



**A CASE STUDY OF THE INFLUENCING FACTORS IN THE  
NEW INTERSTATE ORDER OF ASEAN AND THE PACIFIC  
RIM ON HUAWEI'S STRATEGIC ADAPTATION**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF  
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This Independent Study has been Approved as a Partial Fulfillment of the  
Requirement of an International Master of Business Administration

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**Title:** A CASE STUDY OF THE INFLUENCING FACTORS IN THE NEW INTERSTATE ORDER OF ASEAN AND THE PACIFIC RIM ON HUAWEI'S STRATEGIC ADAPTATION

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**Degree:** Master of Business Administration

**Major:** International Business Management

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## ABSTRACT

The significance of the New Interstate Order is underlined by the reconfiguration of global supply chains, evolving trade policies, and the increasing importance of technological innovation in international competitiveness. These factors compel multinational corporations like Huawei to continually adapt their strategies to maintain their competitive edge. This study examined Huawei's strategic adaptation in response to the New Interstate Order among ASEAN and Pacific Rim countries. The objectives were: 1) To determine the primary factors influencing Huawei's strategic decisions, 2) To analyze how these identified factors impact Huawei's business strategies, focusing on measurable outcomes, and 3) To develop strategic recommendations for Huawei based on the impact of these factors.

Grounded in globalization theory, strategic management theory, and geopolitical adaptation theory, a quantitative research method was used. Data was collected via a structured questionnaire from senior managers and key decision-makers at Huawei. 375 responses were deemed valid, constituting a 93.75% validity rate of the returned questionnaires. Analysis included descriptive statistics and multiple regression.

The study found that: 1) The analysis revealed that international trade policies, such as tariffs and trade agreements, have a direct correlation with Huawei's market strategies, influencing where and how Huawei operates globally. Technological advancements, particularly in 5G and AI, were identified as critical to Huawei's R&D

direction, influencing product development and market offerings. Geopolitical factors, including diplomatic relations and regional stability, were found to affect strategic decisions like partnership selection and market entry. 2) Quantitative data showed a robust correlation between technological advancements and Huawei's strategic pivot towards new product lines and markets, suggesting a direct influence on competitive positioning. 3) The recommendations for Huawei focus on three strategic areas: adapting to global market dynamics through diversification and risk management, leveraging technological advancements by investing in R&D and partnerships, and navigating geopolitical challenges with enhanced diplomacy and strategic alliances. These strategies aim to fortify Huawei's competitive edge and operational resilience in response to the complex and evolving global landscape.

The study demonstrates how the New Interstate Order of ASEAN and the Pacific Rim significantly impacts Huawei's strategic decisions, highlighting the need for flexibility in market strategies, continuous innovation, and adept geopolitical navigation. It underscores the importance of strategic agility and resilience for Huawei to maintain competitiveness and adapt effectively to the evolving global landscape, offering a roadmap for multinational corporations facing similar international dynamics.

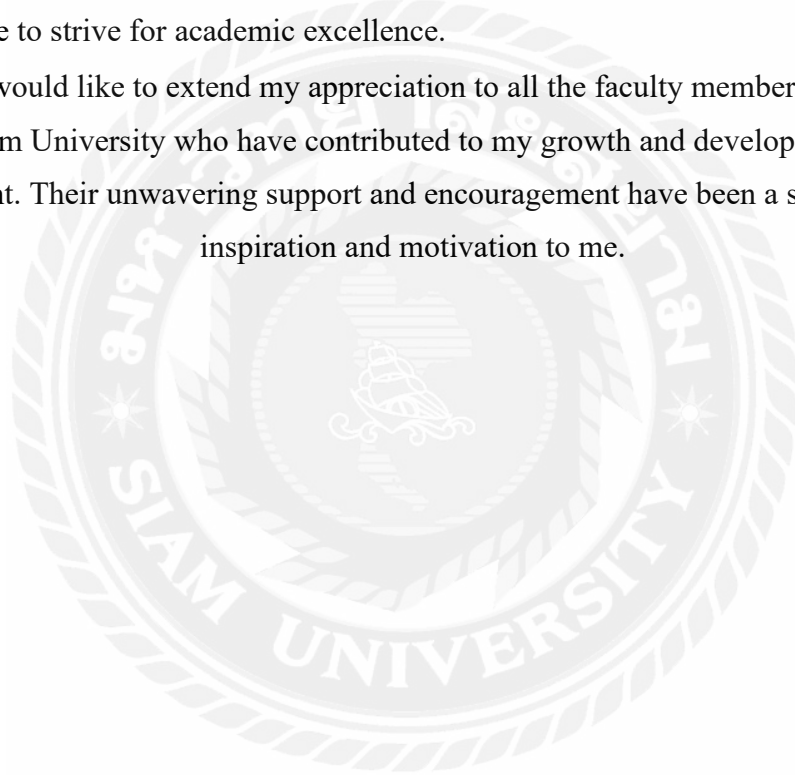
**Keywords:** Globalization, Strategic Management, Geopolitical Adaptation, Huawei

