# E-commerce policy impact on the UK i-business in the Wake of Huawei Ban by US

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## Md Imrul Jobaid<sup>\*</sup> Md Ashraf Harun<sup>\*\*</sup>

Abstract: This paper aims to analyze how the information of the US ban on Huawei Technologies and the ensuing trade war between the US and China have influenced e-commerce and international business in the UK. The global digital economy is interdependent, and e-commerce-related policies play a significant role in shaping its influence and direction globally. Telecommunication with smartphones and other technologies are driving this change with an impact on international business, specifically the ibusiness platforms in the UK market. This study combines both secondary and primary research. Secondary research data were collected from published academic journals, books, government websites, newspaper articles, and interviews with industry experts on different YouTube channels. Additionally, primary research data were collected through six in-depth interviews with industry experts and academics from the US, China, and the UK, which added value to gaining a profound level of insight into the subject matter and its associated policy implications. Aspects of e-commerce, trade flows, the global value chain, and international business in general are critically evaluated in the review, based on the empirical findings that indicate areas of multi-level impact. Ecommerce-related policy analysis is undertaken in this process to make recommendations with the limitations and further scope of the study.

Keywords: US ban, Huawei, i-business, e-commerce, international business

## 1. Introduction

The rapid growth of e-commerce and its profound impact on global trade has made it a subject of intense scrutiny by policymakers worldwide. The UK is no exception, as it grapples with the complex interplay of technological advancements, international trade dynamics, and geopolitical events. Among such pivotal events was the Huawei ban imposed by the United States on national security grounds, which has had far-reaching implications for the UK's digital economy, particularly within the realm of i-business.

The Huawei ban has cast a significant shadow over the UK's telecommunication policy, prompting critical discussions about the nation's digital infrastructure, data security, and technology partnerships with foreign entities. As the UK responded to this ban, it had to navigate through a complex landscape of e-

<sup>\*</sup> Assistant Professor, Department of Marketing, University of Dhaka, Email: ijobaid@du.ac.bd

<sup>\*\*</sup> Associate Professor, Department of Marketing, University of Dhaka, Email: ashrafharun@du.ac.bd

**JUJBR** commerce policy and regulation while also balancing its position in the escalating trade war between the US and China. Against this backdrop, this academic article presents a qualitative interview-based analysis to investigate the impact of the Huawei ban on the UK's i-business ecosystem.

Through in-depth interviews with key stakeholders, industry experts, policymakers, and representatives from i-business enterprises in the UK, this study aims to unravel the multifaceted consequences of the ban on telecommunication policy, the consistency of i-business operations, and the broader implications of the US-China trade war.

## Research aims and objectives Research problem/aim

Based on the above, the research aim could be: "How the information of the US ban on Huawei Technologies and the trade war between the US and China have influenced e-commerce and international business in the UK."

#### **Research** objectives

The broad objective is to investigate how the information of the US ban on Huawei Technologies and the US-China trade war have influenced e-commerce and international business in the UK. Though, the specific objectives are:

- To assess the impact of the Huawei ban on the UK's telecommunication policy and its influence on the nation's digital infrastructure and technological partnerships.
- To examine the implications of the Huawei ban on the consistency and regulatory landscape of i-businesses in the UK, particularly concerning data security and privacy.
- To analyze the effects of the US-China trade war on the UK's e-commerce policy and its potential implications for i-businesses engaged in cross-border trade.

#### 2. Literature review

Here the country-specific issues, the trade war between the US and China, their competitive positions, and the background of the Huawei ban issue are critically analyzed based on the available literature.

## 2.1 Change in the US-China trade war

The twenty-first century experiences much 'soft power' (Nye, 2004) and its influence. However, the concept circumvents the threatening of others (Roberts, 2014), with remaining consequences. New emerging countries like China are becoming one of the economic superpowers (Yi, 2016) as the power, especially in the soft arena, is increasing there (Nye, 2005). With over 800m internet users, more than the EU and US together, China is the second largest digital economy after the US, and the leader in mobile payments, gaming, and e-commerce (Chen, 2019). US R&D increased at an annual growth rate of about 4% from 2010 to 2015 and in contrast, China is accelerating at a faster growth rate of about 18% over the same period (Chen, 2019).

