

A Comparative Analysis of Huawei and Apple: Market Strategies, Innovation, and Consumer Preferences

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ABSTRACT.

The mobile phone industry has witnessed exceptional development over the last few years, with strong competitors between significant gamers such as Huawei and Apple. This introduction aims to summarize the market conditions surrounding these two businesses, highlighting the research study background for this study. In addition, the approaches employed in this research, the conclusions drawn, and prospective future avenues for investigation will be discussed.

Keywords: Huawei, Apple, Market Strategie

1. INTRODUCTION

1.1 Research Background

The smartphone market has become a battleground for businesses seeking to develop and maintain their market share. Huawei and Apple have emerged as popular competitors in this highly competitive landscape. Understanding the marketplace characteristics and consumer preferences is vital for these companies to create effective marketing techniques and remain ahead of the curve [1].

Existing studies have clarified the marketplace positions of Huawei and Apple separately. An extensive analysis comparing the market circumstances of these two giants, their methods, and customer understandings is yet to be explored. This research aims to bridge this gap by offering a detailed assessment of the market conditions surrounding Huawei and Apple, offering valuable insights for companies and the industry.

1.2 Research Methods:

Qualitative and quantitative research study approaches were utilized to accomplish the research objectives. Firstly, a thorough review of existing literature, market reports, and monetary information associated with Huawei and Apple was performed. This offered a holistic understanding of the business market positions, product portfolios, and consumer sentiments.

In addition, studies and interviews were performed to gather primary consumer data to determine their preferences, brand name perceptions, and acquiring habits concerning Huawei and Apple mobile phones. The information collected from these studies and interviews was evaluated using analytical strategies such as regression and factor analysis to determine essential trends and patterns.

2. Discussion

Huawei is a global technology company that prides itself on its values of continuous innovation and excellence. However, the company's internal and external environments continually change, necessitating a thorough analysis to better understand its current situation and future direction. Huawei boasts solid technological innovation capabilities, high execution and efficiency, and a dominant market share compared to its competitors. These strengths have enabled Huawei to quickly adapt to market changes and launch competitive new products, further enhancing its market competitiveness.

However, Huawei's dependence on the Chinese market and low dependence on overseas markets are significant weaknesses that could affect its market performance. The company's market prospects highly depend on government policies and the stability of the investment environment. Therefore, once policy changes, Huawei's market performance may be affected. These weaknesses are particularly concerning in economic globalization, where Huawei faces increasingly fierce competition. The rise of foreign manufacturers and rapid technological innovation have posed a significant threat to Huawei. In addition, with the changing world situation, Huawei is also facing challenges from government policies, such as sanctions imposed by the US government.

Despite these challenges, Huawei has immense opportunities in the rapidly developing fields of artificial intelligence, cloud computing, and 5G, as well as the potential to expand its market share through internationalization strategies and the growing Chinese market. With the rapid development of these technologies, Huawei is expected to continue to leverage its solid technological advantages in these fields and further increase its market share. With the continuous expansion

of the Chinese market and the implementation of an internationalization strategy, Huawei still has huge market expansion opportunities.

However, the threat to Huawei's market performance is particularly evident in its success in 5G technology, which has made it a leading supplier of communications equipment globally. This success has made the United States feel greatly threatened, resulting in pressure from the US government and European countries to restrict Huawei's operations. Ren Zhengfei began to set foot in the European market when the company was founded. After decades of development, Huawei has become one of the manufacturers with the largest shipments of communications equipment in the market. The dependence of European countries on Huawei is beyond imagination, with the United Kingdom's dependence on Huawei equipment exceeding 50% and Germany's dependence exceeding 70% [2]. In the face of pressure from the United States, European countries joined the restricted camp, even considering a comprehensive restriction of member states and Huawei 5G cooperation. According to the Financial Times, the European Union is considering a total ban on using Huawei equipment [3].

The EU's complete ban on Huawei's 5G equipment will undoubtedly bring huge losses to Huawei. Europe is Huawei's main position in its global layout, and the company has invested more than 250 billion yuan in capital and built many research and development centers [4]. The incident could cause substantial damage if cooperation breaks down altogether. However, it cannot be denied that Huawei has already begun a global layout, with the layout of Africa, Asia, and other regions relatively smooth, coupled with the strong support of the Chinese market. Although this incident will cause Huawei to experience losses, the company is still one of China's leading mobile phone brands.