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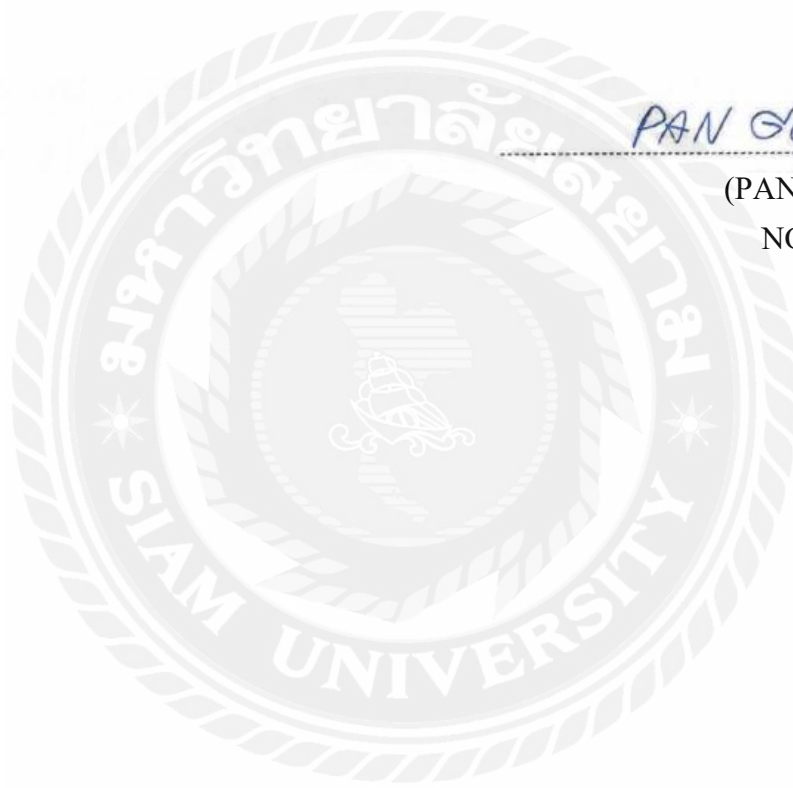
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## Declaration

*I, PAN GUOQING, hereby certify that the work embodied in this independent study entitled “A CASE STUDY OF THE INFLUENCING FACTORS IN THE NEW INTERSTATE ORDER OF ASEAN AND THE PACIFIC RIM ON HUAWEI’S STRATEGIC ADAPTATION” is result of original research and has not been submitted for a higher degree to any other university or institution.*



*PAN GUOQING*

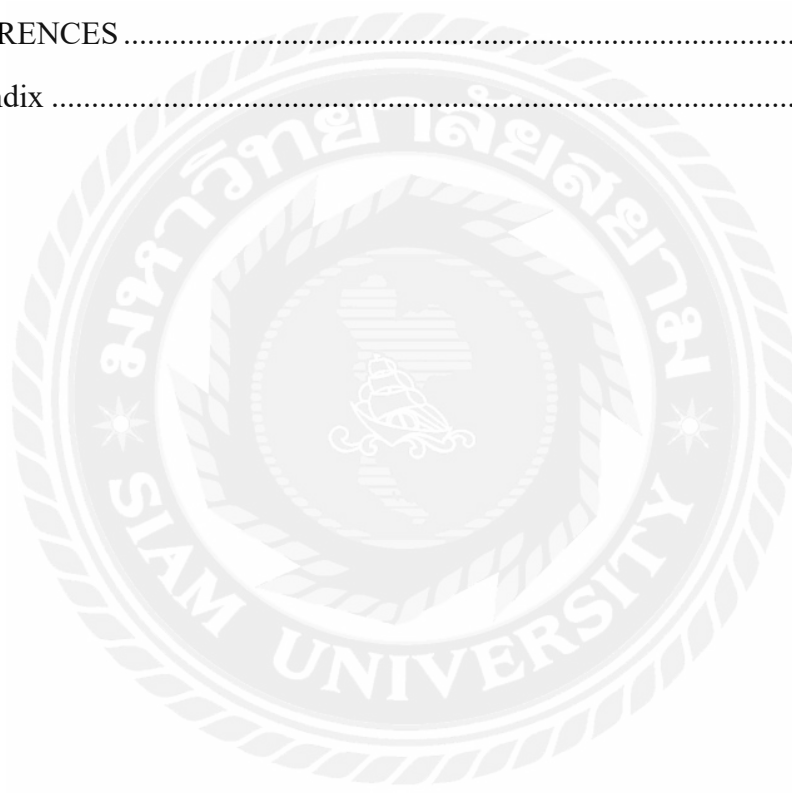
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# Chapter 1 Introduction

## 1.1 Background of the study

The contemporary international landscape, particularly in the context of ASEAN and the Pacific Rim, is witnessing a dynamic shift often referred to as the New Interstate Order. This order represents a complex interplay of economic, political, and technological factors reshaping global interactions (Wang, 2021). Notably, China's rise as a global economic powerhouse and the strategic pivot towards Asia have been pivotal in this transformation (Chen & Li, 2020).

In the corporate realm, this shift has profound implications for multinational corporations, particularly those originating from China, like Huawei. Huawei, as a leading global provider of information and communications technology (ICT) infrastructure and smart devices, operates at the intersection of global economic trends, technological advancements, and international relations (Zhou & Wang, 2022).

The significance of the New Interstate Order is underlined by the reconfiguration of global supply chains, evolving trade policies, and the increasing importance of technological innovation in international competitiveness (Liu, 2021). These factors compel multinational corporations like Huawei to continually adapt their strategies to maintain their competitive edge.

Understanding the adaptation strategies of Huawei within the context of the New Interstate Order requires a foundation in both globalization theory and strategic management theory. Globalization theory provides insights into the broader economic and political dynamics at play (Sun, 2019), while strategic management theory focuses on the firm-level responses to these changes (Xu & Zhang, 2020).

The current study aims to dissect these complex dynamics, focusing on identifying key factors influencing Huawei's strategic adaptation. This exploration is crucial for comprehending how multinational corporations can navigate the intricacies of the evolving global order.

