publicity and sales events in the past. How to ensure that "customer contacts will not be interrupted,

customer feelings will not cool down, and Huawei's business will not decline" under the new normal has become the biggest difficulty. Objectively speaking, digitalization supports business operations and serves consumers. These transaction models place high demands on enterprise IT systems. At present, Huawei's IT investment accounts for 2.5% of sales revenue, with an annual investment of about 2 billion US dollars. Huawei mobile phone exclusive Huawei mall, Huawei service, pollen club, to bring users a more convenient service experience. Staying at home and experiencing home is the convenience brought to us by digital platforms. But at the same time, it will also lead to a series of security problems, including fake customer service information, and network attacks on the platform server itself. Recently, the General Office of the State Council issued the "Guiding Opinions on Promoting the Standardized and Healthy Development of the Platform Economy". my country will innovate the "Internet + Supervision" supervision model to more effectively promote the development of new business formats and become the core driving force for economic transformation and upgrading under the trend of "consumption upgrading".

Through the above PESTEL analysis, we can draw the following conclusions: the epidemic has not changed the political environment; after the epidemic, China's economy has recovered rapidly, and enterprises have resumed work one after another, but the epidemic abroad is still severe; people's pursuit of a better life has been further strengthened; Development opens up endless possibilities for digital services. The construction of digital platforms provides convenience for people in the era of big data; however, the network security and stability of digital platforms requires better legal support and protection from the state.

### **3.4 SWOT analysis method**

The SWOT analysis method was proposed by Verrick, a management professor at the University of San Francisco in the early 1980s, and is often used in corporate strategy formulation, competitor analysis and other occasions. swot has four letters, each of which represents a meaning. S is strength, representing advantage; W is weakness, representing disadvantage; O is opportunity, representing opportunity; T is threat, representing threat. Strength is an internal factor of an enterprise, including favorable competitive situation, sufficient financial resources, good corporate image, technology research and development strength, larger market share, lower cost advantages, etc.; weakness is also an internal factor of an enterprise, including technological backwardness, Shortage of funds, lack of management, talent gap, low efficiency of organizational structure, etc.; Opportunity is an external factor of the enterprise, including the increase of external demand, favorable national policies, mistakes of competitors, etc.; threat is also an external factor of the enterprise, including new competition Opponents, changes in demand preferences, replacement of new technologies, changes in industry trends, etc.

SWOT analysis will list various main internal strength, weakness and external opportunity (and threat, etc., which are closely related to the research object, through

investigation, and arrange them in matrix form, and then use the idea of systematic analysis to match various factors with each other. It can be divided into four different strategic combinations: SO strategy, WO strategy, ST strategy and WT strategy, respectively, on how to make use of advantages, take advantage of opportunities, overcome weaknesses and avoid threats. combination.

(1) Advantage: It is the internal factor of the organization, including: favorable competitive situation; redundant capital source; good corporate image; technical strength; scale economy; product quality; market share; cost advantage; advertising attack, etc.

Huawei ranks third in the world in terms of business, and ranks first in the world every year. Its R&D investment has reached the average level of international technology companies. It is the company with the most patent applications in China and the world's leading 5G technology company. At the same time, the low labor price in China enables Huawei to surpass foreign advantages in product cost. . Today's China is the place with the fastest growing demand for network equipment in the world. Based on local users in China, the development prospect is very good. The company has a complete management structure, a complete management system, and excellent management and organizational capabilities.

(2) Weakness: It is also an internal factor of the organization, including: aging equipment; management confusion; lack of key technologies; backward R&D; shortage of funds; poor management; product backlog; poor competitiveness.

Huawei appreciates the wolf-like nature, brutal competition and strong personal colors of its leaders. 2. The domestic mobile phone market has long been dominated by big-name mobile phones such as Samsung and Apple. Many people are unwilling or distrustful and do not accept domestic brand mobile phones. 3. The US ban on Huawei is bound to have an impact on some aspects, and the supply of chips has also become a major problem.