In conclusion, analyzing Huawei's internal and external environment is essential for understanding the company's current situation and future development direction. Huawei's strengths include solid technological innovation capabilities, high execution and efficiency, and a dominant market share. Still, its dependence on the Chinese market and susceptibility to international trade frictions and government policy changes are significant weaknesses. Huawei has immense opportunities in the rapidly developing fields of artificial intelligence, cloud computing, and 5G, as well as the potential to expand its market share through internationalization strategies and the growing Chinese market. However, the threat to Huawei's market performance is particularly evident in its success in 5G technology, which has made it a target of the US government's restrictions and European countries'

pressure to restrict its operations. Nonetheless, Huawei has already begun a global layout, which, coupled with the strong support of the Chinese market, could cushion the impact of these threats on its overall performance.

Apple is a well-deserved leader among the most substantial electronics companies and has the largest market share. The products are extremely popular in China and even the world. In addition to the advantages of the product, of course, its marketing strategy is also important.

Apple will be analyzed using SWOT, and the first point of Strengths is Apple's products, which have the most advanced electronic technology, high-quality products, excellent aesthetics, and internal accessories. Furthermore, the connection between products makes consumers happy to buy a full range of Apple products. The second point is the popularity of the product. As mentioned, it has the largest market share in this field, which is a household name. According to the global brand value ranking released by Forbes, Apple has won the championship for nine consecutive years [5]. The third point is to attach importance to research development and innovation. Apple is the only technology company that produces its software and hardware. Product updates from generation to generation are timely, and the follow-up of internal facilities hardware shipments maintains steady growth and continuous research and development in AR and VR. Not only in technological and product innovation but also business models have been following up.

The first point of Weakness is that the price is relatively high, consumers cannot cope with different needs, and the later maintenance costs, such as Apple's fragile screen repair cost, are very high, so consumers will choose to buy other companies' products. The second point of the after-sales problem is that a few countries, such as the United States and South Korea, can provide a few parts but only the whole machine replacement.

Opportunities: The first point is that Apple uses bundling, which can help increase sales of products other than the main product. The second point is the good brand image. When people's incomes increase, values change, and social media and the Internet develop. People will pay more attention to the quality of life and status symbols, and there will be more potential users for Apple.

Threats: The first point is that there are very, very many competitors in this industry, the market is saturated, the market share is not easy to rise but easy to decrease, the competitor's technology is getting stronger, Apple will gradually lose its advantage and lead to a decline in sales. Second, due to some legal restrictions and technical capacity problems, there is a bottleneck in research and development, and the changes in new products are very

small. There is no novelty and inevitable failures in use, making consumers unwilling to pay.

Apple and Huawei have a lot in common. The first is innovation. They are all innovation leaders in the communication technology industry and constantly introduce new technologies, making significant contributions to the industry. The second is the product line. Both companies have their perfect product line, from communication equipment (mobile phones, tablets, etc.) to supporting equipment (wearable devices), which significantly enhances the brand influence, improves visibility and credibility, and can meet different customer groups' requirements to launch different products. The third is that the global market has a considerable market share, and the growth rate is speedy and high, ranking very high. In particular, Huawei's sales have increased significantly and caught up with Xiaomi, a well-known domestic brand. The fourth is supply. Although both companies have been innovating, the dependence on external suppliers is still very strong, dependent on suppliers, and single. Moreover, consumer demand and development trends have made both companies increasingly dependent on suppliers.

The difference between them is: First, Huawei is currently focusing on 5G research, investing a lot of human and material resources, and focusing on scientific and technological research and development, which also leads to Huawei's products are not perfect, and there are still problems in use; Apple pays attention to brand image and product design, pays attention to brand advertising and publicity, and creates a high-end and top brand image. Second, Apple is mainly for the high-end market, and the products are relatively high-end, the performance is also relatively sound, and the price is relatively high. Huawei has a firm foothold in the low-end market, and its product design is more in line with the needs of low-end consumers, with advanced technology but high-cost performance, which is why many consumers choose to buy Huawei products among many products. Third, Huawei's scientific research force is very strong, and it has invested a lot in technology research and development and continues to launch various technical products every year. However, Huawei is far inferior to Apple regarding product design and user experience. The disadvantage is that Huawei emphasizes technology and performance too much while ignoring the needs and feelings of users. Fourth, Apple must focus more on creating a high-end brand image and a unique design style. Although the brand image is well maintained and the user experience has responded well, Apple needs to pay more attention to product research and development. Research and development ability could be stronger, and new

technology development is better than Huawei's.