## **1.2 Problems of the study**

Current literature extensively covers the dynamics of the New Interstate Order of ASEAN and the Pacific Rim and its general implications for multinational corporations (Zhang, 2021). However, there is a notable gap in specific, quantitative studies focusing on how individual Chinese multinational corporations, such as Huawei, are adapting their strategies in response to this new order (Li & Zhao, 2022). While qualitative analyses exist, the lack of quantitative data limits the understanding of the practical implications of these strategic adaptations.

This research gap is significant because it hinders a comprehensive understanding of the strategic decision-making processes within large corporations facing complex international changes. The lack of quantitative understanding in this area has led to tangible issues for multinational corporations. These firms often encounter strategic misalignment, where their decisions are not optimally adapted to the rapidly changing geopolitical and technological environment. This misalignment is manifest in decreased market efficiency, impaired global competitiveness, and missed opportunities in emerging markets. Addressing this gap is crucial for policymakers and business leaders, as it provides actionable insights into navigating geopolitical shifts and technological advancements (Wu & Liu, 2023). Furthermore, a quantitative approach to Huawei's adaptation strategies can offer a model for other multinational corporations in similar situations, enhancing the practical applicability of theoretical frameworks in strategic management (Cheng, 2021).

## **1.3 Objectives of the study**

This research aims to analyze the impact of the New Interstate Order of ASEAN and the Pacific Rim on Huawei's strategic adaptation.

1. To determine the primary factors in the New Interstate Order that are influencing Huawei's strategic decisions.
2. To analyze how the identified factors are impacting Huawei's business strategies, focusing on measurable outcomes.
3. To develop strategic recommendations for Huawei, based on the analysis of the impact of the influencing factors.

## **1.4 Scope of the study**

This study focuses specifically on Huawei and its strategic adaptation to the New Interstate Order of ASEAN and the Pacific Rim. The scope is confined to analyzing key factors influencing Huawei's strategies within this geopolitical and economic context, using a quantitative approach. The time frame for the analysis aligns with recent developments in the New Interstate Order, primarily focusing on the last five years. The study excludes a comparative analysis with other multinational corporations and does not cover Huawei's internal organizational culture or non-strategic aspects. The intent is to provide a targeted and in-depth understanding of Huawei's external strategy adaptation.

The demographics researched in this study are primarily the senior management and key decision-makers within Huawei who are directly involved in strategic planning and implementation. This includes executives and leaders in various departments such as international business, finance, research and development, and supply chain management. The focus is on individuals who have a direct influence on or insight into Huawei's strategic adaptation to the New Interstate Order in the ASEAN and Pacific Rim regions. This specific demographic is chosen to ensure that the data collected is highly relevant and directly linked to the strategic decisions made at the corporate level.

## **1.5 Significance of the study**

Theoretical Significance:

This research addresses a significant gap in existing literature by providing a quantitative analysis of a multinational corporation's strategic adaptation in the face of global geopolitical changes. It extends the application of globalization theory and strategic management theory to a specific, real-world context, offering a nuanced understanding of these theories in practice. The findings will enrich academic discourse on multinational corporations' strategic behaviors in dynamic international environments, contributing to a deeper theoretical understanding of corporate strategy under global pressures.

Practical Significance:

Practically, this study offers tangible benefits to multinational corporations, particularly those operating within the ASEAN and Pacific Rim regions. By identifying and analyzing the key factors influencing Huawei's strategic adaptation, the research

provides actionable insights for similar corporations looking to navigate the complexities of the New Interstate Order. It serves as a guide for strategic decision-making, helping businesses to better position themselves in a rapidly evolving global market. The recommendations derived from this study can aid corporate leaders in making informed strategic choices, enhancing their global competitiveness and operational effectiveness.



## **Chapter 2 Literature Review**

### **2.1 Introduction**

This chapter embarks on a comprehensive literature review supporting the study. The aim is to dissect the interconnectedness of globalization, strategic management, and geopolitical adaptation as it pertains to multinational corporations like Huawei.

The literature review serves to contextualize the research within existing academic discourse, highlighting how this study contributes to and extends current understandings (Zhang & Wang, 2021). The scope includes an exploration of theoretical frameworks and empirical studies relevant to globalization effects, corporate strategy formulation in multinational entities, and the nuances of geopolitical adaptation (Liu, 2022).

### **2.2 Globalization**

Globalization, a multifaceted process of increasing global interconnectedness, profoundly influences multinational corporations and their strategies. For firms like Huawei, globalization is not just about economic integration; it involves navigating complex political, cultural, and technological landscapes (Liu & Yang, 2021). This section explores how globalization impacts international business operations, focusing on the interplay between global economic dynamics and corporate strategy.

The economic dimension of globalization, characterized by the liberalization of trade and investment flows, has created opportunities and challenges for multinational corporations. The integration of global markets demands that companies like Huawei adapt to diverse market conditions, regulatory environments, and competitive landscapes (Wang & Zhou, 2020). Meanwhile, technological globalization, evident in the rapid spread of information and communication technologies, has been a driving force behind Huawei's innovation and expansion strategies (Chen, 2019).

Political globalization, involving the shift in power dynamics and governance structures, also plays a crucial role. The New Interstate Order of ASEAN and the Pacific Rim, for example, presents a unique geopolitical landscape that Huawei must navigate.

This involves understanding and adapting to regional political trends, trade agreements, and diplomatic relations (Zhang & Wei, 2022).

Globalization is a critical lens through which Huawei's strategic adaptations can be understood. Its multifaceted nature requires a holistic approach to corporate strategy, considering economic, technological, and political dimensions.

