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On

Huawei Global Analyst Summit 2019

About Huawei Global Analyst Summit

Huawei has organized their 2019 Huawei Global Analyst Summit (HAS) from 16th-18th April, 2019 in Shenzhen, China. The three day conference was focused on briefing industry analysts and media on Huawei's previous year's financial performance, future outlook, and future strategy. As part of the HAS, the attendees was also provided with an opportunity to attend specific technology sessions, e.g. digital transformation, IoT, Smart Cities, AI, Cybersecurity etc. Huawei also organized a one day tour to their R&D and innovation labs as well as a tour of its new campus.

Key Highlights from HAS 2019

One of the key takeaways from Huawei's financial results was Huawei crossing $100 billion in revenue globally. This was a result of solid growth achieved by Huawei in EMEA, Asia, and Americas regions. Huawei's enterprise services business witnessed strong growth in newer technologies like big data and analytics, and cloud planning & implementation, while the products business continued to grow at accelerated rate. Given Huawei's strength in the networking business, the network consulting business for Huawei grew by 3.5x between 2016-18; similarly, the cloud transformation services business grew by 4x during the same time period.

From a technology perspective, Huawei showcased its successes in 5G in China and other parts of the world, several vertical specific use cases in IoT, onboarding several partners and customers on its cloud platform, and multiple big data and analytics opportunities. A lot of Huawei's success could be associated with its increased push towards innovation, and more importantly large investments in R&D. One of the other key highlights of the HAS was Huawei's demonstration of the sheer pace at which it is designing and delivering new products and services, developing the ecosystem, and most importantly integration of technologies like AI across its enterprise products.

Future Strategy and Focus Areas

Huawei's future strategy is developed on the following pillars:
- Ubiquitous connectivity
- Embedding AI in enterprise products
- Enabling 'Be Digital First' for its clients
- Driving Smart Cities
- Building a stronger ecosystem for innovation and service delivery

The world is getting increasingly interconnected, and the need for anywhere and anytime connectivity or ubiquitous connectivity has never been higher. Huawei has clearly embraced this idea and has translated that into the central foundation of its strategy. The other area that Huawei is betting big on is AI, and its integration in products like software defined camera are an example of that. Additionally, Huawei's "Digital PlaTform" too leverages AI along with security, IoT, big data, video, ICP, and GIS. This also ties back to one of Huawei's focus areas on persistent investment in "Be Digital First". Digital transformation has clearly emerged as a key priority for enterprises across the globe, industries, and segments. More than the transformation of IT, digital transformation requires a fundamental transformation of the mindset and culture; and from that perspective Huawei's own learning on digital transformation could potentially add

significant to its clients. From a perspective of Huawei's focus on governments, Huawei has identified Smart Cities, Smart Campus, and Smart Airports as the areas to focus on.

During the HAS 2019, Huawei announced several products that are now embedded with futuristic and cutting edge capabilities, e.g. OceanStor Dorado, which Huawei claims is the world's fastest all flash storage; Huawei AirEngine, which is Wi-FI 6 product, and claims to deliver 40% lower TCO, 10ms latency, AR/VR experience, and zero packet loss; Ascend 310, embedded with and developed with LossLess algorithm to save power and space. Additionally, Huawei also showcased the results of its research investments in the server and datacenter space through simplifying architecture, enabling intelligent experience, ensuring easy O&M, and delivering ultra-low power consumption.

One of the other underlying foundations of Huawei's future strategy is to develop a stronger partner ecosystem that integrates and nurtures ICT capabilities, develops capabilities to deliver industry and scenario specific solutions, and encourages higher collaboration and innovation between Huawei and its ecosystem partners.

It is evident from Huawei's results and future strategy that investments in R&D would be critical to achieve Huawei's vision. 'Huawei ICT Academy', which had 557 new ICT academies, 27,000 trained students, and approximately 19,000 certified students in 2018 is a critical enabler to support Huawei's R&D efforts. Additionally, the global ICT competition organized by Huawei, which had 40,000 students from 32 countries in 2018, too would be supportive for Huawei as well as the wider ecosystem. Its success could be ascertained with the fact that 75,000 students from 61 countries are already confirmed for the 2019 competition.

Summary

There is no denying that the speed of change in today's world is fierce, and so is the competition in the market. HAS 2019 provided an insight on Huawei's growth drivers, and future focus areas. Continued innovation, competitiveness, and the drive towards developing a strong ecosystem have been pivotal to Huawei's success in the past. Huawei is now focusing on AI, Smart Cities, 5G, digital transformation, and ecosystem development to drive its future growth, all of which is supported with significant R&D investments. Additionally, the rapid convergence between technology, data, and business will create more complexities; and it will require unique architectural and problem skills to translate these complexities into potential opportunities.

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