

## ANALYSIS OF MARKETING STRATEGIES IN THAILAND

### **Determine the target market**

#### **Market segmentation**

Market segmentation is the process that enterprises can be sold in the market as all divided into a number of customer base market classification process by market research, customer demand, purchase behaviour and purchase habits and other aspects of the differences. (Liu,2013) Generally, through the market segmentation can be targeted to configure the production of enterprises, marketing resources, especially it plays an important role. This is great significance to the enterprise. On the one hand, it is advantageous to select target market and develop marketing strategy because the subdivision of the sub-market easier to understand the demands of customers, enterprises can be more targeted configuration of production and marketing forces, targeting the target market, the formulation of appropriate marketing strategies, and enterprises will quickly react and to adapt to the changing market demand if the user's demands change. On the other hand, to explore market opportunities and improve economic efficiency, it can be found in favor of the market opportunities for enterprises because of the comparative analysis of market segments, and enterprises can target their own market to produce corresponding products, thereby enhancing the economic benefits of enterprises after market segmentation. (Liu,2013). From the domestic market to overseas expansion, Huawei's marketing strategy has always been in the market segments. Through a reasonable market segment, Huawei can effectively understand and grasp the different regional market competition and current satisfaction, to explore those who still have to develop and increase the space of the market, in order to form and establish a suitable for their own development of the target market, to use internal and external resources to quickly gain market advantage and ultimately improve market share. (Zhang,2013) As the product of communication equipment, and consumer products and means of production products are different applications of the characteristics, which led to the product market segments need the different application environment requirements, the target customer is divided into operator market and industry market. The operator market refers to the market of the enterprises which operate the telecom base, its purchase of products is characterized by a large number of small frequency purchase, the requirements of the product is to meet the reliability, operational management and other characteristics, high performance requirements for the product and industry market can be divided into different traditional industry characteristics of the banking system, power systems, education systems, medical systems, such as these customers on the product requirements are able to meet the specific business application demands, network deployment form the headquarters and the various branches of the form of connectivity, the requirements of communication

products to meet specific business demands, it not necessarily high reliability, but the business must be easy to deploy and failback. Another dimension to distinguish the communication equipment is the subdivision by geographic, the customer of different region has the very big difference to the product demand, but the difference of product demand inevitably leads to the difference of production cost and sale expense for production enterprise. Therefore, enterprises should take into account the total cost of production and sales of the sub market in the market segment. Huawei in the international market is based on the geographical range of users. Huawei international market segmentation is based on consumer demand differences, according to a certain degree of segmentation criteria, it subdivides many sub-markets that need different products and marketing mix and choose the international market target in these sub-markets. (Shang,2017). For industrial product market subdivision, the international market can be subdivided according to the end-user, the user size and purchasing power size and the purchasing organization characteristics.

### **Target market**

Enterprises in the market segmentation after a few of "sub-market", the use of marketing activities aimed at the corresponding market direction of the optimization process. On the one hand, the production and sales of enterprises and other resources are limited; On the other hand, enterprises should pursue shareholder profit maximization, and to meet specific market demand, so this is necessary for the optimal process of the target market. Huawei in the marketing strategy, does not involve all the market, but always choose the most development of space target market on the basis of market segmentation, through the market demand to play the company's advantages in the fierce competition to stand out and win. Combined with the previous pest analysis, because Thailand's political orientation is the development of the economy, coupled with a long time, Thailand has pursued a friendly strategic direction for China, so the Thai national market has become the focus of Huawei's south-East Asia regional marketing. On the other hand, Thailand has fewer restrictions in the process of importing communications equipment and related services, and there are no special technical standards and requirements for imported communications equipment products other than optical fiber products used in government projects. The Thai customs also imposed zero tariffs on about 153 information technology products produced, assembled and transported by WTO members, and other communications products would gradually reduce tariffs according to the WTO tax reduction schedule. Thailand's telecommunications market is in a period of rapid development, rich opportunities. From the comparative advantage and export practice, Huawei has more market opportunities in Thailand. (Liu,2010)