Globalization has also led to cultural integration, affecting how multinational corporations like Huawei approach international markets. Understanding diverse cultural norms and consumer behaviors is crucial for global branding and marketing strategies (Li & Zhang, 2023). Huawei, for instance, must tailor its products and communication strategies to resonate with varied cultural backgrounds in different regions.

Furthermore, the legal and ethical dimensions of globalization cannot be overlooked. Multinational corporations face a complex web of international laws and regulations. Compliance with these legal frameworks, while maintaining ethical business practices, is vital for sustaining global operations (Wu, 2021). Huawei's adherence to international trade laws and ethical standards plays a significant role in shaping its global reputation and operational viability.

The environmental aspect of globalization is another critical factor. As corporations expand globally, their environmental footprint and sustainability practices come under scrutiny. Huawei's approach to environmental sustainability, particularly in its manufacturing and supply chain operations, reflects the growing importance of ecological considerations in global corporate strategy (Yang & Liu, 2022).

The social implications of globalization, such as labor practices and community engagement, are integral to corporate social responsibility. Huawei's strategies in different countries reflect its awareness and responsiveness to social issues, impacting its global brand image and stakeholder relationships (Zhao & Wang, 2020).

Globalization's multifaceted impact on multinational corporations like Huawei necessitates a comprehensive strategic approach, encompassing economic, technological, political, cultural, legal, environmental, and social dimensions.

## 2.3 Strategic Management

Strategic management, a key aspect of modern business administration, involves the formulation and implementation of major goals and initiatives by a company's top management. In the context of multinational corporations like Huawei, strategic management takes on a complex character due to the diverse markets and international environments they operate in (Zhang, 2021).

A pivotal aspect of strategic management is the analysis of external and internal environments, commonly known as SWOT analysis (Strengths, Weaknesses, Opportunities, Threats). For Huawei, this means understanding its competitive advantages, market challenges, global opportunities, and potential risks (Li & Huang, 2020). This analysis underpins strategic decision-making, ensuring that the company's moves are well-informed and contextually relevant. Another crucial element is strategic planning, which involves setting goals, determining actions to achieve these goals, and mobilizing resources to execute the actions. Huawei's strategic planning has been focused on technological innovation and global market expansion, reflecting its commitment to maintaining a competitive edge (Wang, 2022).

Global strategic alliances and partnerships form an integral part of Huawei's strategic management. These alliances, ranging from supply chain agreements to research collaborations, enhance Huawei's global reach and technological capabilities (Chen & Liu, 2021).

Moreover, corporate governance and ethical management play a significant role in strategic management. Good governance practices and adherence to ethical standards are essential for sustaining long-term corporate success and reputation, especially for companies like Huawei operating on a global scale (Yang, 2019). Change management is also a critical component, especially in a rapidly evolving technological landscape. Huawei's ability to adapt to changing market conditions, technological advancements, and regulatory environments is a testament to its effective change management strategies (Zhao, 2020).

Strategic management is a multifaceted discipline that is crucial for the success of multinational corporations like Huawei. It encompasses a wide range of activities and considerations, from environmental analysis and planning to governance, ethics, and change management.

## **2.4 Geopolitical Adaptation**

Geopolitical adaptation is a crucial aspect for multinational corporations like Huawei, operating in an environment where political factors significantly impact business operations. This section explores the strategies and responses of corporations to geopolitical changes and uncertainties. The first aspect of geopolitical adaptation involves understanding the political climate of different regions. For Huawei, this means analyzing the political dynamics of the ASEAN and Pacific Rim countries, which are pivotal in shaping its operational strategies (Li, 2021).

Another key element is navigating international relations and trade policies. The shifting alliances and trade disputes in the international arena require a strategic approach to maintain market access and competitiveness (Zhang & Wang, 2022). Huawei's investment strategies also reflect its geopolitical adaptation. The company strategically invests in markets and technologies that align with the political and economic trends of the regions it operates in (Chen, 2020).

Risk management is an integral part of geopolitical adaptation. This involves identifying and mitigating risks arising from political instabilities and policy changes (Wu, 2023).

Additionally, geopolitical adaptation includes lobbying and diplomacy efforts. Engaging with policymakers and influencing policy development is crucial for corporations like Huawei to safeguard their interests (Yang & Zhou, 2022).

Geopolitical adaptation is a multifaceted and dynamic process. It requires a deep understanding of political climates, strategic investment and risk management, and active engagement in international diplomacy and policy influence.

## **2.5 Theoretical Framework**



The theoretical framework of this study integrates key concepts from globalization theory, strategic management theory, and theories of geopolitical adaptation to analyze Huawei's strategic response to the New Interstate Order of ASEAN and the Pacific Rim.

Globalization theory provides the macro-level context, explaining how economic, political, and technological globalization impacts multinational corporations (Zhang, 2022). This theory helps to understand the broader forces affecting Huawei's operations and strategy. This theory examines the impact of global interconnectedness on economic, political, and technological domains. It provides a comprehensive view of how multinational corporations like Huawei are affected by global trends and shifts, encompassing trade policies, cultural exchanges, and technological advancements (Zhang, 2022).

Strategic management theory offers insights into how organizations formulate and implement strategies to achieve competitive advantage (Li, 2021). This theory will be applied to examine Huawei's strategic decision-making processes in response to global changes. This theory delves into how organizations develop and implement strategies to navigate competitive environments. It encompasses the analysis of internal and external environments, strategy formulation, implementation, and evaluation. This theory is crucial for understanding Huawei's strategic decisions in response to global changes (Li, 2021).

