

Comparative Analysis of Marketing Strategies of Huawei and Apple

—Taking Huawei mate60 and iPhone15 as Examples

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Abstract: Huawei has the largest number of patents and the most advanced technology, becoming one of the global leaders in 5G technology. The release of the Huawei Mate 60 series has consolidated Huawei's advantages in the 5G field, bringing consumers a more convenient, efficient, and high-quality communication experience. Apple launched the iPhone15 on Sept. 13, breaking the grip it had on more than 80 percent of China's high-end smartphone market since entering the market in 2009. Based on the 4p marketing theory and PEST analysis, this paper takes the Huawei mate60 and iPhone15 as examples to study the marketing strategies in China. This study puts forward suggestions from the aspects of customer needs, market positioning, and innovation ability. This research suggests promoting other companies in the same industry to benchmark enterprises in the industry, and jointly create a good competitive environment, to provide consumers with more convenient and more satisfactory electronic products.

Keywords: Marketing strategy, 4p marketing theory, PEST analysis, Huawei, Apple.

1. Introduction

Huawei is a typical example of the rise of domestic brands. The US launched another salvo in its campaign against Huawei with a new rule: any foundry that uses American technology to design or manufacture semiconductors must obtain a license from the US if it wishes to build ASICs for Huawei [1]. As a leader in telecommunication, Huawei will be aware of the potential side effects in advance and realize the importance and urgency of independent innovation. According to the data in 2022, Apple occupied nearly 80% of the market share in the domestic high-end mobile phone market, while the share of domestic mobile phones has dropped to a historic low. From 2018 to 2022, Apple launched a lot of new products, such as the iPhone Xs, the iPhone XR, the iPhone 11, and the iPhone 12 series. The iPhone 13 will be released in 2021 and the iPhone 14 series and iPhone SE 3 in 2022. It can be seen that the introduction of Apple's new products is proceeding in an orderly manner. This has raised expectations that Huawei's Mate 60 series, which was released on August 29, will be better than Apple's iPhone 15, which was released on September 13.

Based on this, this paper studies the marketing strategy of enterprises and the two products by case study. This paper has an in-depth understanding of the marketing strategies of mobile phones, further

analyzes the market trend and consumer demand, excellent marketing strategies, and provides reference for others in the same industry.

2. 4P marketing theory and PEST

4P marketing theory includes four aspects: product, price, channel, and promotion. Product is the core of enterprise marketing activities, including product value, packaging, brand, service, price, and other factors that affect the product. Price is defined when customers buy products, including discounts, payment periods, etc. The main factors affecting pricing are demand, cost, and competition. Channel refers to the sum of all links and driving forces experienced in the whole process of transferring goods from production enterprises to consumers, including distribution, inventory, transportation, and other processes. The last element is promotion, which is a series of marketing activities such as brand publicity, public relations, and promotion carried out by enterprises for goods in the market. PEST analysis theory is a macro-analysis method, including four factors: politics, economy, society, and technology. Political factors include institutions, systems, policies, industries, relevant laws and regulations, etc., which have potential impacts on the business activities of enterprises. Economic factors include government revenue and expenditure budget, inflation rate, growth rate, economic scale, economic development level, and so on. Social factors include population, income, education level, etc. The composition of each society is determined by its core values and has a high degree of continuity. Technical factors include technology, process breakthroughs in some fields, etc., which have different impacts on the actual operation of enterprises.

3. Overview of Huawei and Apple

3.1. Development of Huawei

The latest sanctions extend a year-old effort that bans American technology companies from supplying Huawei. A similar measure was conducted for ZTE in 2018, but Huawei proved more resilient [2]. In 2019, Huawei's global market share of mobile phones was as high as 17.6%, and since the United States began to impose technical sanctions on Huawei, it has lost many markets. To address this challenge, Huawei has accelerated the development of HarmonyOS and built an autonomous HMS service ecosystem to provide consumers with quality applications and services. Behind the strong return of the Mate60 series, Huawei attaches great importance to technological innovation. In 2018, Huawei invested more than 100 billion yuan in research and development, ranking fifth in the world in the EU Industrial Research and Development Investment Ranking 2018. The return of the Huawei Mate 60 series this year is the best response to continuous delivery and business continuity.

3.2. Development of Apple

As a successful and representative product, the iPhone attracts global attention and the enthusiasm of Apple fans every time a new product is released. Its design focuses on simplicity, refinement, and high quality, and provides an excellent user experience. The iPhone has a strong ecosystem, including the App Store, iTunes, and iCloud, which provide users with a rich selection of apps, multimedia content, and data synchronization. In addition, the iPhone also excelled in photography and multimedia, supporting high-definition cameras and video playback. However, at the same time, Apple has entered a bottleneck period in technology research and development, and product upgrades are not obvious, and there are disputes and challenges such as high pricing. Still, the iPhone's influence and position in the smartphone industry cannot be ignored.

