



# **The Marketing Strategy of Xiaomi Company from the Perspective of Brand Value Research**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT OF  
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**THE MARKETING STRATEGY OF XIAOMI COMPANY FROM THE  
PERSPECTIVE OF BRAND VALUE RESEARCH**

**Thematic Certificate**

To

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## Abstract

With the rapid development of science and technology and the increasing improvement of people's quality of life, mobile Internet technology is constantly breaking through innovation and playing an important role in people's daily life. As a carrier, smart phones have become an indispensable consumer good in people's daily life. By 2020, there will be 3.5 billion smartphone users in the world of which smartphone users from China will account for more than a quarter. Xiaomi, as the representative of emerging Internet companies, withstood the pressure from domestic famous brands such as Huawei, OPPO and VIVO in a highly competitive market with its unique network marketing model, but also opened competition with international famous brands such as Apple and Samsung. Xiaomi has a niche in both domestic and international markets.

This paper on the marketing strategy of Xiaomi Company is comprehensive and was thoroughly analyzed from the perspective of brand value. The macro and micro environments of Xiaomi Company were analyzed with five forces model and PEST analysis methods. The competitive advantages and disadvantages of Xiaomi Company were expounded by SWOT analysis, and the opportunities and threats of the arrival of the 5G era to Xiaomi Company were found. At the same time, the marketing strategy of Xiaomi Company was analyzed by using 4Ps marketing mix strategy, STP strategy analysis and new media marketing strategy analysis, and the shortcomings and existing problems in the application of the marketing strategy of Xiaomi Company are put forward. Based on this, relevant suggestions were put forward for Xiaomi in brand marketing strategy, hoping to have some beneficial enlightenment and reference for the same industry.

**Key words:** Xiaomi, swot, STP, marketing strategy

## 摘要

题目：品牌价值研究视角下的小米公司营销策略

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随着科技水平的快速发展与人民生活质量的日益提高，移动互联网技术不断突破创新，在人们的日常生活中占有越来越重要的地位，而作为载体的智能手机已经成为人们日常生活中不可或缺的消费品之一。截至2020年，全球智能手机用户将达35亿，其中来自中国的智能手机用户将占据超过四分之一。小米公司作为新兴互联网公司的代表用其独特的网络营销模式在竞争激烈的市场中不仅顶住了来自国内华为、OPPO、VIVO等知名品牌的压力，还在与苹果、三星等国际知名品牌的竞争中打开了局面，使小米无论是在国内还是在国际上都拥有一席之地。

本文从品牌价值的角度对小米公司的营销策略进行全面透彻的分析，运用波特五力模型与PEST分析法对小米公司的宏观环境和微观环境进行分析，运用SWOT分析，阐述小米公司的竞争优势和劣势，发现5G时代的到来对小米公司的机会与威胁。同时运用4Ps营销组合策略、STP战略分析和新媒体营销策略分析等对小米公司进行营销策略的分析，提出小米公司在运用营销策略时的不足与存在的问题，并以此为依据对小米在进行品牌营销策略时提出相关建议，希望对同行业有一些有益的启示与借鉴。

**关键词：**小米公司,SWOT,STP,营销策略

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# Chapter 1 Introduction

## 1. 1 Motivation of the study

With the continuous development of science and technology in the 21st century, mobile Internet technology is constantly breaking through and innovating, and it plays an increasingly important role in people's daily life. As a carrier, smartphones have become indispensable consumer goods in people's daily life, and are gradually developing in the direction of FMCG. According to the 2020 Global Mobile Market Report published by the mobile data organization Newzoo, the number of smartphone users in the world will reach 3.5 billion in 2020, accounting for about 45% of the global population. China's mobile market is still the largest mobile ecosystem in the world, with more than a quarter of the global smartphone users coming from China. As a representative of emerging Internet companies, Xiaomi Company has become a leader in the industry by using mobile Internet technology in just a few years and is firmly in the first echelon of smartphone manufacturers, which is closely related to Xiaomi Company's unique marketing strategy.

The huge consumer market has attracted more and more mobile phone manufacturers to flood China, and the ensuing competition has intensified. However, with the development of smartphone technology and the continuous updating and iteration of products, the market is gradually saturated, which makes consumers purchasing behavior more and more rational. In this environment, consumers' choice of products has changed from the choice of products themselves to the choice of brands. According to the data of the Top 100 Most Valuable Global Brands in 2020 released by BrandZ, Xiaomi ranks 81st in the world, with a brand value of USD 16.644 billion. This not only shows that Xiaomi Company's business ability is strong but also confirms that Xiaomi, as a representative of emerging Internet companies, uses its unique business model and marketing strategy of Internet thinking to stand out among many well-known brands around the world, showing good brand value, which means the trust and reputation of consumers on Xiaomi brand worldwide.

