

economic participation, starting with a small number of large construction projects funded by Bank of China loans that feature the early operation of “Belt and Road” construction companies. This pattern of operation of Chinese construction companies-large and small, state and private-seeking market opportunities in less competitive areas of the world is a sustained long-term trend, not the result of any Chinese government decree into the Central Asian market.

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Market Strategy

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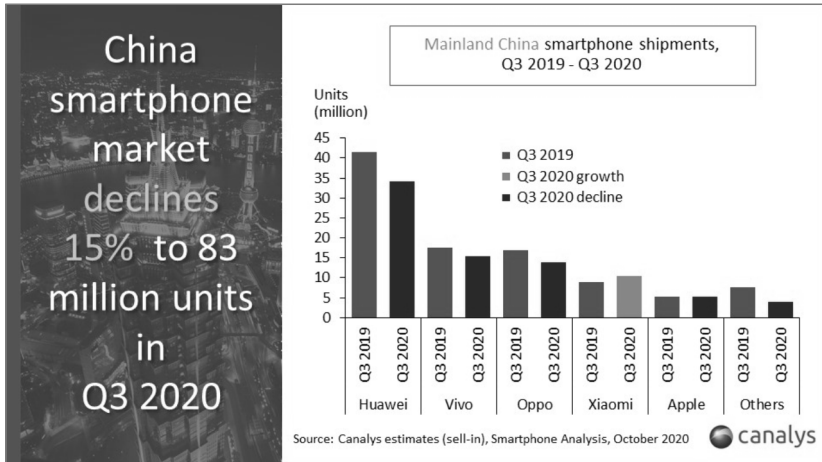
The mobile phone market competition is very fierce. If a new brand wants to enter it, that will be very difficult without a suitable market strategy. With the changes of time, the company’s strategy should also change accordingly, looking for and highlighting its own advantages, so that it can be accepted by users and gain a foothold in the market.

This article takes Huawei and Samsung as an example to study the market strategies of the two brands and compare their differences. It is hoped that can help on the new brands how to enter the competitive market.

Huawei is a private enterprise, registered in Shenzhen, China in 1987. Now it has become an international company and a role model for local Chinese companies in global operations. Huawei has more than 180,000 employees, and Huawei’s products and solutions serve more than 170 countries around the world [1]. Samsung Group was incorporated in Daegu, North Korea in March 1938, and is the largest electronics industry company in South Korea. It has production and sales networks in nearly 70 countries around the world [2].

According to data released by CANALYS [3], Samsung sold 266 million mobile phones in 2020, ranking first in the world for the eighth consecutive year, in the global smartphone market, Samsung is a well-deserved overlord. However, the sales of Samsung mobile phones in the Chinese market are very bleak. Judging from the share of 5G mobile phone brands, Samsung mobile phones accounted for only 1.3% of China’s 5G mobile phone market in the first quarter of 2021, ranking seventh. Samsung used to be the overlord of the Chinese mobile phone market, but now Samsung has lost its former glory.

According to data released by CANALYS, 2020 is the lowest growth rate for Huawei in the past ten years. Because the United States claimed that Huawei’s



Mainland China smartphone shipments, Q3 2019 — Q3 2020

business constituted a security risk, it was sanctioned by the United States and its allies. For the whole year of 2020, Huawei, which was originally ranked second in the world, was overtaken by Apple due to a sharp drop in sales. The annual shipments were 189 million units, with a market share of 14.6%, which was a decrease compared with the annual shipments of 241 million units in 2019.

Market strategy of Huawei

In the early days of Huawei’s establishment, due to the company’s financial constraints and backward technology, it was unable to compete with powerful high-end brands at home and abroad. Therefore, Huawei Mobile phones chose to segment the market by geographic location, choosing to start from the county seat and gradually expand to the city. In 1995, Huawei embarked on an arduous and long journey to expand the international market. The starting point was some third-world countries in Africa and Asia. After 6 years of long hard work, it was not until 2001 that Huawei truly achieved results in the international market. In the same year, Huawei’s products have entered more than a dozen countries in Africa and Asia, with annual sales exceeding 300 million U.S. dollars [4]. Huawei’s brand has also begun to gradually become popular in these third-world countries.

Huawei’s market segmentation is based on standard differences and demand differences. Such as Huawei’s 5g technology, cloud computing, and other high-tech technologies. Huawei is in a leading position, so Huawei uses standard differences for market segmentation. But for some Huawei companies, such as Ericsson, cannot go beyond the technical aspects. What Huawei has taken is to

improve its own service quality to meet the consumer demand of its customers. In this way, Huawei mobile phones have a certain advantage in services. So Huawei mobile phone once again won the advantage.

Market strategy of Samsung

Samsung used to be the best-selling smartphone brand in China, but due to improper handling of the battery explosion and a series of strategic mistakes. Samsung has lost its former glory in the Chinese market. In order not to lose the Chinese market, Samsung has completely revised its current China strategy.

The first is to abandon China's domestic independent production. In September 2021, Samsung closed its last smartphone production base in China. Instead, it is based on low-priced models and commissioned Chinese companies to produce about 60 million mobile phones, accounting for 20% of Samsung's total mobile phone sales. Samsung merged its headquarters and offices in 11 regions into 5 regions and began reorganization. The previous direct sales network also decided to cooperate with Chinese companies to achieve localization. Samsung has set a goal of increasing its market share in the Chinese market to double digits.

Secondly, Samsung has launched an offensive marketing strategy in China. On October 19, 2020, Samsung opened a super-large mobile flagship store on Nanjing East Road, the largest bustling street in Shanghai, China. This is the first flagship store opened by Samsung Electronics in China. The store has two floors with an area of more than 800 square meters, with a 5G experience area, smart home device demonstration space, and a large number of new products will be launched.

Huawei mobile phones have been actively exploring their development path since entering the market, and have gradually established their position in such a fierce market. Facing the current situation of the mobile phone industry, Huawei mobile phones should fully maintain and use their advantages, seize better development opportunities and realize a better marketing model to resist external competition, improve its internal environment and improve competitiveness.

Samsung mobile phones have certain problems in their marketing and target market positioning. Formulate strategies that are more suitable for the development of enterprises, innovate in time, and improve their technologies to change the current unfavorable situation.

Accurate market positioning is very important for an enterprise. Only by accurately segmenting the market and choosing the right market positioning can it be able to gain a foothold in such a fierce market.

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