

# Driving Business with a Consistent Brand

THE PRACTICE OF HUAWEI



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In the past 30 years, China has grown into the second largest economy in the world, and a number of competitive Chinese companies burgeoned in this period of time. A lot of companies are trying to establish themselves as leading brands in the global market; however, they are facing various challenges. The most serious one is shifting the mindset from a product-driven to a brand-driven business.

Branding strategy is no longer the execution of the business strategy but a driver to the business strategy. Huawei, the only Chinese brand that was listed as the Best Global Brand by Interbrand, is a great showcase of that practice.

## DEFINE BRAND DRIVEN BUSINESS

It was challenging to figure out a top brand strategy that drives the entire business. Huawei owns three business groups that serve three distinct groups of customers — carriers, enterprises and regular consumers. There had been debates about whether to build a house of brands or a branded house strategy. Finally, considering the low brand awareness among regular consumers at the time, Huawei adopted branded house strategy to strengthen its brand image.

Then how did Huawei define and build one single brand with three distinct business groups that developed different products and faced different customers in different markets? This is where the pipe strategy came into place. Despite Huawei's different customer groups, Huawei is, in essence, in the business of information transmission. Huawei compared the carriers to the Mississippi River and the Great Lakes; the enterprises to the reservoirs and pipes in the city; and mobile devices to water taps. The solution Huawei provided are pipe networks that can handle the digital tsunami that carries and sends huge amounts of data from one place to another. Therefore, Huawei defined its brand promise as "building a better connected world" with three major characteristics — ubiquitous broadband, agile

innovation and inspired experience. These characteristics drive future product development in all three business groups.

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## POSITIONING IN THE B2C MARKET

Knowing and being yourself is essential to a brand. Huawei went a long way to position itself in the B2C market. Before 2011, Huawei was confused about the target consumers and positioning in this market. When Apple and Samsung products attracted consumers' attention with their luxury fashions and fancy functions, Huawei also wanted to establish a fashionable and fancy brand image. But that was not who Huawei is. When launching the new product Ascend P1, Huawei invited a famous director from London to shoot a commercial, where an old man (representing wisdom) and a white horse (representing beauty) ran into each other, and the phone was born in the collision. However, without a clear positioning, all these efforts were in vain. The audience were totally confused about what the commercial was intended to express.

Huawei realized that that the brand was not a fashion leader. The real heritage of Huawei is the dedication in advanced technologies, the spirit of perseverance and making the impossible possible. After months of brainstorming and debates, consumer business group executives finally realized that "Make it Possible" is exactly the positioning they were looking for. It best answers what Huawei is and what value Huawei is bringing to the consumers — "make the impossible possible!" With the advantages of

advanced telecommunication technologies, self-developed mobile chipsets, mature hardware and software platforms, Huawei strives for perfection and makes the impossible possible. Consumers should get a phone with the performance they would never imagine — the best camera, the thinnest body, the fastest speed, the longest standby time, you name it. No longer shaky, Huawei firmly committed to high-end product development and the pursuit of the perfectness of inspired experience.

In February 2013, Huawei launched the "Make it Possible" global branding campaign. A line of premium products including Ascend P6, P7, P8 and Mate 7 and 8 have been released to the marketplace. The new products gained many awards, and Huawei rapidly increased its market share to become the third largest smartphone provider in the world. In 2014, Huawei became the first Chinese brand that was listed as the Best Global Brand by Interbrand. many awards, and Huawei rapidly increased its market share to become the third largest smart phone provider in the world.

Just as Abraham Lincoln said, "Character is like a tree and reputation like a shadow. The shadow is what we think of it; the tree is the real thing." Huawei's investment in its brand paid off, and the company is still dedicating itself to consistently delivering its brand promise to the customers in all three business groups.

Charlie Chen is the co-founder and the president of Triwin Investments International LLC. Before Triwin, Charlie was the vice president of Huawei Technologies, a Fortune 500 company, and was in charge of Huawei corporate branding and communication department. Charlie held several leadership positions in Huawei in the areas of R&D, sales and marketing. He earned his doctorate degree in electrical engineering from the South China University of Technology in Guangzhou, China.