### **Marketing mix strategy**

The marketing combination is the best combination and application of the environment, ability and competition condition in the selected target market, which can be controlled by the enterprise, to accomplish the aim and task of the enterprise. The main purpose of marketing is to meet the needs of customers, because of a lot of customer demands, there have a lot of the measures to meet the demands of customers. Therefore, enterprises must grasp those basic measures, a reasonable combination, and give full play to the overall advantages and effects in the development of marketing activities. Marketing combination is the basis of formulating enterprise marketing strategy, doing well marketing combination work can guarantee the enterprise to satisfy the customer's demand in the entirety, the marketing combination is a powerful means for enterprises to deal with the competitor, and is the way that enterprise reasonably distributes the marketing budget cost. In the the fifties or sixties of the 20th century, according to the marketing concept of the demand-centric theory, professor McCarthy proposed the famous 4P combinatorial theory, and concluded that the controllable factors of marketing activities in enterprises were grouped into four categories, include product, price, place and promotion. (Wang,2008)

### **Product strategy**

Product is the basics of Huawei to open up the market and occupy the market, to achieve the ultimate victory. Whether in product-oriented, technology-oriented, or today's market-oriented stage, Huawei's product strategy has always been around a principle of customer demand-oriented, to push the product differentiation strategy.

### **Standardization and differentiation**

Communication products industry is relatively mature, it has formed a standardized product trends, however, Huawei will face the different market environment of various countries or regions when marketing in the international market because of the special requirements of different country or region market, it leads Huawei to offer different products to different countries or regions on the basis of meeting international standards. For the company, product standardization can form economies of scale, it can reduce product research, development, production, sales and other aspects of the cost, thereby improving the intrinsic profit. In addition, product standardization is conducive to establishing a unified image of the product world, and to enable enterprises to effectively control global marketing. As mentioned earlier, a

certain degree of product differentiation can better meet the individual demands of different customers, because of the differences in the social and cultural environment of the final customer, it cannot do all the market will be able to sell the same products. This differentiation to a certain extent, Huawei has won the recognition of customers. To meet the specific requirements of a Thai operator for the centralized maintenance of Huawei's network equipment, Huawei has customized and developed a management system that has been well received by users. (Tay,1997)

### **Launch products with market demand**

Over the years of product development experience and international marketing experience, to make Huawei deeply understand, , it must really finds the right user demands, use the practical and serialized products to win the market, to form its own product real scale applications if it want to completely break the monopoly situation of foreign equipment merchants, and only form the large-scale applications, it can truly break the monopoly and gain a place in the fierce international market competition, to achieve better development. In order to adapt to the requirements of a carrier business transformation in Thailand, it needs to support IPTV capacity in the new national trunk network, Huawei quickly adjust product strategy, it timely releases the data products to meet the multicast business.

### **Focus on the development of the industry and exploit it**

In the first few years of entering the communications market, Huawei has invested a lot of energy in independent research and development, but at this stage, Huawei's research and development strength and the market's sense of touch has not reached the requirements of first-class manufacturers, only relying on independent innovation will be backfired. Huawei realized it, first independent research and review of high-end routers, and then launched the GSM standard under the guidance of the direction of the market, because Huawei have a great effort in the research of these products, but also understand the requirements of customers, to reflected out the customer's demands in the performance of the product in product research stage. Therefore, these products finally in the market have achieved remarkable sales performance, the switch won the vast majority of rural markets and making Huawei become the mainstream equipment supplier for China mobile communications.

