

The Study of Huawei Mobile Phone Marketing Strategy That Impacts Customer Satisfaction

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Abstract: Marketing is an art and a science. According to the American Marketing Association, marketing is "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives." Globally, the role of mobile brand in increasingly gaining importance in today's telecom industry.

The aim of this paper is to explore the relationship between Marketing Mix and Customer Satisfaction to using Huawei phone in China. The four dimensions of the Marketing Mix employed in this study are product, price, place, promotion. Telecom Company is seriously considered for these 4Ps activities to ensure that they allocate their resources effectively and efficiently to satisfy the customer. A total of 90 respondents were selected from customers of China who use Huawei phone. The data was input into SPSS and analyzed used an ANOVA Model. ANOVA results indicate that there some hypotheses: results of this study were as follows: H1 show that product and place were significant on Customer satisfaction. In addition, its shows that customer satisfaction mediates the relationship between Marketing Mix.

This paper contributes to the theoretical orientation of marketing strategy and discuss about marketing mix (4ps) and also how the marketing mix strategy satisfied the customer. As a global company, Huawei has sought win-win development with local communities. As a responsible corporate citizen, Huawei has proactively integrated into local communities to support charities, education, environmental protection, health care, and disaster relief efforts.

We strive to create value for local communities and help them achieve prosperity and sustainability. They have provided attractive and timely rewards to dedicated employees. As Huawei continues to grow, they have paid more attention to their employees' career development, providing varied career paths to help their diverse range of employees realize their individual value.

The findings of this study indicate that the most important factor in age, career, monthly income, price, prefer type of phone this factor are significant. This factor is affected to the customer. These results support the ideas that despite the usefulness of the Marketing mix (4Ps) scale as a concept; it should be adapted for the customer environment as well. The marketing mix concept helps to understand the customer demand and also can understand how to capture the customer.

Keywords: Marketing, STP, Marketing Mix (4Ps), Customer Satisfaction.

I. INTRODUCTION

Huawei Technologies Co. Ltd. is a Chinese multinational networking and telecommunication equipment and services company headquartered in Shenzhen, Guangdong. It is the largest telecommunications equipment manufacturer in the world, having overtaken Ericsson in 2012. Huawei was founded in 1987 by Ren Zhengfei, a former engineer in the People's Liberation Army. At the time of its Establishment.

Huawei is the official English transliteration of the firm's Chinese name (simplified Chinese: 华为; traditional Chinese: 華為; pinyin: Huáwéi). The etymology of the character 华 is derived from "花" which means "flower". This is

hinted at in Huawei's logo. The character can also mean "splendid" or "magnificent", but nowadays mostly refers to "China" or "Chinese" (see also Names of China). It is common for Chinese companies to use this word; another example being the Taiwanese company Asus (simplified Chinese: 华硕; traditional Chinese: 華碩; pinyin: Huáshuò; literally: "Chinese-Eminent") that was founded back in 1989. The second character of Huawei's name, 为, means "action" or "achievement", thus Huawei literally means "China's achievement". It is pronounced "hwah-way" (IPA: [ˈhwaː, weɪ]).

Huawei is a leading global telecommunications solutions provider with long-term partnerships with operators around the world. Huawei's products and solutions is about wireless products (LTE/HSPA/WCDMA/EDGE/GPRS/GSM, CDMA20001xEV-DO/CDMA2000 1X, TD-SCDMA and WiMAX), core network products (IMS, Mobile Soft switch, NGN), network products (FTTx, xDSL, Optical, Routers, LAN Switch), applications and software (IN, mobile data service, BOSS), as well as terminals (UMTS/CDMA). Major products are designed based on Huawei's ASIC chipset and utilize shared platforms to provide quality and cost-effective products. Huawei's products and solutions are deployed in over 100 countries and serve 36 of the world's top 50 operators. Huawei's R&D centers is built in many countries, such as Silicon Valley and Dallas in USA, Stockholm in Sweden, Moscow in Russia, Bangalore in India, and Beijing, Shanghai, Nanjing, Shenzhen, Hangzhou, Guangzhou in China.