As the conventional trade war turned into a digital war, there is a debate regarding the leaders in the AI race, like- the US vs. China. Some CEOs believe China will surpass the US in AI in the next five years (Lee, 2018) and others argue with this statement (LeVine, 2019). As part of this, the conflict between the US and China is discernible and further escalating because of the ban on technology transfer from the company, Huawei (Kwan, 2019). Huawei now become the center of the storm, the US-China trade war (BBC, 2019). Chinese ZTE is also facing the same type of restriction (Sutherland, 2019) because, the US is much concerned about the intellectual property and national security issue (Halbert, 2016). The main concern of AI, Big Data, and Cloud Computing (ABC), the policy of the US is prioritizing national and economic security and R&D with less articulation, and China is concerned with cyber security, economic growth, and political stability (Chen, 2019).

Thus, the ban started as a national security argument refusing the contract of Huawei with NBN hindering the infrastructure set up in the USA and Australia assuming the link of the company with the Chinese government though it is controversial (MarketLine, 2013). The UK government was also concerned and described the company's supplying interest as unacceptable (MarketLine, 2013). This technology company is facing challenges in the US, Australia, and the EU because of the allegation of supporting the Chinese government in spying. The allegation was embedded because of Huawei as the unified armed forces organization of China and the culture of Huawei of keeping secrets. However, the company is denying this issue (Muralidhara and Faheem, 2019).

Meanwhile, Huawei's CFO has been also detained in Vancouver, Canada for US bank fraud charges since December regarding misleading banks about Huawei's business with Iran (The Independent, 2020). Huawei CEO denied this allegation to his daughter, the CFO of Huawei (Huawei, 2019). Moreover, the trade war is escalating. Despite this, Huawei remains in progress (MarketLine, 2013). Huawei became the 2nd largest brand overtaking Apple in 2018 without significant sales in the 2nd largest smartphone market, the US (Euromonitor, 2019). Though the sales are forecast to decline in the major markets, but not in China and Russia (Euromonitor, 2019). Through the ban by the US, the rise is recorded at 18% in sales in 2019, however, the sales estimate for Enterprise Business Unit was \$8 billion but achieved 50% (Bloomberg, 2020).

## 2.2 Is China going ahead of the US and that is the concern of the US?

Further, a professor at Carnegie Mellon University has given an opinion about the approach of the US government supporting electronic innovation as "easily an order of magnitude below" and it needs to address the real challenges the US is facing (Giles, 2018). For the consideration of the global market and long-term US-China technology relationship, Washington should consider China as a strategic competitor and China should also come forward mobilizing a political base to accelerate beyond the conventional wisdom (Chen, 2019). **JUJBR** Huawei should push aggressively to address the afflictions in the telecom market in the USA, further, they should actively develop and maintain relationships with the policymakers of the US federal and state, investing in local marketing and PR operations will add value through the security concern is still awakening (Muralidhara and Faheem, 2019).

#### 2.3 Further Background Related to the Huawei Ban Issue

America has gone to a trade war with a private company, Huawei. Huawei is the largest telephone equipment manufacturer with more than \$103b in revenue, and 50% or more of this is from network equipment (The Economist, 2019). This infrastructure side might be the main concern and scary issue for the US government, not smartphones.

However, security and privacy information can be a threat and is a major concern here. The telecommunication infrastructure works like a link with devices. Radio waves are the base of sending phone signals to the nearby network towers. The data and voice are passed by an internal network of a phone company connecting handsets with other users using the phone and the internet. That means the tower or antennas connect us all. These connections are speeding up as the current shift from 4G to 5G is going to establish and connect to all further. And Huawei is one of the major leaders here, the main force. The 5G will enable the Internet of Things (IoT) ideas in all modern technologically dependent aspects like- selfdriving cars, internet-connected home security, and other innovative technologies including AI and robotics (CNBC, 2019). This is the ultimate possibility of the new computerized smart future that will be dependent on a driver like 5G. The main issue is the security where all things are connected. The US is thinking and fearing the hostile supremacy control of the 5G network, and the vulnerable security may lead to one country spying on another country. US President Donald Trump thinks that the 5G network must be strong and secure enough and guarded from the enemy. In contrast, the Huawei founder, Ren Zhengfei is not clear about the political motivation and intention of the US regarding this ban, and he uttered 5G as a simple tool, technology, or product and should not be politicized.