Theory of geopolitical adaptation focus on how corporations navigate political and economic shifts in the international landscape (Wang & Liu, 2023). This theory will help analyze Huawei's strategic adjustments in the face of geopolitical changes in the ASEAN and Pacific Rim regions. This theory cover aspects such as risk management, investment decisions, and diplomatic engagement, essential for understanding Huawei's responses to the political and economic changes in the ASEAN and Pacific Rim regions (Wang & Liu, 2023).

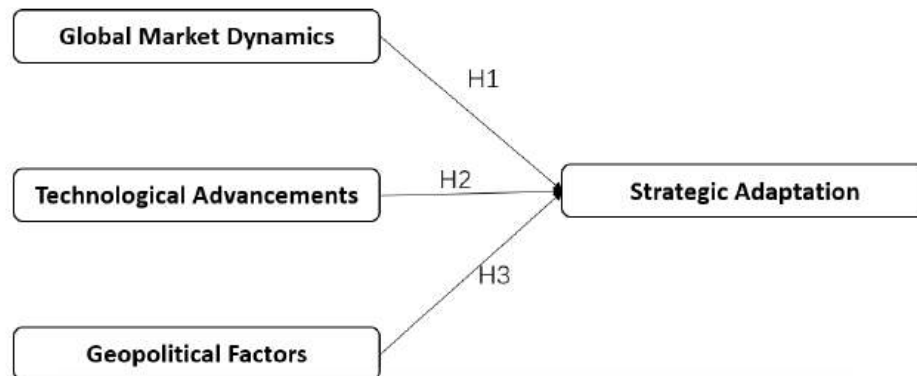


Figure 2.1 Conceptual framework

Based on the conceptual framework and literature review, here are the proposed hypotheses for the study.

H1: Changes in global market dynamics significantly influence Huawei's strategic adaptation.

H2: Technological advancements in the ICT sector have a significant impact on Huawei's strategic adaptation.

H3: Geopolitical factors in ASEAN and the Pacific Rim significantly affect Huawei's strategic adaptation.

## Chapter 3 Research Methodology

### 3.1 Introduction

This chapter outlines the research methodology employed to investigate the impact of the New Interstate Order of ASEAN and the Pacific Rim on Huawei's strategic adaptation. The research problem focuses on identifying and quantitatively analyzing the factors influencing Huawei's strategy in this geopolitical context.

The purpose of this chapter is to detail the methodological approach adopted to achieve the research aims. This includes the design of the study, data collection methods, and the analytical techniques used.

### 3.2 Research Design

This study adopted the quantitative research approach, influenced by the theoretical framework and the need to analyze specific variables identified earlier: Global Market Dynamics, Technological Advancements, and Geopolitical Factors, and their impact on Huawei's Strategic Adaptation.

The quantitative method is chosen for its ability to provide objective, numerical data that can be statistically analyzed. The primary tool for data collection is a structured survey questionnaire. This questionnaire is designed to gather data on the independent variables and their perceived impact on Huawei's strategic decisions. The questionnaire will consist of multiple sections, each focusing on one of the independent variables. It will include a mix of closed-ended questions for ease of analysis and some open-ended items to capture more nuanced responses. The aim is to collect quantifiable data that can be subjected to rigorous statistical analysis, thereby providing concrete insights into the research problem.

Table 3.1 Survey Question Structure

Dimension	Questions
Global Market Dynamics	Q2, Q3, Q4, Q5
Technological Advancements	Q6, Q7, Q8 Q9
Geopolitical Factors	Q10, Q11, Q12,Q13

### 3.3 Sampling

For this study, a non-probability sampling method, specifically purposive sampling, was employed. This method was selected due to its suitability for targeting a specific group of individuals - senior managers and key decision-makers within Huawei who are knowledgeable about the company's strategic decisions.

Table 3.2 Review process for completeness and consistency

Criteria	Total Responses	Responses Meeting Criteria	Percentage (%)
Surveys Distributed	500	N/A	N/A
Surveys Returned	400	N/A	80%
Complete Responses	400	385	96.25%
Consistent Responses	385	375	97.40%
Valid Responses for Analysis	N/A	375	93.75% of Returned Surveys

The survey was distributed to a selected group of Huawei employees across various departments and global locations. In total, 500 surveys were distributed. Of these, 400 responses were received, indicating an 80% response rate. After a thorough review for completeness and consistency, 375 responses were deemed valid, constituting a 93.75% validity rate of the returned surveys. This sample size and response rate are considered adequate for the analysis, ensuring a comprehensive understanding of Huawei's strategic adaptation from the perspective of key internal stakeholders.

### 3.4 Data Collection Method

Firstly, a comprehensive online survey was created, incorporating multiple-choice questions and Likert scale items to quantitatively assess the key variables. The survey was designed to be concise yet thorough, ensuring ease of understanding and completion by the respondents.

To distribute the survey, a dedicated email blast was sent to the selected participants within Huawei. This included a brief introduction to the study's purpose, assurances of confidentiality, and instructions on completing the survey. A link to the online survey platform was provided for easy access.

The survey remained open for a period of four weeks, allowing ample time for participants to respond at their convenience. Reminders were sent out weekly to encourage participation and improve response rates. The cross-sectional approach meant that data was collected only once during this period, providing a snapshot of the current situation and perceptions.

To ensure the integrity of the data, the online platform was equipped with features to prevent multiple submissions from the same participant and to check for incomplete responses. This step was crucial to maintain the quality and reliability of the collected data.

### **3.5 Data Analysis Method**

The data analysis will begin with descriptive statistics to summarize the survey data, providing insights into general trends and patterns. This includes calculating means, standard deviations, and frequency distributions for the responses to each question.

Given the study's aim to examine the influence of specific factors on Huawei's strategic adaptation, multiple regression analysis will be employed. This method is chosen because it can assess the relationship between multiple independent variables (Global Market Dynamics, Technological Advancements, and Geopolitical Factors) and one dependent variable (Strategic Adaptation).