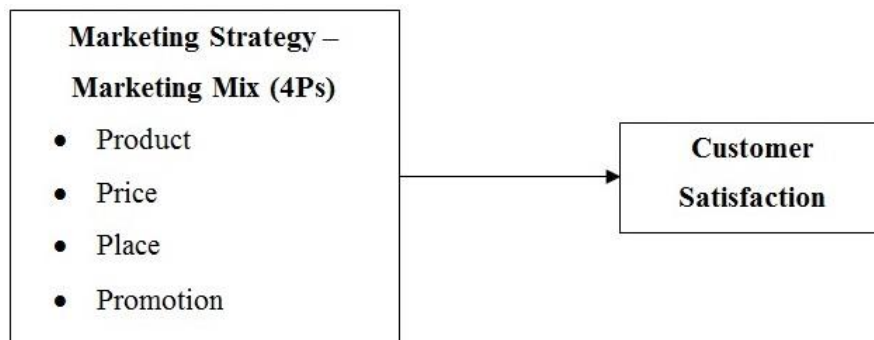
Objective and Scope of the Research:

The main objective of this research is to Exploring Huawei Mobile Phone marketing strategy that Impact to Customer Satisfaction.

To achieve the objective of the study intend to find answer to the following question:

RQ: What is the relationship between Huawei Mobile Phone marketing strategy and customer satisfaction?

Conceptual Framework:



Hypotheses of the Research:

The specific hypotheses for this study are as follows;

$+H_1$ = There is a positive relationship between marketing strategy and Customer Satisfaction.

II. LITERATURE REVIEW

This chapter reviews the concept of marketing, marketing mix (4PS) and customer satisfaction by assigning the various definitions. A general framework of what marketing mix (4Ps) is all about is discussed under the elements of marketing strategy. Since the research is more concern about the relationship between marketing strategy and customer satisfaction. The literature also looks at the concept of marketing strategy and how it's been impacts the customer satisfaction. And will also introduce the overview of Huawei.

Marketing:

The Chartered Institute of Marketing defines marketing as "the management process responsible for identifying, anticipating and satisfying customer requirements profitably." A different concept is the value-based marketing which states the role of marketing to contribute to increasing shareholder value. In this context, marketing is defined as "the management process that seeks to maximize returns to shareholders by developing relationships with valued customers and creating a competitive advantage."

Marketing practice tended to be seen as a creative industry in the past, which included advertising, distribution and selling, merchandise support. However, because the academic study of marketing makes extensive use of social sciences, psychology, sociology, mathematics, economics, anthropology and neuroscience, the profession is now widely recognized as a science, allowing numerous universities to offer Master-of-Science (MSc) programmes. The overall process starts with marketing research and goes through market segmentation, business planning and execution, ending with pre-sale and post-sales promotional activities. It is also related to many of the creative arts. The marketing literature is also adept at re-inventing itself and its vocabulary according to the times and the culture.

Supermarkets move products around to confuse shoppers; the entry point is another marketing tactic. Consumer psychologist Dr. Paul Harrison states that supermarkets are constantly using different methodologies of selling. One method is performing regular overhauls changing the locations of products all around to break habitual shopping, and break your budget. Harrison also contends that people who are shopping in a counter clockwise direction are likely to spend more money than people shopping in a clockwise direction. Consumer psychologists reported that most people write with their right hand, thus it is a biological trait that people have the tendency of veering to the right when shopping, it is understood that supermarkets capitalize on this fact. Found on the capturing right-hand side are usually appealing products that a shopper might impulsively buy e.g. an umbrella when the weather is dull.



The marketing concept is the philosophy that firms should analyze the needs of their customers and then make decisions to satisfy those needs, better than the competition. Today most firms have adopted the marketing concept, but this has not always been the case.

Marketing strategy has the fundamental goal of increasing sales and achieving a sustainable competitive advantage. (Baker, Michael The Strategic Marketing Plan Audit 2008) Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies and therefore contributes to the goals of the company and its marketing objectives. (Homburg, Christian; Sabine Kuester, Harley Krohmer (2009))

Marketing plan is a business document written for the purpose of describing the current market position of a business and its marketing strategy for the period covered by the marketing plan. Marketing plans usually cover a period of one to five years.