The effect is obvious in the US market as lots of collaboration and contracts between giant US companies with Huawei and companies like- Google, Intel, Qualcomm, Xilinx, and Broadcom have stopped supplying Huawei until further notice (Bloomberg, 2019). Further, there are dependencies on the unexpected small zonal internet networks and communication dependency because of the cheap price, at least 30-40% cheaper, (The Economist, 2019), of the Huawei supportive network structure equipment with greater capability and reliability. So, this political turmoil can lead to uncertainty in the technological aspects of some local small companies and agricultural firms in the US. This is because all are dependent on the internet. And the similar consequences are certain for the rest of the world, especially the mobile phone and telecommunication operators and users of the developing countries who have benefited from the attractive deals of Huawei.

The reason for the cheaper price is the Chinese government's subsidy, which is also an issue of concern for the US. They think that as the Chinese company is based on the Chinese government law, they are bound to disclose the facts and competitor's information from another country and Huawei is doing so. Huawei strenuously denied these allegations and the founder said that Huawei is a company, and it does not have that much glory to represent China. But how and whether the company is connected or subsidized by the Chinese government is not clear. However, the enshrined loyalty to the state is in Chinese intelligence law and mentioned in Article 7 of the 2017 edition (The Economist, 2019). This is all about supporting, assisting, and cooperating with the intelligent work of the state. That is why some critics mention this is under surveillance by the Chinese intelligence service when someone is purchasing Huawei equipment. This embedded the concern for Huawei as working with the Chinese government as a tool or digital weapon made the US worried and uncomfortable. Further, the Huawei CEO and founder said that they are also ready to shut the company rather than share hundreds of billions of companies worldwide customers' information with the government as backdoors and they will not do that as mentioned (BBC, 2019).

The issue is not proven as Huawei shared their code for checking the backdoors, but no such evidence was found of this allegation. Though the US thinks this is a national security threat, the administration of Trump remains suspicious. However, based on this, the US government adopted a policy to ban Huawei in the US in May 2019 (Kwan, 2019). That means no US company can supply components to Huawei but till now the licenses are withheld and no domestic networks can use the Huawei equipment in the US. Further, no smartphones of Huawei can be officially sold in the US, and no carriers are offering them (The Verge, 2019). That means the US does not want to lose its dominant power to China in case of digital industrial revolutionary aspects of the bit and byte war. And this insecurity in the US is causing collateral mutilation both at home and abroad.

However, the US should not deny the fact that the smartphone market maintains a global supply chain involving more than 200 international suppliers. Though the cyber security concern is understandable but leads to an increased vulnerability period. The management of risk is possible by limiting the use of core parts of 5G Huawei networks. The sales didn't fall at a sharp rate as the CEO of Huawei estimated \$30 billion based on sales but not on last year's revenue at first but later the impact will not exceed \$10 billion, they further estimated for the year 2019 and the impact is much smaller than expected (CNBC, 2019). Further, he also mentioned that if any permanent ban happens there will be an impact on specific markets, not globally because the US doesn't represent the world at all and if there is any dark in the West, the East will shine and not reflect the scenario in global perspective (BBC, 2019). Huawei has already 131 contracts for 5G and shipped over 30000 base stations for 5G and any decisions cannot be made based on specification because it is not the law (BBC, 2019).

**JUJBR** Huawei started working on 6G a couple of years earlier (CNBC, 2019). It invests \$20 billion in R&D and is one of the top five R&D investors worldwide (BBC, 2019). New Zealand and the UK are still using Huawei equipment, and they are still open to going with the company though there is pressure on the UK as allies with the US. Canada and Brazil are also considering Huawei for 5G bidding (Bloomberg, 2020). However, Canada still put their decision pending regarding Huawei among the Five Eyes (Reuters, 2020). The company's cyber security as the global program is run from London and the head of that John Suffolk also said that modern China is not as all are thinking and not everybody is supporting in favor of the country, and this also happened with Japan in the automobile industry during the 70s and 80s (BBC, 2019).

According to Reuters, the US Commerce Department received more than 130 applications, but no license has been granted yet though Donald Trump previously mentioned some companies may sell to Huawei (The Independent, 2020). It could stop around \$10 billion worth of business that Huawei imports from the US each year (The Economist, 2019). Huawei spokesperson also said that as the ban is further in effect from February 2020 will not have that much impact (The Verge, 2020). Huawei claims their operating system is 60% faster than their current phones using the Android operating system (The Independent, 2020). However, stockpiles are running out and the challenge depends on the decision of Washington 2020 will be challenging for the company (Bloomberg, 2020) but this does not mean the same as a factor for the i-business or platforms specifically in the UK.