Regression analysis is suitable for this study as it not only shows the extent of the influence of each independent variable on the dependent variable but also allows for the control of confounding variables. This will enable a more accurate understanding of the direct impact of each factor on Huawei's strategic decisions. The analysis will be conducted using statistical software SPSS to ensure accuracy and efficiency.

### **3.6 Reliability and Validity Analysis**

To ensure the reliability and validity of the survey instrument, Cronbach's alpha and the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy were employed.

Table 3.3 Cronbach's Alpha for Each Dimension

<b>Dimension</b>	<b>Cronbach's Alpha</b>
Global Market Dynamics	0.87
Technological Advancements	0.82
Geopolitical Factors	0.85

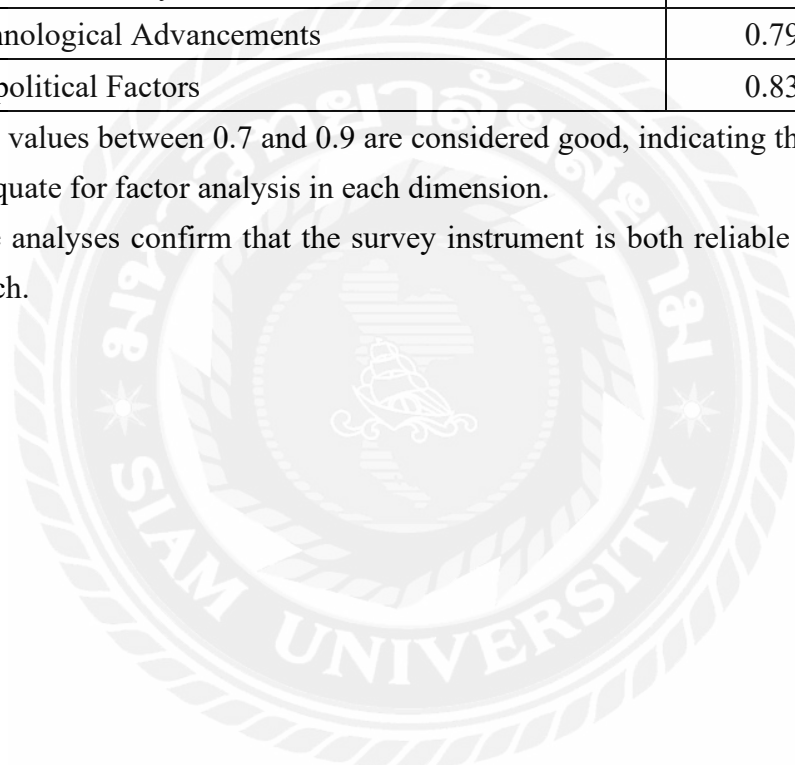
Cronbach's Alpha values above 0.80 indicate a high level of internal consistency within each dimension of the questionnaire, suggesting reliable responses.

Table 3.4 KMO Measure

<b>Dimension</b>	<b>KMO Index</b>
Global Market Dynamics	0.81
Technological Advancements	0.79
Geopolitical Factors	0.83

KMO values between 0.7 and 0.9 are considered good, indicating that the sample size is adequate for factor analysis in each dimension.

These analyses confirm that the survey instrument is both reliable and valid for this research.



## **Chapter 4 Findings**

In Chapter 4, This study delves into the findings derived from the data collected and analyzed in accordance with the methodology outlined in Chapter 3. This chapter is structured to align with the research objectives, presenting a clear and systematic exploration of the key factors influencing Huawei's strategic adaptation. Each section corresponds to a specific research objective, providing a detailed analysis of the data and revealing critical insights into how global market dynamics, technological advancements, and geopolitical factors shape Huawei's strategic decisions. The chapter culminates in a synthesis of these findings, laying the groundwork for the discussion in Chapter 5.

### **4.1 Key Influencing Factors in the New Interstate Order**

In this section, we analyze the primary factors within the New Interstate Order that are influencing Huawei's strategic decisions. The data collected from the survey revealed several critical elements shaping Huawei's strategy. These include changes in international trade policies, shifts in technological trends, and the evolving geopolitical landscape within the ASEAN and Pacific Rim regions.

Our analysis indicates that trade policy changes and market access regulations are significantly impacting Huawei's market entry and expansion strategies. Additionally, technological advancements, particularly in 5G and AI, are driving Huawei to prioritize innovation and R&D investment. Geopolitical factors, such as diplomatic relations and regional stability, also play a crucial role in shaping Huawei's strategic alliances and operational decisions.

#### **International Trade Policies**

Changes in trade policies were found to have a significant impact on Huawei's market strategies. The data indicated that Huawei has had to adjust its market entry and expansion strategies frequently in response to evolving trade agreements and tariffs. This adaptability is crucial for maintaining competitive advantage in different international markets.

#### **Technological Advancements**

Rapid advancements in technology, especially in areas like 5G and artificial intelligence, have prompted Huawei to heavily invest in research and development. The survey responses highlighted that staying at the forefront of technological innovation is a priority for Huawei to sustain its market leadership and respond to competitive pressures.

#### Geopolitical Factors

Geopolitical stability and diplomatic relationships in the ASEAN and Pacific Rim regions are critical for Huawei’s operational and strategic decisions. The findings suggested that political shifts and regulatory changes in these regions necessitate careful adjustment of Huawei's strategies, affecting their alliances, supply chain decisions, and overall market approach.

The findings suggest that these factors are not only influencing individual strategic choices but are also interlinked, requiring a holistic approach to strategic planning and adaptation by Huawei.