Target market is a group of customers a business has decided to aim its marketing efforts and ultimately its merchandise towards. (Kurtz, Dave. (2010)) A well-defined target market is the first element of a marketing strategy. Product, price, promotion, and place are the four elements of a marketing mix strategy that determine the success of a product or service in the marketplace.

STP Theory:

The letters STP stand for segmentation, targeting, and positioning. The STP process is an important concept in the study and application of marketing. The STP process demonstrates the links between an overall market and how a company chooses to compete in that market.

The goal of the STP process is to guide the organization to the development and implementation of an appropriate marketing mix, as highlighted in the following diagram.

Marketing Mix (4Ps):

The term "marketing-mix" was first coined by Neil Borden, the president of the American Marketing Association in 1953. It is still used today to make important decisions that lead to the execution of a marketing plan. The various approaches that are used have evolved over time, especially with the increased use of technology. ("Marketing Mix Definition". Investopedia.com. Retrieved 9 April 2015)

The marketing mix is a business tool used in marketing and by marketers. The marketing mix is often crucial when determining a product or brand's offer, and is often associated with the four P's: price, product, promotion, and place. (McCarthy, Jerome E. (1964)) In service marketing, however, the four Ps are expanded to the seven P's or Seven P's to address the different nature of services.

Getting the marketing mix right for your product or service means you are covering all of the important bases in your marketing campaign. Here is a definition of marketing mix and a description of its main components.

Concepts of Customer Satisfaction:

Customer satisfaction has been a popular topic in marketing practice and academic research since Cardozo's (1965) initial study of customer effort, expectations and satisfaction. Despite many attempts to measure and explain customer satisfaction, there still does not appear to be a consensus regarding its definition (Giese and Cote, 2000).

Customer satisfaction is typically defined as a post consumption evaluative judgment concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts repurchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980).

Overview of Huawei:

Ren Zhengfei, a former deputy director of the People's Liberation Army engineering corporation, founded Huawei in 1987 in Shenzhen. Rather than relying on joint ventures to secure technology transfers from foreign companies (which were often reluctant to transfer their most advanced technologies to Chinese firms), Ren focused on local research and development to produce the switches through reverse-engineering of foreign technologies. At a time when all of China's telecommunications technology was imported from abroad, Ren hoped to build a domestic Chinese telecommunication company that could compete with foreign competitors.

During its first several years the company's business model consisted mainly of reselling private branch exchange (PBX) switches imported from Hong Kong. Meanwhile, it was reverse-engineering imported switches and investing heavily in research and development to manufacture its own technologies. By 1990 the company had approximately 500 R&D staff, and began its own independent commercialization of PBX switches targeting hotels and small enterprises.

The company's first major breakthrough came in 1993, when it launched its C&C 08 program controlled telephone switch.

It was by far the most powerful switch available in China at the time. By initially deploying in small cities and rural areas and placing emphasis on service and customizability, the company gained market share and made its way into the

mainstream market. The company also developed collusive joint venture relationships with local authorities, whereby it would provide "dividends" to the local officials in exchange for their using Huawei products in the network. Ahrens writes that these methods were "unorthodox, bordering on corrupt," but not illegal. Another major turning point for the company came in 1996, when the government in Beijing adopted an explicit policy of supporting domestic telecommunications manufacturers and restricting access to foreign competitors. Huawei was promoted by both the government and the military as a national champion, and established new research and development offices.

III. METHODOLOGY

Methodology is about anything that has to do with procedures or techniques of investigation, that is, the set of techniques used in one piece of research. It is all about the methods used in the study of the research. Methodology is essential in gathering relevant information thereby giving effective and reliable representation.

Is possible to categorize different research method approaches into two main categories depending on how they are conducted, quantitative research methods and qualitative research methods.

The research approach for the research study is "Descriptive Research" by using quantitative method.

The methodology of this research is broken down into the following framework-

- Research design
- Data collection
- Questionnaires Measurement
- Population and sample

3.1 Research Design:

A detailed outline of how an investigation will take place. A research design will typically include how data is to be collected, what instruments will be employed, how the instruments will be used and the intended means for analyzing data collected.