(3) Opportunities: external factors of the organization, including: new products; new markets; new requirements; elimination of barriers in foreign markets; mistakes by competitors.

5G patent rights account for one-third of the world. The development of Kirin chips is an opportunity to break the monopoly of foreign chips. The development of Hongmeng system has also received extensive attention from the industry. The Belt and Road Initiative is a valuable opportunity for Huawei to realize its corporate globalization strategy. The sales of Apple and Samsung are no longer the peak. Huawei and Honor join hands to enter e-commerce, follow the trend of the times, build a world where everything is connected, and win the opportunity of digital transformation.

(4) Threats: external factors to the organization, including: new competitors; more alternative products; market tightening; industrial policy changes; economic depression; changes in customer preferences; emergencies, etc. 1. The business interruption of third-party manufacturers is bound to adversely affect Huawei's business and operating results. 2. Other suppliers use Huawei's information, patents, and licenses by improper means. 3. After the expansion of mobile business, substrate equipment manufacturers 5. Only lower the upper limit. 4. The opening of the domestic telecommunications



market has allowed Huawei to face all-round challenges from international challengers. At present, Western public opinion is not favorable to Huawei. The European market is likely to plummet, and the expansion of the domestic market cannot make up for the loss of the European market.

Four kinds of strategic combinations can be obtained through SWOT analysis, namely, the strategic combination of "opportunity of advantage", the strategic combination of "opportunity of disadvantage", the strategic combination of "advantage of threat" and the strategic combination of "inferiority of threat". Each strategic combination can accordingly propose a different strategic development direction.

SO strategy (advantage-opportunity): 1. Stabilize the international market and race against time under the shadow of the US Empire 2. Innovate and introduce more technologies and equipment with independent intellectual property rights 3. Achieve the best integration and allocation of resources on a global scale

WO strategy (weakness-opportunity): 1. Merger or merger, diversified development 2. Focus on potential market, seize the market 3. Cultivate excellent technical and management talents.

ST strategy (advantage-threat): 1. Improve the technical content of equipment and service level, accelerate digital transformation, attract and consolidate users with strong economic strength who have high requirements for service quality 2. Strengthen cooperation with relevant government departments and make full use of political drive Economy 3. Give full play to its own advantages, corporate culture, and make up for the disadvantages in corporate competition.

WT strategy (weakness-threat): 1. Optimize personnel structure, adjust resource allocation, and optimize resource utilization. 2. Establish a good brand image and let European consumers get out of government public opinion and get to know Huawei again. 3. Strengthen domestic enterprise cooperation and discussion.

Through the research of SWOT analysis, we can get three development strategies of enterprises in different situations: stability, expansion and defense.

1. Huawei is restricted by the external environment and its external sales are restricted. However, China is one of the largest mobile phone markets in the world, and the development prospects are promising. It is necessary to adhere to digital transformation, do a good job in the construction of domestic digital service platforms, create better product and service experience for users, develop other various high-tech products, and realize a diversified and stable development strategy.

Huawei has the most advanced 5G technology in the world and is at least 10 years ahead of Western countries. Huawei can use its own advantages to create its own unique brand of mobile phones, communicate with overseas customers, and globalize its digital service platform, so that Huawei's threat theory can be self-defeating. It's also a defense-to-win strategy.

In China, there are many creative mobile phone and high-tech companies like Huawei. Strengthen exchanges and cooperation between enterprises, jointly develop high-tech chips and operating systems, and truly beautify the future. Until that day, the American market's demand for domestic high-tech products will also compromise it.

## Chapter 4 Finding and Conclusion

### 4.1 Finding

Combining the SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) with the PESTEL analysis (Political, Economic, Social, Technological, Environmental, and Legal factors) Findings:

Strengths:

Huawei possesses advanced digital products and technologies, enabling it to stay competitive in the technology market.

The company has a strong presence in the Chinese market, benefiting from favorable government support and a large customer base.