3.3. Comparison between Huawei Mate60 and iPhone15

The Huawei Mate 60 series was released on August 29, 2023. Its appearance design is unique. The rear camera adopts the center ring scheme, and the module adopts the design of metal and glass splicing. Among them, the highest configuration of Huawei Mate 60 Pro uses a quad-curved screen design with Snapdragon 8 Gen2 4G chip, and its performance is excellent. In addition, the Huawei Mate 60 series also has an ultra-reliable basaltic architecture and two-way Beidou satellite news. The Apple iPhone 15 will be released on September 13, 2023. Its series uses the Smart Island design and also uses USB-C ports. This is Apple's first iPhone with an aviation-grade titanium design. Huawei Mate 60 and iPhone 15 series are excellent smartphones, with unique characteristics. From the perspective of the operating system, the Mate 60 series uses the HarmonyOS operating system, while the iPhone 15 series runs iOS. HarmonyOS was developed by Huawei, while iOS is Apple's system. In the chip configuration, the iPhone 15 series is equipped with the A16 Bionic chip. The Kirin 9000 chip used in Huawei's Mate 60 series still has a gap with Apple in the process. In terms of photography capabilities, both series of mobile phones perform well in photography functions. The iPhone 15 series has been praised for its advanced image processing technology, while Huawei has put more emphasis on photography and video creation. Huawei Mate 60 has XMAGE image certification, supports 5x optical zoom, and 50x digital zoom function, and zoom ability is stronger than the iPhone 15. In terms of battery fast charging technology and battery life, the Huawei Mate 60 has efficient charging speed and long-lasting battery life.

4. Analysis and comparison of marketing strategies of Huawei and Apple

4.1. Macro-marketing environment analysis

4.1.1. Social and technical factors

China is the world's largest mobile phone market. In addition, the consumption structure has also undergone great changes, and the proportion of communication and entertainment, as well as related services, is growing. Consumers' pursuit of mobile phones has not only focused on the functions of basic communication tools but also gradually increased their awareness of product experience, appearance, and brand. Mobile phones have been gradually transformed into entertainment tools and have certain symbolic functions as status symbols [3]. With the development, mobile Internet makes lives more and more efficient and concise, thus profoundly changing and enriching our habits and lifestyle [4]. By providing high-quality products and services, Huawei has gradually gained recognition in the mainstream communications market and achieved a leading position in 5G technology. The technical factors behind Apple's success include simple, refined design, excellent user experience, and a strong ecosystem, which have made it highly visible in the global market. In terms of social factors, through precise positioning and marketing strategies, Apple has met consumers' demand for high-end, fashion and a sense of technology, and built a unique brand image and loyal user groups.

4.1.2. Policy factors

China will gather the strength to carry out cutting-edge scientific research to win the battle for high-tech technologies, guided by national strategic needs. It is important to reinforce the prevailing place of undertakings in logical and mechanical development, give full play to the main and supporting job of spine endeavors in science and innovation, and establish a decent climate helpful for the development of little, medium, and miniature ventures in science and innovation, and advance the profound joining of development chain, modern chain, capital chain, and ability chain [5]. In

recent years, China has emphasized the need to fully implement the new development, in-depth implementation of innovation-driven development strategy, firmly grasp science and technology in hands, make greater progress in scientific and technological self-reliance, and constantly enhance independence, autonomy, and security of China's development, give birth to more new technologies and new industries, and open up new fields and new tracks for economic development [6]. High-quality development is innovation-driven development, and innovation is the primary driving force for high-quality development. The same is true of a country but also applies to the development of an enterprise.

4.2. Analysis of specific marketing strategies of the Huawei Mate60 series

4.2.1. Promotion Strategy

Huawei released the new machine on the day that the US Secretary of Commerce visited China, which thoroughly amplified the national speculation on the Kirin chip and 5G. The release of Huawei's Mate60 series represents the birth of a new product, a technological breakthrough, and a national capability. Not only the domestic and foreign media are very concerned, but it can be said that all the people are looking forward to it, even so, the birth of the Huawei Mate60 still caught everyone off guard. This time node is not only the launch of new mobile phones, but also the breakthrough of China's semiconductor technology to the United States, and it is also proof of the resistance and strength of the United States under the high-intensity sanctions on Huawei.