A research design is the document of the study. The design of a study defines the study type (descriptive, correlational, semi-experimental, experimental, review, meta-analytic) and sub-type (e.g., descriptive-longitudinal case study), research question, hypotheses, independent and dependent variables, experimental design, and, if applicable, data collection methods and a statistical analysis plan. Research design is the framework that has been created to seek answers to research questions.

This study focuses on the relationship between Huawei Mobile Phone marketing strategy and customer satisfaction. The research approach for the research study is "Descriptive Research". Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

There are three basic types of Descriptive research. These are -

1. Observational Method
2. Case Study Method
3. Survey Method

3.2 Data Collection:

Both primary and secondary data sources were used to ask research questions. In order to prepare the questionnaire, first, supervisor's views were elicited and then the research questionnaire was finally revised. Data were collected from user who are using mobile phone.

For the purpose of this study, the collected secondary data included: textbooks, academic articles and journals related to the service quality and customer satisfaction. This type of data collection was mainly used for the literature review since it was unable to meet the research objectives.

3.2.1 Questionnaires:

A questionnaire is a research instrument consisting of series of questions and other prompts for the purpose of gathering information from respondents. Most often it is designed for statistical analysis of the responses[<http://en.wikipedia.org/wiki/Questionnaires>], and last assessed 25/11/08. According to Sekeran, (2003), 'a questionnaire is a pre-formulated written set of questions to which respondents' records their answers, usually within rather closely defined alternatives'.

A questionnaire was structured for this research and was administered to the user of Huawei mobile phone. The choice of the questionnaire as one of the means of gathering data is borne out of the fact that it is cheap, do not require as much effort from the questioner as verbal or telephone surveys, not time consuming and often have standardized answers that make it simple to compile data. It allows the respondents to supply answers that are confidential to them (Sekeran, 2003).

These questionnaires were handed directly to the respondents by the researchers which gave the researchers the privilege to introduce the topic and encouragement in answering the questionnaire. The questionnaire consists of two sections, which focuses on the areas of interest of the research.

- The first section relates to the demographic.
- The second section relates to the marketing strategy.

3.3 Questionnaires Measurement:

In developing measures to represent the concepts Marketing Strategy and Customer Satisfaction, synthesized scales from the literature with those obtained in the field work. The initial measures were refined and pretested to enhance the validity and accuracy of the questionnaire.

3.4 Population and Sampling:

Sekaran (2003) describes sampling as the process of selecting a sufficient number and the right type of elements for study from a certain population. As population is defined, the entire group of elements that the researcher is interested to investigate. An element on the other hand, is a single member of the population (Jankowicz, 1991). Sample is defined as a portion or subset of the population, the size of which is determined by the type and objective of the study, as well as time and financial constraints (Fink, 1995).

Samples were drawn from the entire population of study in this research due to time, financial and human resource constraints, thus it is believed that the sample will provide the researchers with more reliable results (Sekaran, 2003; Blumberg et al 2005).

<http://en.wikipedia.org/wiki/Questionnaires>

3.4.1 Population and Sample Size:

The population of study was the users of Beijing, China. The researcher chooses China because China is the big electronic market. The permanent population of China's capital of Beijing was 21.7 million by the end of 2015. To find out the calculation of sample size researcher use sample size calculator by Creative Research System. Research data were collected using the simple random sampling method. Assuming a 95% confidence interval and $e = 10\%$ margin of error, the sample size is calculated as $n=96$ (Kurtuluş, 2004: 187). The sample size is 96 after the calculation is given in figure 2.

Determine Sample Size

Confidence Level: 95% 99%

Confidence Interval:

Population:

Sample size needed:

http://www.chinadaily.com.cn/china/2016-01/20/content_23160880.htm

<http://www.surveysystem.com/sscalc.htm>

The population of study was drawn out of the users of Beijing, China. A total of 180 questionnaires were administered and 98 were returned. After eliminating 8 questionnaires because of incompleteness, 90 useful questionnaires were obtained, yielding a 50 per cent response rate. Considering the issue of the sample size when conducting more complex statistical analysis, the sample of 90 valid questionnaires deemed satisfactory.