Compared with Apple, Huawei has a relatively low price and high-cost performance, which attracts many new users, arouses consumers' attention, and improves Huawei's popularity, which gives Huawei a significant advantage in the market. The generally high price of Apple has limited its development in the market and could be more conducive to occupying the market. In terms of quality, Apple's iOS operating system is stable and smooth, and its hardware performance is superior. Besides, Apple attaches great importance to users' privacy and security, and Apple designs products according to users' needs, which is difficult for Huawei. However, Huawei's good quality is reflected in its communication's stability and high quality, followed by a powerful processor and high technology content.

In terms of cost, Apple's products are produced by Apple's own company, so the cost will be relatively expensive, with brand benefits. There are so many manufacturers of Android that there is no pricing advantage. And Apple's requirements for product processes are very high, so the cost will naturally be much higher than Android. Huawei's pricing is low in terms of profit, but technology investment is high. Although Apple's pricing is high, thanks to the product's advantages, the market is very broad, a virtuous circle, and the profit is far ahead of Huawei. In terms of innovation, Apple focuses on process design and brand building, and the speed of technological innovation is slow, while Huawei attaches great importance to scientific and technological innovation. In the long run, Apple's scientific research and innovation ability is inferior to Huawei's.

In the future, Huawei will still lead the entire industry but face various difficulties. Huawei's technology content is not proportional to pricing and will continue to attract more consumers and enhance brand recognition. Huawei will continue to improve its products and services, gradually realize humanization, meet the various needs of users, have a stable market position and user base, enter new markets or launch new product lines, and occupy a large share of the Chinese market and even the international communications industry. Huawei will pay more attention to brand design and product process, realize the perfect combination of design and technology, and strengthen the protection of customer privacy and security. Huawei is not only a communications technology company but also a technology company that will significantly contribute to global science and technology development.

5G technology is currently the top priority of global communications companies' development and is also the future mobile phone development trend. As a global

company, Apple will guide the entire industry on 5G technology. Pursuing high prices and high-quality product positioning has increased Apple's pricing, forming brand benefits and continuing high-profit operations. Apple pays attention to the advantages of user experience and design. With excellent hardware performance, Apple will attract many consumers and occupy most of the market, becoming irreplaceable [6].

3. CONCLUSION:

In conclusion, Apple and Huawei have much in common, including their strong focus on development, detailed product lines, significant market shares, and dependence on suppliers. Nevertheless, there are likewise notable differences between the two companies.

Huawei strongly emphasizes 5G research study and development, investing heavily in scientific and technological improvements. While this has resulted in some imperfections and functionality concerns with their items, Huawei's focus on the low-end market and its high cost-performance ratio has attracted many customers. On the other hand, Apple prioritizes brand image, product style, and advertising, placing itself as a high-end brand name. Their items deal with the high-end market, providing exceptional efficiency at a relatively great cost. Despite Huawei's strength in scientific research study and development, it must catch up to Apple regarding item design and user experience. Huawei's heavy focus on innovation and efficiency often neglects the needs and feelings of users. On the other hand, Apple positions a more robust focus on user experience and has successfully developed a unique design style. Nevertheless, Apple's research study and development abilities are comparatively weaker, particularly in brand-new innovation advancement, where Huawei excels.

Huawei's relatively lower price and high cost-performance ratio have given them a significant benefit in the market, bringing in new users and increasing their appeal. On the contrary, Apple's typically greater prices have restricted its market advancement and prevented its market share.

Apple's iOS operating system is understood for its stability and smooth efficiency, and the company puts tremendous significance on users' privacy and security. Huawei needs help matching Apple's user-centric method due to its strong focus on innovation.

In terms of cost, Apple's products are fairly expensive due to their internal production and brand name advantages. On the other hand, HUAWEI gadgets have no pricing advantage.

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