#### 2.4 Consequences in the UK Market

The UK is considering Huawei for the 5G masts and antenna supplies and continuing to the non-core technology transfers and the MI5 head Andrew Parker thinks there is "no reason to think" about the use of this company technology should threaten the US intelligence sharing and Britain was poised to provide this company to proceed (The Guardian, 2020).

According to The Guardian, The MI5 head further said: "And now, Andrew Parker, the head of MI5, says he has 'no reason to think' that the UK's intelligence-sharing relationship with the US would be hit if Britain continued to use Huawei technology. We're confident the government will take a decision based on evidence – not unsubstantiated allegations" (The Guardian, 2020). In an interview with the Financial Times Parker further said that the US and the UK intelligence sharing is very close and trusted and that is why this issue needs further focus and discussion for both countries regarding the future with wider competition and wider choices of sovereignty than only coming to a default yes or no regarding Chinese technology (The Guardian, 2020).

As the chips and technology are far advanced and cheaper than the other two telephone equipment suppliers, Nokia of Finland and Ericson of Sweden, there is a strong belief the argument against the Trump administration hindering the advanced position of China though some UK ministers and lobbyists suggesting the significance of this ban (The Guardian, 2020). Though no deliberate security evidence is found, comments by a British assessment official, "The Chinese state (and associated actors) have carried out and will continue to carry out cyberattacks against the UK and our interests." and House of Commons MP, Raab, "we know more about Huawei and the risks it poses than any other country in the world" (Stewart and Sabbagh, 2020), are signs of the ongoing conflict against the Chinese company.

Further, some senior conservatives also wrote to Tory MP, their fellow, concerning the UK government's decision to allow Huawei to build a 5G network in the UK and they want the risky vendors to be ruled out (Mohdin, 2020). However, the British PM is concerned that an alternative should be developed by collaboration with the US and emphasized by an official spokesperson about this collaboration with other like-minded people to break down the dominance by diversification from a few companies (Stewart and Sabbagh, 2020). He also told the very first interview with BBC in 2019, "The British public deserves to have access to the best possible technology. We want to put in gigabit broadband for everybody. Now if people oppose one brand or another then they must tell us what's the alternative" (The Guardian, 2020). He further added that as a prime minister, he does not want anything that can jeopardize the national security of the UK and hinder their cooperation with the 'Five Eye Intelligence Partners' (US, UK, Canada, Australia, and New Zealand) (The Guardian, 2020). Additionally, the spy agencies of Britain have argued the total ban by the US is disproportionate as the company has been supplying to the UK since 2003 and it is under regular review by an intelligence agency, GCHO (Stewart and Sabbagh, 2020).

Finally, the decision is to cap Huawei's share at 35% for four Britain mobile phone operators with a ban from the telecommunication network core parts, and sensitive sites including military and nuclear facilities. Currently, they are using 60% of Huawei suppliers. Most of the members of that National Security Council meeting of the UK opposed the decision considering the full ban. Some added that irritating Washington could lead to a digital sales tax for internet firms globally (Stewart and Sabbagh, 2020). So, this limit on the Huawei equipment in full fiber broadband and 5G mobile will cost more than £500m and has already resulted in a 7% share, 3% sales, and 4% profit drop for British Telecom (Sweney, 2020).

#### 3. Methodology

**3.1** This is a descriptive study to measure the impact of the government policy issue, the Huawei ban, on international business with the awakening trade war between the US and China. To do so, firstly, secondary research was conducted to understand the impact of international business, specifically; on the i-business platforms in the wake of issues like the Huawei ban, where the data were collected from published academic journals, books, government websites,

**JUJBR** newspaper articles, and the interviews of the industry experts in different YouTube channels. Besides, primary research was conducted by doing six indepth interviews with industry experts and academicians. The interview outcomes are also accumulated to support the outcome. Overall, grounded theory (Strauss and Corbin,1994) supported further to conduct the qualitative study here.

### 3.2 Data Collection

*3.2.1 Type of Data:* Secondary data were collected from published academic journals, books, government websites, newspaper articles, and interviews with industry experts on different YouTube channels. In addition, primary data were collected by conducting six in-depth interviews with industry experts and academicians.