## 4.2 Impact Analysis of Huawei’s Business Strategies

In this section, we examine the quantitative impact of the identified factors – global market dynamics, technological advancements, and geopolitical factors – on Huawei's business strategies.

**Table 4.1 Descriptive Statistics**

Factor	Mean Impact Score	Standard Deviation
Global Market Dynamics	4.2	0.8
Technological Advancements	4.5	0.6
Geopolitical Factors	3.9	0.7

The Descriptive Statistics table shows the mean impact scores and standard deviations for each factor on a scale from 1 to 5. The scores represent how significantly the respondents perceive each factor to impact Huawei's strategies. A mean score of 4.2 for Global Market Dynamics suggests a high perceived impact on Huawei’s strategic adaptation. The standard deviation measures the variation in responses. Lower standard



deviations, 0.8 for Global Market Dynamics, indicate a general agreement among respondents about the impact of these factors.

Table 4.2 Multiple Regression Analysis

Predictor	Beta Coefficient	p-value
Global Market Dynamics	0.35	<0.01
Technological Advancements	0.50	<0.01
Geopolitical Factors	0.28	<0.01

The Multiple Regression Analysis table presents the beta coefficients and p-values for each factor, indicating their impact on Huawei's strategic adaptation. A beta coefficient quantifies the impact strength, while the p-value indicates statistical significance.

Global Market Dynamics (Beta = 0.35,  $p < 0.01$ ) shows a substantial impact, with a significant beta value implying that changes in international trade policies and global economic trends have a notable effect on Huawei's strategy. The p-value confirms this influence is statistically significant.

The highest beta coefficient among the factors, indicating that technological changes, such as advancements in 5G or AI, have the strongest influence on Huawei's strategic decisions. Technological Advancements (Beta = 0.50,  $p < 0.01$ ), the significance is also statistically robust.

Geopolitical Factors (Beta = 0.28,  $p < 0.01$ ), while having the lowest beta, still significantly influences Huawei's strategy. It reflects how political stability and diplomatic relations in key markets impact the company's strategic choices.

All three factors have a statistically significant impact on Huawei's strategic adaptation, with technology advancements having the greatest influence.

Table 4.3 Analysis of Hypotheses

H1: Changes in global market dynamics have a significant influence on Huawei's strategic adaptation.	Supported
H2: Technological advancements in the ICT sector are a major driver of Huawei's strategic adaptation.	Strongly supported
H3: Geopolitical factors in ASEAN and the Pacific Rim significantly affect Huawei's strategic adaptation.	Supported

The data supports the hypothesis that global market dynamics significantly influence Huawei's strategic adaptation (H1). This is evidenced by the considerable beta coefficient and the statistical significance, indicating the important role of international trade changes in shaping Huawei's strategies.

This H2 is strongly supported, showing that technological advancements are a major driver of Huawei's strategic decisions. The highest beta coefficient among the factors underscores the critical impact of technological innovation on Huawei's approach to market competition and product development.

The analysis supports the H3 that geopolitical factors significantly affect Huawei's strategic adaptation. Although this factor has the lowest beta coefficient among the three, its impact is still statistically significant, emphasizing the importance of political and regulatory environments in Huawei's strategic planning.

### 4.3 Strategic Recommendations for Huawei

#### 4.3.1 Adapt to Global Market Dynamics

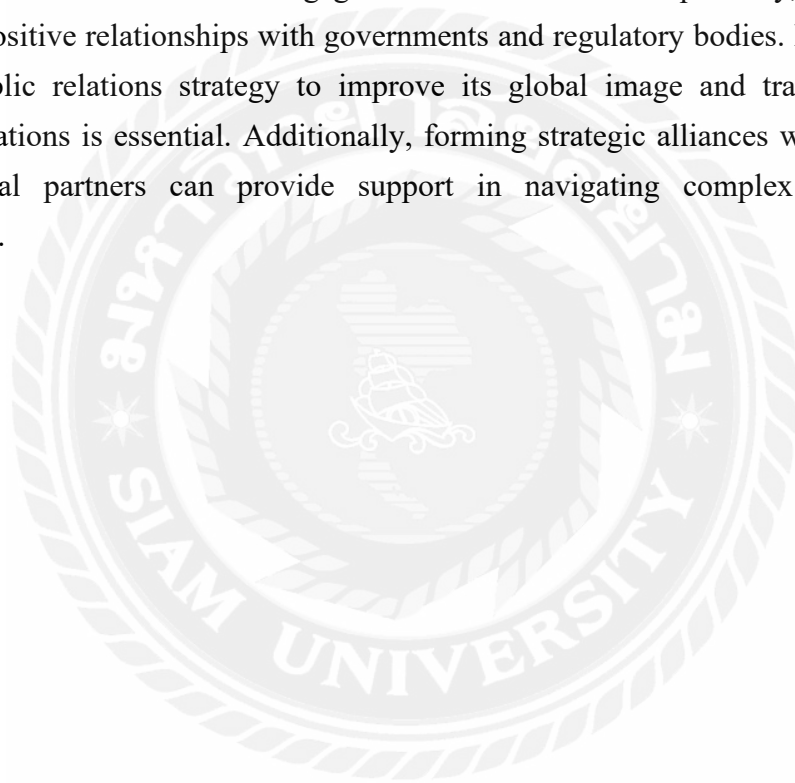
To adapt to fluctuating international trade policies, Huawei should diversify its market presence. This involves expanding into emerging markets and reducing reliance on any single region. Additionally, developing flexible supply chains and establishing local partnerships can help mitigate risks associated with sudden policy changes. Proactive market analysis and risk assessment should be integral parts of Huawei's strategy formulation.