### **Price strategy**

Huawei should adopt the method of cost pricing, demand pricing and price pricing in international marketing: Huawei adopts cost pricing method, which is mainly on the

basis of product cost, plus product expectation profit to carry out product pricing, mainly completes two aspects work, one is the accurate accounting cost; The second is to determine the percentage of profit according to market demand and product variety. The demand pricing method of Huawei is mainly based on the demand of social market, considering the consumption habit, income level, price elasticity of the service and product demand, and so on. Huawei needs to be priced according to the nature and characteristics of products, such as a series of products have been gradually recognized or accepted by consumers, then Huawei sales of the same functional products, often in the past prices for reference, so Huawei pricing product in the pricing process must be based on the past price standards. When Huawei sells the whole new product, it needs to price according to the consumer's cognitive value, first to annotate the product value through the service and the promotion, then to chooses the corresponding market reasonable price.

After entering the national market of Thailand for some time, on the one hand, Huawei has gained market share from operators, on the other hand, with the development of Huawei, it has become a large communication enterprise with strong products and features, we should consider the competitive pricing method. Competitive price pricing method is an active competition-oriented pricing approach, Huawei adopts competitive pricing method mainly includes: first, price comparison. Compare the price of a competitor's product in the market with the company's estimated price and divide the price of the competitor's products into above, flat and below three different levels. Second, quality comparison. Compare Huawei's product performance, quality, cost, style with its competitors, find differences, and further analyze the reasons for the different prices. On the basis of a large number of market research and cost, to determine Huawei's products the most prominent characteristics, advantages and market positioning, and finally determine the price based on the break-even point. Finally, change the price according to the market demand. After the product is put on the market, on the one hand, tracking competitor's product price changes; on the other hand, to adjust the price of products according to their own products in the market changes in sales, for example: for NGN (Next Generation Network) and 3G in this international compared to competitors have reached the leading level of products or some technology scarce products, it can be based on price competitive pricing method to improve prices. (Gao&Guo,2011).

### **Place strategy**

In the global competition environment, enterprises want to be successful, the marketing channels become the third indispensable element except product and talent.

With the fierce competition in the market, how to attract and motivate more partners to sell their products has become an important issue in the channel management of communication equipment suppliers.

### **Direct selling mode**

Compared with other types of marketing methods, direct selling way has two obvious characteristics, one can send the information directly, but do not need media intervention, enterprises can directly communicate with users; Second, for enterprises, direct marketing is more concerned about the specific sales activities. and the difference between direct selling of communication products and direct selling of consumer products lies in Huawei needs its own salespeople to reach out directly to carrier customers, this leads to high sales costs. In order to quickly gain the advantage of early entry in specified markets, Huawei should first choose to bypass direct selling by distributors as a sales channel, direct selling can be successful in the early stages of entering Thailand., but after Huawei to the international market, the company needs a targeted and comprehensive product solution for different customers with the continuous expansion of the customer group.

### **Distribution mode**

After entering the local market to form a scale, Huawei to change the original direct marketing channel strategy, and constantly improve the original direct way of reform, Huawei companies to choose the right local distributor supply channel mode. This comprehensive distribution channel platform is based on Huawei's sales and service partners, training partners and direct users to establish a sound system. The system includes the first level of senior distributors, as well as subordinate regional agents, senior certification agents, industry integrators, to provide customers with end-to-end product integration solutions. In addition, Huawei should flatten the distribution of sales channels and strengthen the channel function of the subdivision and industry coverage, there is no absolute subordination between agents. Enjoy the same preferential policies, all rely on performance accumulation and turnover to obtain the same benefits as Huawei's product brand, performance and service level. In order to keep the distribution channel unobstructed, Huawei also gives more encouragement and support to channel partners in marketing and technical training. To keep distributors in this channel, Huawei should give more encouragement and support to channel partners in marketing and technical training. The technical training not only enhances the channel agent's technical service level, but also enhances the Huawei channel competitive power, and enhances the communication between Huawei and the channel agent. (Jiu,2012).