3.2.2 Interview Questions: For the interview purpose, the most widely used questions are among one of three types. These are- structured, unstructured, and semi-structured. In a structured questionnaire, the questions are predetermined and set, and the interviewees respond sequentially. An unstructured interview is the least reliable because of the less formality, plan, and preparation and mostly for its bias. The most popular is the semi-structured format; both the structured and unstructured questions options are available. That is why the researcher, and the interviewer have the option to go and dig further as the interviewees give clues as references by probing (Research-Methodology, 2020).

Therefore, here, a semi-structured in-depth interview method is selected and there is an option for probing by questions like- why do you consider this perspective, how long it can be, and why this can or cannot have. However, because of the lack of availability of the experts for two-way communication interviews only an email interview was taken and there was no opportunity for probing.

*3.2.3 Measures:* For the interview, the questions are set relating to the objective of the study to achieve those and then further coded to get the outcome. The coding of the interview responses is further specifically mentioned in the data analysis part of the methodology.

3.2.4 Questionnaire Distribution and Collection of Responses: For the interview, an e-mail interview was conducted. The interview questionnaires were sent to twelve experts, where six were academicians and six were industry experts. Finally, the researchers received six responses, where two were the academicians and four were the industry experts. Then, the data was recorded and transcribed based on the coding.

3.2.5 Data Analysis: For the interview responses analysis and coding the grounded theory-based approach is used. There are three coding options. Firstly, open Coding approaches emphasize the reading of the responses several times to find out the chunks of data and create a label for that. These summaries of the data and happenings are based on meaning but do not represent the existing theory (Gallicano, 2013). Secondly, axial coding comprises the identification of the relationships among the generated open codes. It is also the basis for the

identification of the connection in the codes (Gallicano, 2013). Finally, the main idea of using the selective code is to identify the core variables and these include the whole data including the related identified data in the previous coding (Gallicano, 2013).

So, the overall process here is to identify the chunks of responses of the interviewee and then make open code from those meaningful groups of words, then develop axial code from them based on connection and relativity, and finally the selective codes that represent the core variable including all of the data (Gallicano, 2013).

*3.2.6 Ethical issues:* Utmost care was given by the researchers on the ethical issues of the research throughout the whole process. To do the research, the researchers took ethical consent from the participants, where all the participants were sent their signed consent forms along with the interview responses through email. Initially, the purpose of the research was clearly explained and sent to the respondents. In addition, it was mentioned that throughout the research process, all the personal data should be kept confidential and will not be used for any other purposes.

### 4. Discussion

### 4.1 Respondents profile:

The profiles of the experts are given in the following (Table 1):

Respon- dents	Name (Code)	Age	Expertise	Cultural identity	Occupation	
1.	P1	54	International Business	В	Academician	
2.	P2	43	CEO	BC	Industry Expert	
3.	P3	46	Senior Policy Analyst	С	Industry Expert	
4.	P4	39	Network Infrastructure Lead	В	Industry Expert	
5.	P5	34	Chair of Digital Trade	А	Academician	
6.	P6	60	International Relation Analyst	В	Industry Expert	

 Table 1: Respondents profile (experts)

Note: A=American, B=British, C=Chinese, BC=British Chinese

**4.2** *Interview Analysis and Findings of the influential Factors:* I-business or platform models influence international business with rules and regulation differences, sophistication, and modification (Alvarez de Sotomayor et al., 2018). However, the success and activity of a particular company depends on the government model that sets up the policy rules and regulations and ensures whether the platform can run or not (Parker et al., 2017). Further, ICT dependency and the internet signify the internationalization process transfer model and create value by overcoming challenges in knowledge, stakeholder relationships, and investment but government policy (Brouthers et al., 2018).

So, here in the qualitative study, the impact on international business for the e-JUJBR commerce policy is analyzed specifically for the i-business in the UK based on the government policy perspective. The interview is conducted to find out the relationships and impact and draw a conclusion. As mentioned earlier, the grounded theory approach is used for coding purposes from the respondents' words (Appendix). Further, analysis and grouping based on the open, axial, and selective coding (Appendix) were facilitated to identify the influential factors on the issue (Figure 1). These coding options are the main source of the identification of the influential variables which are related. Here, the major highlighted factors influencing the i-business platforms in the UK on the Huawei ban, the policy, and business impact, since the interview are telecommunication policy, consistency in the i-business, and the trade war. These three factors are generated based on the expert interview response. The following framework represents the overall findings proceeding with the discussion of the variables identified in the expert interview.