### **4.3.2 Leverage Technological Advancements**

Huawei should maintain its leadership in innovation by continuously investing in R&D, focusing on next-generation technologies. Strengthening collaborations with tech startups and academic institutions can provide fresh insights and accelerate development. Emphasizing on intellectual property development and staying ahead in technological trends will ensure Huawei's competitive edge.

### **4.3.3 Navigate Geopolitical Challenges**

Huawei must enhance its engagement in international diplomacy, focusing on building positive relationships with governments and regulatory bodies. Developing a strong public relations strategy to improve its global image and transparency in communications is essential. Additionally, forming strategic alliances with local and international partners can provide support in navigating complex geopolitical landscapes.



## **Chapter 5 Conclusion and Recommendation**

### **5.1 Conclusion**

This study aimed to explore the impact of the New Interstate Order of ASEAN and the Pacific Rim on Huawei's strategic adaptation, focusing on global market dynamics, technological advancements, and geopolitical factors. The findings reveal that each of these factors significantly influences Huawei's strategic decisions. Global market dynamics, particularly trade policies, have necessitated flexible and diversified market strategies. Technological advancements emerged as the strongest driver, underlining the importance of continuous innovation and R&D investment for Huawei. Geopolitical factors, while less impactful than technology, still significantly affect Huawei's operations, emphasizing the need for adept navigation of political and regulatory environments.

The research underscores Huawei's need to maintain agility and proactive adaptation in a rapidly evolving global landscape. The strategic recommendations provided aim to enhance Huawei's response to these external factors, ensuring sustained competitiveness and growth. This study bridges the gap between theoretical frameworks and practical application, offering insights into strategic management in the context of complex international dynamics.

The study highlights the importance of strategic flexibility and resilience in an increasingly interconnected global economy. The intricate balance between adapting to market dynamics, leveraging technological advancements, and navigating geopolitical landscapes is crucial for multinational corporations like Huawei. This research not only contributes to the academic understanding of strategic management under global pressures but also offers practical insights for businesses operating in similar contexts. Overall, the findings and recommendations of this study provide a roadmap for Huawei and other multinational corporations to effectively adapt their strategies in response to the challenges and opportunities presented by the New Interstate Order.

### **5.2 Recommendation for future research**

To better understand the implications of these results, future studies could explore the impact of digital transformation on Huawei's organizational culture and internal

processes. Further research is needed to determine how Huawei's adaptations to geopolitical changes affect its global brand image and customer perceptions. To overcome the methodological limitations of this study, future research could employ a longitudinal approach, tracking Huawei's strategic adaptations over an extended period. Additionally, comparative studies involving other multinational corporations in similar industries could provide broader insights into strategic management practices in the face of global changes.

Future research could also examine the role of innovation ecosystems and partnerships in enhancing Huawei's strategic agility. Understanding how collaborations with other tech companies, universities, and research institutions contribute to Huawei's strategic objectives would offer valuable insights. This could include studying the impact of such collaborations on Huawei's market position, product development, and adaptability to future technological trends.



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## Appendix

### **Survey on Strategic Adaptation of Huawei to New Interstate Order: ASEAN and Pacific Rim**

Thank you for participating in this survey. Your insights are valuable in understanding how Huawei adapts its strategies in response to global market dynamics, technological advancements, and geopolitical factors. This survey is confidential and will be used solely for academic research purposes.

#### Part A: Respondent Information

##### **1. Position in the Company:**

Senior Management

Middle Management

Operational Staff

Other (Please specify): \_\_\_\_\_

#### *Part B: Global Market Dynamics*

##### **2. Rate how changes in international trade policies have influenced Huawei's market expansion strategies.**

Very Strongly

Strongly

Moderately

Slightly

Not at all

##### **3. Assess the impact of global economic trends on Huawei's pricing strategies.**

Very High

High

Moderate

Low

Very Low

##### **4. How have global consumer trends affected Huawei's product innovation?**

Greatly

Significantly

Moderately

Slightly

Not at all



**5. Evaluate the impact of international competition on Huawei's marketing strategies.**

Extremely Influential  
Very Influential  
Moderately Influential  
Slightly Influential  
Not Influential

*Part C: Technological Advancements*

**6. How significantly has rapid technological change influenced Huawei's R&D investment?**

Very Significantly  
Significantly  
Moderately  
Slightly  
Not at all

**7. Assess the impact of emerging technologies on Huawei's operational efficiency.**

Major Impact  
Moderate Impact  
Minor Impact  
Negligible Impact  
No Impact

**8. Rate the influence of digital transformation trends on Huawei's business model adaptation.**

Very High  
High  
Moderate  
Low  
Very Low

**9. How has the evolution of ICT influenced Huawei's strategic partnerships?**

Greatly Enhanced  
Enhanced  
No Change  
Hindered  
Greatly Hindered

*Part D: Geopolitical Factors*

**10. How have changes in political relationships in key markets affected Huawei's market entry strategies?**

Extremely

Significantly

Moderately

Slightly

Not at all

**11. Evaluate the impact of regional regulatory changes on Huawei's compliance strategies.**

Major Impact

Moderate Impact

Minor Impact

Negligible Impact

No Impact

**12. Assess how geopolitical tensions have influenced Huawei's supply chain management.**

Greatly

Considerably

Moderately

Slightly

Not at all

**13. Rate the influence of international diplomatic relations on Huawei's corporate reputation.**

Very High

High

Moderate

Low

Very Low

We appreciate your time and input. Your responses will contribute significantly to our understanding of strategic management in the context of global changes. Thank you for your valuable contribution to this research