When the new product was released, Huawei did not expose key information such as chip models and 5G, but not long after the sale, many digital technology bloggers who got the physical machine spontaneously released unpacking and dismantling videos online, further detonating attention. In the absence of any official information, the Huawei Mate60 Pro is like a blind box, which restores its appearance bit by bit in the debate, not only causing a shock in the digital circle but also allowing the public to carry out a carnival of national participation. With the help of the first wave of users to create "word-of-mouth" marketing, it is not only the national feelings but also the development of the core technology of Huawei's new products far beyond the imagination of the public. It is worth noting that in almost every Huawei official blog post below, you can see an urging figure - Jingdong, as Huawei's online channel the Trump seller, Jingdong is also riveting every day with Huawei official interaction close, hope Huawei more with some goods, which is Huawei official one of the few stir the operation on social media, causing netizens to watch the play.

4.2.2. Channel strategy

Huawei's marketing channel strategy includes direct sales channels, indirect sales channels, multi-channel sales, and the use of social media, an emerging channel. Indirect sales channel refers to the sales model through wholesalers, distributors, retailers, and other intermediate links to sell products. Huawei has opened up its retail business in small places to introduce and recommend products to customers. The convenient after-sales service of offline physical stores, coupled with the advertising and service promotion of shop assistants, has won a broad market in third - and fourth-tier cities [7]. The advantage is that it can transfer the sales pressure to the middle link, reduce the cost and risk of direct sales, and it can use the channels and resources of middlemen to open up the market. Multi-channel sales is a combination of online and offline, and its advantage lies in its wide coverage, which can better meet the purchasing habits and needs of different consumers. Huawei has its official website. Businesses can expand sales by selling their products or services across multiple channels. In addition, multi-channel selling can also increase customer loyalty, as customers can interact with the business on multiple channels, enhancing the customer experience. Huawei improves customer stickiness to high-end consumers through after-sales service and experience through multi-channel

sales and sets up Huawei House concerning the offline application model of Apple's ecosystem to promote the establishment and development of Huawei's offline ecosystem and establish a good user reputation and corporate image. In addition, through the communication of social media and the publicity of network celebrities, Huawei's brand awareness and loyalty have also been enhanced.

4.2.3. Price strategy

Huawei's brand adopts the high pricing method to fully challenge Apple's market position and seize market share. Huawei also charges high prices for new products. It also follows an elastic pricing policy and gives discounts on its products mostly sold. For the business division, the company charges a premium pricing strategy. After Covid-19, the brand became the leading mobile phone manufacturer [7].

4.3. Analysis of specific marketing strategies for the iPhone15 Series

Apple released an iOS 17.0.3 software update, which included a fix for an issue that caused the iPhone 15 series models to overheat [8].

4.3.1. Price Strategy

The price of the iPhone15 series in the Chinese market is more than 5,000 yuan. It adopts a typical skimming pricing method. Aiming at consumers with high consumption power in market segments who pursue science, technology, fashion, and user experience, the product pricing should be raised as much as possible, which not only helps enterprises obtain higher profits in the short term but also establishes the characteristics of high grade and good quality of products, thus attracting more wealthy people to buy [9]. Relying on excellent product quality and user experience, Apple has shaped the image of the Apple mobile phone into a high-end mobile phone, making it a synonym for high-tech art, further enhancing the Apple mobile phone as a symbol of high-end mobile phones, and making it further recognized and loved more widely.

4.3.2. Promotion Strategy

The promotion strategy of iPhones mainly includes three parts. First, in the product development stage, information about the new generation of products is released through some informal channels, such as the new technology and materials to be adopted. In the past, before the launch of the iPhone 14, Apple would announce the pre-order time in advance, and promote the official website and social media platforms. Users can book in advance and enjoy certain discounts and gifts. This way can effectively stimulate the user's desire to buy, and lock a part of the sales in advance. At each launch conference of a new generation, Apple will demonstrate the functions of iPhones and will broadcast live through relevant video websites, attracting many fans to watch the product launch in real-time and interact with each other. However, at the product launch, it did not give all the news but would leave part of the suspense, so that there be a large number of fans and professional media after the release of the relevant details of the Apple mobile phone large-scale reports, further enhancing its attention. In a full-fledged online promotion after the new product launch, Apple showcased various highlights and features of the iPhone 15 series through social media platforms. The official website will publish detailed product introductions, technical specifications, and feature demonstration videos. At the same time, Apple released relevant promotional content on social media platforms, including short videos, pictures, and text introductions, to attract users' attention and participation.

4.3.3. Channel strategy

At present, the marketing strategy of Apple mainly includes distributors, direct stores, retailers, carrier binding, and online ordering channels. Channel strategy is an important part of the iPhone marketing mix strategy.