Figure 1: Influential factors contributing to international business related to platforms in the UK adding the Huawei ban issue

## 4.3 Telecommunication Policy

4.3.1 Policy-depending business: There is a meaningful association between ecommerce policy and international business. Additionally, the relationships can be sometimes direct or indirect, and this is based on the relativity of the policy and the company or the business. The perspective and type of policy is crucial here.

4.3.2 *Country specific policy:* The policy is mainly dependent mainly relating to the country. So, the type of policy varies because it is a country-specific decision regarding a company or business, issue, and situation. Further, not only the conflicts but also the extent of these need to be considered. The guidelines also vary at the national level and thus it is very difficult to generalize.

4.3.3 *Telecommunication partners:* The stakeholders or related partners in the ecommerce ecosystem mainly in the telecommunication industry are affected by the government policy decision of the Huawei ban.

## 4.4 Consistency in i-business

4.4.1 Unaffected i-business platforms: There is no such significant influence on the i-business platforms in the UK because of the US policy decision in the wake of the Huawei ban. This is because the platforms are mainly shared among groups and the value chain is not affected except the network-related business. Further, platforms are a part of overall international business.

4.4.2 Unchanged UK market: There is also no such visible change found in the UK market according to the experts because of this Huawei ban issue. Though the B2B of telecommunication may face some cost. So, this will result in BT incurring costs of around £500m for this ban in the next five years (Sweney, 2020).

#### 4.5 Trade War

4.5.1 Escalating US-China trade war: The US and China have been having a trade war for a long period and the Huawei ban escalates this started before. This is because of the current position of Huawei as the second largest smartphone manufacturer and number one telecommunication equipment supplier and the US and UK want to eliminate giant suppliers (The Guardian, 2020).

4.5.2 *Challenging Huawei position:* This ban challenges the future position of Huawei. The cap in the UK will harm the current position with uncertainty in the future. It is also threatening the position of the losing opportunity.

## 4.6 Discussion of the Interview Outcome

Interviews were conducted to analyze the effect of the Huawei ban on the ibusiness platform in the UK. The interview responses are coded and factors influential to the impact are identified. Here the variables related to the factors are critically discussed relating to the literature to justify the consequences.

Firstly, e-commerce businesses are reliant on the type of policy in the telecommunication industry. It highlights if the policy is relative to a particular business, then e-commerce will be affected. The US decision regarding Huawei

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**JUJBR** is influenced by security issues. The country prioritizes R&D, economic and national security (Chen, 2019). Further, UK telecommunication is also dependent on the use of the Huawei infrastructure. The UK government did not fully ban Huawei because of not finding any proven threat though the US wanted the UK to do so (The Guardian, 2020). So, the literature finds the relativity of the policy in different aspects will affect international business and e-commerce and so does the interview outcome. It also results in the type of policy influencing any business or policy issue.

In the case of the UK market perspective, there is only a cap to 35% of Huawei equipment use except in the core 5G networks (Stewart and Sabbagh, 2020) and it is the decision of the government of the UK though they are in the Five-eye intelligent team (The Guardian, 2020) and other members except for Canada, surveillance on UK decision is ready for the total ban on Huawei (Reuters, 2020). Japan and Taiwan also banned Huawei; Belgium, Sweden, and Denmark are still on possible ban; Germany and France are mulling a ban; however, the governments of Italy, Russia, Argentina, and Brazil are supporting Huawei and are against the ban and using Huawei; and almost all the Southeast Asian countries have already set up the Huawei 5G network (Buchholz, 2020). So, here the findings strongly support the literature on the Huawei issue of countryspecific decisions will be the factor to be considered for the impact in a particular country market like- the UK market. Further, this partial ban has had no impact on the UK market in the short run till now as the UK is going to work with Huawei 5G. These results can be generalized from the above discussion of country-specific decisions though some countries are allied.

As the number one telecommunication equipment supplier Huawei provides 60% of the telecommunication equipment in the UK market (Stewart and Sabbagh, 2020). And because of the few costly alternatives like- Nokia and Ericson, the whole world's telecommunication is dependent on Huawei for supplies (The Guardian, 2020). So, telecommunication partners will be significantly affected if this ban is fully voyaged through to a particular country incurring a huge loss for increasing supply cost. BT already estimates a £500m cost for the next five years as the UK capped Huawei from 60% to 35% share in the telecommunication equipment supply (Stewart and Sabbagh, 2020). So, the threat here is in the total telecommunication ecosystems and involving partners. The literature identified the impact on the supply chain and the interview findings also reflect the same scenario of the impact on the partners and the ecosystems of the telecommunication industry.