IV. DATA ANALYSIS

The analysis of collected data was carried out through various statistical techniques. A hypotheses testing is undertaken on the data to verify the dimensionality and reliability of the scale used to measure the customer satisfaction and Service Quality. SPSS (Statistical Package for Social Science) Version 22 software packages were used in this Study.

Table 2. The frequency and percentage of respondents classified by Gender

Gender		Frequency	Percent
Valid	Male	52	57.78
	Female	38	42.22
	Total	90	100.00

Table 2 shows the gender distribution of the respondents, which is the sample group in this study. There are male respondents more than female respondents, a total of 52 male respondents or 57.78% and a total of 38 female respondents or 42.22%.

4.1 Test of the Hypotheses:

The SPSS (Statistical Package for Social Science) Version 22 methodology was used to test the hypotheses. Based on the values computed through the software it represent that the theoretical model fit the data well.

4.1.1 Marketing Strategy and Customer Satisfaction:

Hypothesis H1 states that there is a positive relationship between Marketing Strategy and Customer Satisfaction. The hypothesis supported by the data because the age (+ 0.024), career (+ 0.029), monthly income (+ 0.048), mobile brand (+ 0.044), price (+ 0.041), prefer type of phone (+ 0.020) this are supported to marketing strategy and that strategy satisfied the customer.

Therefore developed hypothesis can be accepted. It means that Huawei use the best marketing strategy to captured the customer. There is a positive relationship between Marketing Strategy and Customer Satisfaction.

4.2 Results of the Analysis:

In this part of the study one-way ANOVA test were applied to determine whether there was a significant relationship between marketing strategy and customer satisfaction.

As a result of the analysis the researcher selects the age, career, monthly income, mobile brand, price, and preferred type of phone. This is significant relationship between marketing strategies. The result obtained is presented in Table 3.

Table 3. ANOVA Results According to Marketing Strategy

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Age	Between Groups	37.398	16	2.337	2.007	.024
	Within Groups	85.002	73	1.164		
	Total	122.400	89			
Career	Between Groups	15.071	16	.942	1.946	.029
	Within Groups	35.329	73	.484		
	Total	50.400	89			
Monthly Income	Between Groups	36.037	16	2.252	1.796	.048
	Within Groups	91.563	73	1.254		
	Total	127.600	89			

Mobile Brand	Between Groups	70.659	16	4.416	1.820	.044
	Within Groups	177.163	73	2.427		
	Total	247.822	89			
Price	Between Groups	12.043	16	.753	1.845	.041
	Within Groups	29.779	73	.408		
	Total	41.822	89			
Prefer type of phone	Between Groups	14.640	16	.915	2.056	.020
	Within Groups	32.483	73	.445		
	Total	47.122	89			

According to the result of the ANOVA test performed in order to determine whether there existed significant differences between participants with respect to the marketing strategy (marketing mix 4Ps) in terms of the participant's perception of refractory customer satisfaction. Finally the marketing mix (4p) model has positive relationship with customer satisfaction.

V. CONCLUSION

Guided by the 4Ps theory, this paper has put forward some suggestions about Huawei's marketing strategy for smartphones in china World, based on a survey about the market and customer's needs and demands. It is hoped to provide some useful reference for its marketing in Arab World. Huawei's high-quality products that offer a superior experience have been well received among consumers, and that the company has established and reinforced its brand image in the mid-range and high-end markets. "Huawei's mid-range and high-end smartphones, Mate7 and P8 in particular, as well as Honor-branded phones, have made solid progress, helping us guarantee quality and sustainable growth in the consumer business.

This paper contributes to the theoretical orientation of marketing strategy and discuss about marketing mix (4ps) and also how the marketing mix strategy satisfied the customer. As a global company, Huawei has sought win-win development with local communities. As a responsible corporate citizen, Huawei has proactively integrated into local communities to support charities, education, environmental protection, healthcare, and disaster relief efforts.

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In conclusion, knowing how marketing mix effect the customer satisfaction being able to measure customer satisfaction. Measuring customer satisfaction can help Huawei phone service provide reliable data that can be used to monitor and maintain and adding more feature in phone to give better service to the customer.

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