The circulation cost is of great significance to increase volume. As far as distributors are concerned, there are two distributors of Apple, namely Shenzhen Tianyin Company and China Post and Telecommunications Equipment Corporation. Through the marketing network, the channels cover most cities and counties.

In Shenzhen, Beijing, Shanghai, Chengdu, and other cities, as far as retailers are concerned, there are nearly 100 retailers, such as Suning Appliance and Gome Electrical Appliances, which sell iPhones. As far as carrier binding is concerned, Apple applies the way of customized promotion by operators in the United States to China. In addition, Apple also sells iPhones on its official website and online platforms such as Tmall, JD.com, and Amazon. As a result, Apple has established a marketing channel network covering major counties and cities across the country, so that consumers all over the country can easily and quickly buy iPhones, laying a good foundation for improving the sales of iPhones.

4.3.4. Promotion Strategy

Apple always regards the needs of customers as the most important element and takes a series of measures to meet the needs of customers to improve satisfaction. In product sales, Apple has set up many customer experience stores, so that customers can experience the relevant characteristics of iPhones in the store, to enhance customers' actual understanding. In the after-sales stage of the product, Apple will actively recover customer feedback on the product, optimize the product system based on customer feedback, and allow customers to carry out free system updates to obtain better service. In case of product quality problems, Apple will be the first customer to carry out free repair or replacement of new products. Through this series of measures, it has met the relevant needs of customers, and been satisfied and affirmed by customers, thus establishing a good reputation.

In addition, there are many value-added services. After purchasing an iPhone, users can not only get a smartphone with superior performance but also get a large number of applications opened by Apple in cooperation with third-party platforms. These applications, as value-added services of the iPhone, provide users with a large number of games, and office and life applications, which greatly enhance the fun of users using the iPhone. At the same time, Apple can also use third-party platforms to obtain some profits, which is a good thing.

5. Comparative analysis of marketing strategies of Huawei Mate60 and iPhone15

The warm response to Huawei Mate60 is inseparable from excellent marketing strategies in addition to product progress. First of all, Huawei has caught up with the popular trend of "national tide", from the concentric circle design of the Mate60 series to Chinese design in line with symmetrical aesthetics, undoubtedly adding a highlight to the product. In addition, the color of the fuselage comes from the scenery with Chinese characteristics, which is unique to the romance of the Chinese people, "Reading mountains and rivers, mountains and rivers, we hope to pay tribute to the surging power through the beauty of mountains and rivers." Based on the design, the integration of positive emotional value communication avoids the brand's blindly "self-moving" publicity means. In the context of the US sanctions, the product strength to fight back, so that the emotions of the people are completely ignited, which triggers the whole network's emotions, and improves the brand goodwill and the amount of event transmission. As well as the low-key arrogant official announcement, the product is covered with a layer of mystery, arousing the curiosity of consumers, the perfect use of consumer psychology.

The third advantage is the interactive marketing strategy with partners. In this communication, Huawei interacts with Jingdong under the blog post, using the point of product "short supply" to launch a rush, causing netizens to discuss. The iPhone brand is adept at using social media platforms to interact and communicate with users. By publishing a variety of interesting and innovative content, they attract users' attention and engagement and expand the influence of the brand with the help of user-generated content.

What other digital brands can learn is to actively participate in social media, and build a good interactive relationship with users to enhance brand awareness and reputation. The iPhone brand is focused on building a complete ecosystem that provides a more convenient and integrated user experience through connectivity with other devices. What other digital brands can learn is to build their ecosystem, combining products with related services to enhance user value and convenience.

6. Conclusion

This paper compares the marketing strategies of the Huawei Mate60 and iPhone15 series. The results show that the key to marketing is to grasp the needs and psychology of consumers. At the same time, it is necessary to accurately grasp the advantages of the product itself and its selling points. For example, by emphasizing uniqueness and quality, the iPhone brand has established its unique position in the market through unique design, excellent quality, and unparalleled user experience. What other digital brands can learn is to differentiate themselves from their competitors by creating a unique product, or to establish emotional resonance and move the heartstrings of users with national feelings. This emotional resonance can deepen the user's identification with the product and stimulate their desire to buy. In addition to the application of marketing strategies, it is more important to create solid products, attract customers, retain customers, win a reputation, and gain revenue.

This study lacks in-depth empirical analysis, such as specific sales data. Future studies will include more first-hand data, specific cases, or quantitative research methods for analysis. It will also further explore the integration of technology and marketing strategies, such as the application of AI and big data in marketing strategies, study the differences and effects of marketing strategies under different cultural backgrounds, and analyze the impact of emerging markets on traditional marketing strategies and how to deal with them.

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