Huawei has made significant investments in research and development, fostering innovation and technological advancements.

Weaknesses:

The lack of comprehensive digital transformation services hinders Huawei's ability to fully leverage its digital products and technologies.

The US ban restricts Huawei's access to key technologies and limits its presence in overseas markets, affecting its sales share and growth potential.

Dependency on external suppliers for certain components poses a vulnerability in the supply chain.

Opportunities:

The increasing demand for digital transformation services presents an opportunity for Huawei to expand its service offerings and cater to various industries' needs.

Growing domestic and international markets offer avenues for Huawei to diversify its customer base and mitigate risks associated with market restrictions.

Huawei can leverage its expertise in chip manufacturing and emerging technologies, such as 5G and AI, to explore new business opportunities.

Threats:

Geopolitical tensions and trade restrictions pose a significant threat to Huawei's global operations, limiting its access to key markets and technologies.

Intense competition from other technology companies, especially in the smartphone and networking sectors, presents challenges to Huawei's market position.

Changing regulatory environments and increasing scrutiny on data privacy and security may impact Huawei's operations and reputation

There are five main findings combined with the full paper.

1. The effectiveness of digital transformation in Huawei is hindered by the lack of comprehensive digital transformation services. While the company possesses digital products and technologies, the absence of adequate supporting instructions and services prevents the full realization of their value.

2. The demand for digital transformation services increases as industries undergo deep digital transformation. Huawei recognizes the need to provide a diverse

range of products and services tailored to different industries and application scenarios to meet these evolving demands.

3. The US ban has compelled Huawei to invest more in independent research and development (R&D) and chip manufacturing. The study reveals the challenges faced by Huawei in navigating trade restrictions, particularly the impact on R&D investments and the need for robust chip manufacturing capabilities.

4. The absence of Google certification significantly affects Huawei's sales share in overseas markets. This limitation emphasizes the need for Huawei to explore alternative strategies and partnerships to mitigate the impact of the ban and expand its international market presence.

5. Huawei has implemented interventions in chip manufacturing and related industrial chains to overcome the limitations imposed by the US ban. By providing technical support, attracting talent, and facilitating collaboration with domestic and foreign enterprises, Huawei aims to build a de-beautified industrial chain and enhance its self-reliance.

## **4.2 Conclusion**

1. Huawei's strengths in advanced digital products and technologies provide a solid foundation for its growth and competitiveness. However, the company needs to prioritize the development of comprehensive digital transformation services to maximize the value of its offerings and the significance of digital transformation services should not be overlooked in the pursuit of digital transformation. Huawei needs to prioritize the development and provision of comprehensive services that accompany its digital products and technologies to maximize their value and enable successful transformations in various industries.

2. The US ban poses a substantial threat to Huawei's international expansion and sales share. To overcome this, Huawei should diversify its market strategies, strengthen collaborations with non-US partners, and invest further in R&D and chip manufacturing to reduce dependence on external suppliers.

The US ban presents challenges but also opportunities for Huawei. By increasing investments in independent R&D and chip manufacturing, and exploring partnerships and alternative market strategies, Huawei can navigate the trade restrictions and maintain its competitive edge in the global technology market.

3. The opportunities lie in the increasing demand for digital transformation services and emerging technologies. Huawei should seize these opportunities by expanding its service portfolio, targeting diverse industries, and leveraging its expertise in chip manufacturing, 5G, and AI.

4. To mitigate threats, Huawei should closely monitor geopolitical and regulatory developments, proactively address data privacy and security concerns, and focus on building strong customer relationships based on trust and reliability and overcome the absence of Google certification and expand its sales share in overseas markets, Huawei needs to develop alternative solutions, such as customized applications and partnerships with other global service providers. Diversifying market strategies and addressing

customers' evolving needs can help mitigate the impact of the ban on Huawei's international business.