### **Promotion strategy**

First, advertising. Huawei's products to enter the international market, we must use advertising, it not only can help the product to achieve the desired positioning, but also can be launched corporate visibility and establish a good image of enterprises. In the creative process of designing advertisements, Huawei should fully display the product features and corporate image. Huawei should adopt international advertising standardization and localization strategy in advertising publicity. The adoption of international advertising standardization measures can effectively reduce costs and promote products in the international market to establish a unified impression. The adoption of a local strategy to promote more persuasive and targeted advocacy, even if the cost has increased, but if can promote sale effectively, it will be more profitable. In advertising strategy to focus on product practicality and price advantages, such as Huawei's honor in 2014 launched the brand slogan "Brave to do their own", to reveal the future of Huawei products trend, fully demonstrated personalized characteristics, and received very good results. So, Huawei should be combined with market demand and other factors to carry out creative design.in the future advertising.

Second, the exhibition publicity. Participating in the exhibition is an important way for communication enterprises to promote brand impression and promote products. For Huawei, we must fully use the power of domestic and foreign communication exhibition to promote products and impression. Therefore, when entering a market, Huawei can hold a moderate scale communication exhibition, invite enterprises and operators in the peer field to show them the company's prospects and strength. In front of the booth, the show is not only products, but also include services and applications. Huawei needs make each of the exhibitors to establish a strong sense of personal image and corporate image fusion, to win more customer response in the exhibition show the company style. (Xu&Liao,2012)

Third, personnel promotion. Personnel promotion has the characteristics of flexibility, selectivity and transitivity, can be closer to customers, let customers experience products, stimulate the desire to buy. And personnel promotion can also obtain market feedback information, timely understand the market changes to the company to develop promotional strategies to provide recommendations. When adopting personnel promotion strategy, Huawei can start from the following aspects: first, to collate and translate the relevant information, to develop publicity manuals in accordance with international standards and practices for the learning and use of propagandists. Second, regularly send to customers or potential customers about

information of enterprises and products, so that customers can learn more about the company, experience the concept of Huawei the customer is important, quality and service into the publicity work. Finally, taking into account the differences between the domestic market and the international market, as well as the relationship between China and these target market countries, consider the characteristics of the local market. Huawei can use the political and diplomatic relations between countries to promote cooperation with target market countries, to take some experiments or gifts, and other ways to create project guidance needs. Huawei sales personnel should be able to accurately grasp the timing of sales, because of people, the time and the appropriate to carry out sales activities. And always pay attention to their own image in the sales process, to give consumers a good impression, so that consumers generate trust, standing in the consumer position, select products, guide consumption, experience products and so on, it can effectively combine the award-winning promotions, discounts and other ways to promote sales at the same time sales personnel in the product promotion process. (Zhang,2010)

Four, PR promotion. Huawei achieved the purpose of displaying corporate image and products by use the public relations maintenance and publicity. Huawei can take the following measures in public promotions: first, internal publications. Huawei not only can improve the cohesion of employees, but also demonstrate better enterprises to outsider by design the brochure that the main content is to carry the relevant information and achievements of enterprises. (Wang, Golden&Huang,2007). The second is to release the news. The company organizes press conferences, invites the news media reporter, will release the enterprise decision-making and the new product information, thus it can enhance the audience the attention degree. Third, the design of public activities. Through various donations, sponsorship activities, and strive to show the enterprise caring for the community's sense of responsibility, establish a good image of enterprises. In conclusion, Huawei in the international marketing process, not only focus on the market, products, channels, prices and promotions and other links, but also should be active in the cultural differences, government intervention and trade barriers and other issues of reasonable design. Cultural differences should be taken: one is the promotion of intercultural communicative competence; The second is to explore the points of agreement between different cultures and fully excavate the cultural connotations of the products; Third, to actively integrate into the target country culture and to reduce the impact of cultural differences as much as possible; Four, to build the local characteristics of the culture, to enhance its international market influence. In the aspect of government intervention, Huawei should actively use the help of the Chinese government to solve the intervention problem effectively through political factors such as diplomacy. In terms of trade barriers, Huawei can only take the form of negotiation,

through face-to-face exchanges and negotiations, and finally achieve a winning situation.