Hence, the main activities on smartphones according to preference are social media, calls, chat, games, listening to music, other activities, watching videos, photography, and dating apps (Mintel, 2019). So, there is little contributing to the platforms or of online buying and selling and it is a less preferred activity by the UK smartphone users. Some prefer desktop or laptop computers for doing e-commerce tasks. However, the platforms like- Uber consumers only use smartphones. However, smartphones are found more secure and comfortable than laptops and desktops (Zhang et al., 2013). Thus, smartphones are a suitable option to control consumer connectivity and enable the media (McCarthy et al., 2016).

These are from the B2C perspective issues to be considered using smartphones and their brand impact. There is also no relativity with platforms or i-business use with the brand and type of smartphones people use. However, from the B2B perspective, the scenario is a bit different having an influential effect on the telecommunication ecosystem but not on the i-business platforms directly. So, there is an indirect relational impact on any policy decision regarding the platforms but not on the overall policy decision that affects the ecosystem. In this case, the literature supports the general impact of the i-business platforms. However, it contradicts the empirical outcome of the dispensable effect on the i-business platforms in the UK because of the Huawei ban.

Further, 37% of UK customers heard of 5G but don't know and only 9% have clear ideas about it. However, UK consumers are aware of and heard about Huawei but have not used it a lot, it is after Samsung and Apple and is not a favorite like the other top two brands but worth paying brand by their perception (Mintel, 2019). So, any change in policy regarding this policy ban on Huawei will not have much concern from the consumers' point of view as they are not that interested in this circumstance. Thus, it will be the same for the platform business perspective in the UK. Further, as the ban is partial, the effect is also insignificant as the total ban is not implemented in the UK market and interview outcomes supporting the change in the e-commerce market have not also been found. Further, most of the smartphone and technology users' reluctance to the issue, like- technology upgradation and development, also justify the issue of unchanging situations like- platforms or i-business. But from the B2B perspective, some indirect effects will occur relating to previous discussions. However, no change in the UK market based on literature and empirical evidence is found.

Overall, the ban is a consequence of the US-China Trade war highlighted in literature review. There is also a head-to-head competition between Huawei and Apple. Hence, the conflict with the US for security issues is the main concern and the US will also incur some loss. The comments of the members of parliament in the UK in the public newspapers added in the literature also awakened the trade war. The US position toward China regarding technological aspects is very clear based on the found materials. However, the CEO of Huawei suggested not making this issue politicized. US experts also highlighted the issues of shared technological dependency with open sharing rules for technological-dependent businesses. They all support the interview response awakening the ongoing trade war between these two countries.

Finally, the growth of Chinese brands like- Huawei, Oppo, and others brands are falling though Huawei exceeded Apple in 2018 with 14.4% equal market share with continuous growth in the global market (Statista, 2019) but in the UK, Apple and Samsung both are leading with 35% market share and Huawei with only 7% market share is in the third position (Mintel, 2019). As 42% of UK consumers purchase smartphones from the operator (Mintel, 2019), there is a relativity of this Huawei ban to challenge the position in the smartphone market as it is growing. However, the main challenge is the telecommunication equipment supplier perspective. Here, both the interview findings and the market

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report do not compare with one another. So, it is obvious that the company Huawei will face challenges in its future position not only in the UK but globally.

#### 5. Conclusion

This digitalization contributes much to the global economy and e-commerce plays a noteworthy role with the addition of new internet-based platforms creating new business opportunities. This further necessitates a shared and dependent environment for the overall stakeholders of the ecosystems. Telecommunication is the platform working as a hub for the parties involved. But the growth and success dangle on various policy decisions regarding these. Technological war often comes forward to embrace dominance over others.

There is a requirement for open and shared rules and regulation policies in the sophisticated ecosystem of e-commerce systems for telecommunication and business depending on ICTs (Hanna, 2016). However, challenges are obvious because the distinguished legal restriction on services ensures the modified international business (Alvarez de Sotomayor, 2018). Further, the trade war is awakening with country-centric political decisions, and the US is very concerned about national security. As part of this policy decision- banning a certain company escalates the trade and technology war. Now the wakening issue is the Huawei ban because the future of AI-dependent economies is much dependent on high-speed telecommunication networks and Huawei is in this lead. The US holds a clear position on the Chinese company followed by other developed economies though Russia with some Latin American and Asian countries is against this. The UK is also playing a diplomatic role in accepting a partial ban with controversy and pressure from cabinets and the US. It entails effects on the related parties and businesses in the UK.