## Chapter 5 Recommendation

### 1. Enhance Digital Transformation Services:

Invest in developing comprehensive digital transformation services that align with the evolving needs of different industries and application scenarios.

Focus on providing high-quality service offerings that accompany Huawei's digital products and technologies to maximize their value and drive successful transformations.

### 2. Diversify Market Strategies:

Reduce reliance on overseas markets affected by the US ban by diversifying into untapped domestic and international markets.

Develop customized applications and partnerships with non-US service providers to compensate for the absence of Google certification and expand sales share in overseas markets.

### 3. Strengthen Research and Development (R&D) and Chip Manufacturing:

Continue increasing investment in independent R&D and chip manufacturing capabilities to reduce dependence on external suppliers and mitigate the impact of trade restrictions.

Foster collaborations with domestic and international partners to enhance technological expertise, share resources, and collectively build a robust de-beautiful industrial chain.

### 4. Monitor and Navigate Geopolitical and Regulatory Developments:

Stay informed about geopolitical tensions, trade restrictions, and regulatory changes that may affect Huawei's operations and adapt strategies accordingly.

Proactively engage with relevant stakeholders, policymakers, and industry associations to influence favorable policies and create a conducive business environment.

### 5. Emphasize Data Privacy and Security:

Prioritize data privacy and security in product design, development, and service delivery to address concerns raised by regulators and customers.

Establish robust data protection frameworks and ensure compliance with relevant regulations to enhance trust and credibility among customers and partners.

### 6. Foster Innovation and Differentiation:

Continue investing in research and development to drive innovation and differentiation in product offerings, particularly in emerging technologies such as 5G and AI.

Leverage Huawei's technological expertise to explore new business opportunities and stay ahead of competitors in the rapidly evolving technology landscape.

### 7. Strengthen Customer Relationships:

Build strong customer relationships based on trust, reliability, and exceptional customer service.

Engage in open and transparent communication with customers to address their concerns, understand their evolving needs, and provide tailored solutions.

By implementing these recommendations, Huawei can overcome challenges, capitalize on opportunities, and position itself for sustained growth and competitiveness

in the technology market. It is essential for the company to adapt to changing market dynamics, navigate trade restrictions, and continue innovating to maintain its leadership position in the industry.



## References

- Agutter, C., van Hove, S., Steinberg, R., & England, R. (2017). *VeriSM-A service management approach for the digital age*. Van Haren.
- Bach, M. P., Spremić, M., & Vugec, D. S. (2018). Integrating digital transformation strategies into firms: Values, routes and best practice examples. In *Management and technological challenges in the digital age* (pp. 107-128). CRC Press.
- Baldwin, M. W., Keelan, J. P. R., Fehr, B., Enns, V., & Koh-Rangarajoo, E. (1996). Social-cognitive conceptualization of attachment working models: Availability and accessibility effects. *Journal of personality and social psychology*, 71(1), 94-109. <https://doi.org/10.1037/0022-3514.71.1.94>
- Bjola, C., Cassidy, J., & Manor, I. (2019). Public diplomacy in the digital age. *The Hague Journal of Diplomacy*, 14(1-2), 83-101.
- Bumann, J., & Peter, M. K. (2019). Action fields of digital transformation—a review and comparative analysis of digital transformation maturity models and frameworks. *Digitalisierung und andere Innovationsformen im Management*, 2, 13-40.
- Ciuriak, D. (2019). World Trade Organization 2.0: Reforming multilateral trade rules for the digital age. *CIGI Policy Brief*, (152).
- Ding, Y. & Jin, Y. S. (2020). Analysis of operators' digital transformation path in the digital economy: A case study based on canvas model. *Information and Communication Technology*, (01), 28-34.
- Gao, L. (2020). 5G "New Infrastructure", new scenes, new models. *Internet World* (06), 20-23.
- Guerrero, R., Lattemann, C., & Michalke, S. (2021). Huawei. In *Digitalization cases vol. 2* (pp. 141-164). Springer.
- Hanson, K. T., Shaw, T. M., Puplampu, K. P., & Arthur, P. (2020). Digital transformation: A connected and “disrupted” Africa. In *Disruptive technologies, innovation and development in Africa* (pp. 295-305). Palgrave Macmillan.
- Jiang, G. R., Lu, Y. T., & Chen, Y. N. (2019). Current status of foreign research on enterprise digital transformation. *Business News*, (15), 68-70.
- Kling, K. C., Hyde, J. S., Showers, C. J., & Buswell, B. N. (1999). Gender differences in self-esteem: A meta-analysis. *Psychological Bulletin*, 125(4), 470 –500. <https://doi.org/10.1037/0033-2909.125.4.470>
- Li, H., & Huang, S. F. (2020). Research on the survival and development countermeasures of China's SMEs under the background of the global new crown epidemic—Based on digital transformation and business model upgrade analysis of coping strategies. *Price Theory and Practice*, (07), 13-16. doi: 10.19851/j.cnki.cn11-1010/f.2020.07.217.
- Li, S. (2020). Accelerating the pace of digital transformation and promoting enterprise management. *International Engineering and Labor Services*, (07), 36-40.

