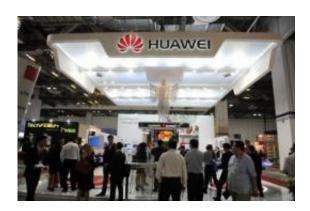


China's Huawei takes rebranding bid to telecoms fair

June 20 2012, by Bernice Han



Visitors gather at the Huawei both during the CommunicAsia telecom expo and conference in Singapore on June 19, 2012. China's Huawei Technologies wants to muscle into the lucrative smartphone market but is expected to face an uphill task in challenging industry leaders Apple and Samsung.

China's Huawei Technologies is taking a campaign to transform itself into a global brand and leading smartphone maker to a major telecoms fair which opened in Singapore this week.

The Chinese tech behemoth is the biggest exhibitor at the four-day CommunicAsia expo which it sees as a launchpad for its ambition to challenge Apple and Samsung and target itself at consumers and not just businesses.

Huawei's expansive booth is showcasing its array of mobile devices,



including one of its star products the Android-powered Ascend P1, which at 0.31 inches (7.69 millimeters) is slimmer than Apple's <u>iPhone</u> 4S at 0.37 inches (9.3 mm).

But as it sets its sights at industry leaders Apple and Samsung, it faces a difficult task to lure shoppers who have demonstrated a preference for well-established brand names.

"Basically, this CommunicAsia is a very important platform for us to really showcase how we are really committed to driving growth," said Riadi Sugihtani, Huawei's regional chief marketing officer.

"Of course there are some connotations with a Chinese brand, and being Huawei as a brand name of course it's unmistakably Chinese," he told AFP.

"However, through lots of efforts we built the brand. We see that there is a clear improvement as far as acceptance by consumers across different geographies."

Huawei, founded by a former People's Liberation Army engineer, has established itself as a major force in the global <u>telecoms industry</u> where its technology is widely used to build <u>mobile phone networks</u>.





A promoter displays a Huawei Mediapad 10 FHD, a high speed tablet with quad core and LTE at the CommunicAsia telecom expo and conference in Singapore on June 19, 2012. Huawei, founded by a former People's Liberation Army engineer, has established itself as a major force in the global telecoms industry

The company is a prime example of leading Chinese firms who are working aggressively to make the transition from being the world's workshop to becoming top brands.

Earlier this year, Huawei also exhibited its range of smartphones at telecoms shows in Barcelona and Las Vegas. But analysts say that pulling off a consumer-focused image reinvention will not be easy.

"If Huawei has their eyes on becoming number one, they definitely have their work cut out for them," said Melissa Chau, a Singapore-based regional research manager with IDC.

"One of the challenges for Huawei is branding which is a long-term



endeavour and Huawei hasn't yet shown a lot of significant differentiation and innovation yet that would encourage people to buy their smartphones," she said.

The company sold 20 million smartphones globally in 2011 and is aiming to be the top Android-based smartphone maker by 2015, a position currently held by South Korea's Samsung.

Handset manufacturers are waging a fierce battle to capture the rapidly growing smartphone market.



A promoter displays a Huawei Ascend D1 smartphone at the CommunicAsia telecom expo and conference in Singapore on June 19, 2012.

Gartner, a technology research firm, said Samsung smartphones powered by Google's Android operating software sold 38 million units in the March quarter, handing it back the number-one position from iPhone maker Apple which had sales of 33.12 million.

Samsung and Apple jointly make up 49.3 percent of the smartphone sector, with Nokia trailing badly with a 9.2 percent share, Gartner said.



It said Huawei sold almost 10.8 million mobile phones including smartphones in the March quarter, but did not give a figure for its smartphones alone.

Huawei is also battling an image problem in the broader technology market due to its perceived close ties with the Chinese military and government.

It has recently been blocked from bidding for contracts on Australia's ambitious national broadband project, reportedly due to concerns about cyber-security.

The company has in the past also run afoul of US regulators and lawmakers because of worries over its links with the Chinese military and Beijing -- fears that Huawei have dismissed.

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