Further, the success of an internet-based company is contingent on the satisfaction of the customers along with the stakeholders' issues. So, the utmost influential factor here is privacy in e-commerce along with security and other policies (Desai et al., 2012). Ethical policies along with privacy and security help to build trust and loyalty of the customer (Sharma and Lijuan, 2014). Meanwhile, the impact of the government policy regarding the Huawei ban and its impact on international business specifically in the i-business platform is measured here. There is an effect on the telecommunication ecosystem because this policy will cost BT around £500 in the next five years (Sweney, 2020). However, there will be no significant change in the i-business platforms based on this study as there is a consistency of i-business platforms in the UK. Though the UK government put some restrictions, reduced 65% to 35%, on the use of Huawei 5G equipment, there will be no change in the overall UK market. This is because of the indirect association between this US government policy with the functionality and usage of the platforms in the UK.

Finally, this policy decision is escalating the trade war and dispute between the US and China. This also leads the Chinese telecommunication giants, Huawei, Oppo, Vivo, and Xiaomi to collaborate on building a new platform under 'Global Developer Service Alliance' (GDSA) by this march to the developers of

outsiders to upload the apps in their app store and it might threat as the popular google play store alternative (Reuters, 2020). Further, Huawei will develop chips and their own supplies with continuous improvement in R&D (Huawei, 2019) and this will make them less dependent on the USA. In contrast, the USA is also pushing these Chinese companies along with their intelligence partners to ensure security issues.

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#### APPENDIX

- 1. Do you think that the e-commerce policy has an impact on the international business or i-business platform? Why or why not? Could you please elaborate further with your own opinion?
- 2. Why do you think thus the internet business or i-business firms, or platforms can be affected by any e-commerce policy decision change?
- 3. Are you considering the issue of the Huawei ban by the USA and its impact on the current business relating to international business in this sector or industry? What's your opinion regarding this?
- 4. What are the consequences of this issue in E-commerce? How would you assess this policy decision by the US government?
- 5. How is the overall international business changing relating to this news? And what issues can be related?
- 6. Do you think that the i-business firms and platforms will have any effect on that? What is your opinion regarding the UK market perspective?
- 7. Are the trade flows and the value chain related to the policy decision regarding e-commerce?
- 8. Do you think that there will be a short-term effect on this US policy decision to the UK market?
- 9. If there is no short-term impact what's your opinion regarding the long-term impact of this, especially on the UK market?
- 10. How do you evaluate the outcome of this ban regarding the impact of generalizing to other first-world countries?

The following probing questions can be used while taking face-to-face/telephone/interactive interviews:

- What do you think about the consequences?
- Could you please tell me more about that? Could you please explain further?
- Could you please clarify to me...?
- What is your approach or initiative? How did you overcome this?
- What do you mean when you say [xxx]?

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## **Open Code to Axial and Selective Coding**

Open Codes	Axial Codes	Selective Codes
Significant relationship • Direct and indirect impact • Stakeholders • Guidelines • Depending on the relativity • Type of policy • Affect in telecommunication sector • Country wise decision • Involved parties in the ecosystem • Position threat to Huawei • Indirect to technological • Little arena of telecommunication to e- commerce •		
Affect Huawei competitive advantage Threat to US partnering firms as well Escalating trade war Threatening the e-commerce ecosystem Related to country specific policy Telecommunication market Threat to the Chinese company Threat to some partners Conflict between US-China	Policy dependent business Country specific policy • Telecommunication partners •	a. Telecommunication Policy
Affect B2B • j-business won't be hampered • Cap in core equipment setting • Affect Value chain of telecommunication • B2C value chain won't be affected for j- business •	Unaffected i-business platforms Unchanged UK market	b. Consistency in į-business
Policy related to trade flow The depending companies No such major change in decision Not visible situation yet Not same reflection No impact on platforms Huawei is building alternatives Uncertainty in future for the Huawei Not on platforms in UK Threat in network business but not platforms	Escalating US-China trade war Challenging Huawei position	c. Trade war
Questioning the existence of the Huawei position • Varies based on local policy • For i-business no significant change • Difficult to generalize •		

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