- Ma, Y., & Du, H. (2022). Data-driven digital transformation of enterprises. In *Enterprise data at Huawei* (pp. 1-12). Springer.
- Manyika, J., Chui, M., Brown, B., Bughin, J., Dobbs, R., Roxburgh, C., & Hung Byers, A. (2011). *Big data: The next frontier for innovation, competition, and productivity*. McKinsey Global Institute.
- Mathews, J. A., & Cho, D. S. (2000). *Tiger technology: The creation of a semiconductor industry in East Asia (Vol. 389)*. Cambridge University Press.
- Negroponte, N., Zellmeister, G., & Petit, C. (1995). *A vida digital* (p. 88). Companhia das Letras.
- Rouse, W. B. (2005). A theory of enterprise transformation. *Systems Engineering*, 8(4), 279-295.
- Strohmaier, R., Schuetz, M., & Vannuccini, S. (2019). A systemic perspective on socioeconomic transformation in the digital age. *Journal of Industrial and Business Economics*, 46(3), 361-378.
- Su, Q. J. (2019). Competence structure of talents in digital transformation of enterprises. *Industrial Innovation Research*, (11), 149-150.
- Tang, M. (2020). Huawei versus the United States? The geopolitics of exterritorial internet infrastructure. *International journal of communication*, 14, 22.
- Tapscott, Don, Art Caston, Magaly Bernal Osorio, Leonardo Cano, Roberto Rosero Hinestrosa, and Rafael Soteldo Silva. (1995). *Cambio de paradigmas empresariales. Vol. 129*. McGraw-Hill.
- Wang, Z. Q. (2020). Accelerate 5G new infrastructure to drive digital transformation and upgrading. *Internet World*, (04), 34-40.
- Westerman, G., Bonnet, D., & McAfee, A. (2014). *Leading digital: Turning technology into business transformation*. Harvard Business Press.
- Wu, C. H., Abd-El-Haliem, A., Bozkurt, T. O., Belhaj, K., Terauchi, R., Vossen, J. H., & Kamoun, S. (2017). NLR network mediates immunity to diverse plant pathogens. *Proceedings of the National Academy of Sciences*, 114(30), 8113-8118.
- Yan, Y. Z. (2020). "New infrastructure" boosts the digital transformation of enterprises. *China Construction Informatization*, (14), 10-17.
- Zhang, H. Y. (2021). Thinking on digital transformation of small and medium-sized enterprises. doi:10.16722/j.issn.1674-537x.2021.06.013.
- Zhu, W. (2019). Three keys to digital transformation of enterprises. *Shandong State-owned Assets*, (06), 95-96.
- Zhu, Wei. (2019). Three keys to digital transformation of enterprises. *Shandong State-owned Assets*, (06), 95-96.