Based on the above background, this study mainly has the following two motivations: Firstly, from the aspect of theoretical motivation, the smartphone market is developing rapidly with the development of mobile Internet technology, while the traditional smartphone manufacturers marketing strategies are still stuck in the classic marketing theories such as STP strategy and 4Ps marketing mix strategy. With the emergence of emerging Internet companies such as Xiaomi, traditional marketing theories are facing great challenges. Compared with the emerging Internet marketing strategies, whether these classic marketing theories can still adapt to the current emerging market is a question that we need to study deeply. Based on the traditional marketing strategy and the mobile Internet thinking, this paper analyzes and sorts out a series of marketing strategies of Xiaomi Company, which is helpful to enrich and perfect the traditional marketing theory.



Second, from the aspect of practical motivation, according to Canals's report, Xiaomi Company surpassed Apple in the third quarter of 2020, becoming the third mobile phone brand in the world in terms of smartphone shipments. Since its establishment in 2010, Xiaomi Company has become a typical benchmark for domestic smartphone manufacturers in just a few years. Based on the current smartphone market environment and related marketing theories, this paper puts forward corresponding suggestions for Xiaomi Company, hoping to inspire the Xiaomi brand to get rid of the current "low-end" predicament, further enhance the brand value of Xiaomi, and enable more emerging Internet enterprises and even traditional enterprises to gain profits.

## 1.2 Research Question

With the rapid development of mobile Internet, smartphones have great market development space, among which China has the greatest development potential. China is a big country with a population of 1.4 billion and the largest developing country in the world. Since Apple's great success in entering the Chinese market, mobile phone brands from all over the world have pointed to the Chinese market one after another, hoping to get a slice of the huge Chinese market. In the smartphone market, foreign established and well-known mobile phone manufacturers Nokia, Sony, Motorola, etc. entered the smartphone market late because they misjudged the future development direction of mobile phones, and their products could not meet the market demand, so they declined one after another. For a long time, domestic mobile phone brands have been dominated by ZTE, Huawei, Coolpad, and Lenovo. With the passage of time, in the cruel mobile phone market competition environment, only Huawei mobile phone, the original "China Cool Alliance" four giants, still maintain a big advantage. Nowadays, the domestic mobile phone market has undergone earth-shaking changes, and a brand-new competitive pattern has been formed. Among them, foreign brands are dominated by Apple and Samsung, while domestic brands are dominated by Huawei, OPPO, VIVO, and Xiaomi. Besides, domestic brands still exist such as niche mobile phone brands such as ZTE, Meizu, and so on.

Xiaomi launched its first product, Xiaomi M1, in August 2011. Due to the pricing in 1999 and the mainstream flagship configuration at that time, it had an obvious price advantage compared with Apple and Samsung phones with the same configuration of 4,500 yuan at that time. Once it was launched, this mobile phone was widely concerned and enthusiastically sought after by consumers, and it also pioneered the cost-performance ratio of China's smartphone market. It can be said that the appearance of the Xiaomi mobile phone has trans-generational significance, and its appearance has lowered the price of China's smartphone market. With the extremely cost-effective price and the configuration of a high-end flagship machine, Xiaomi's mobile phone has gained wide attention and a high market share. Xiaomi's mobile phone once held the first position in the domestic mobile phone market, and it also performed well in the global market. It has become the object that major mobile phone manufacturers have imitated one after another. Xiaomi is called "Apple" of China, and its founder Lei Jun is also called "Reeb" of China. At that time, Xiaomi's mobile

phone was in the limelight, and the Xiaomi model was also talked about by people. However, after 10 years have passed, the temperature of Xiaomi's fever gradually recedes, and it has not maintained a long-term competitive advantage as people imagined. Now Xiaomi's mobile phone not only has to face the impact of famous foreign manufacturers Apple and Samsung but also lose to domestic mobile phone manufacturers such as Huawei, OPPO, and VIVO in market share. The reason is that there are problems in brand management. Xiaomi's mobile phone has had a constant brand communication mode since its listing. The brand crisis caused by inadequate supervision of employees in enterprises, the decline of brand loyalty due to the quality of products and services, and so on, are the main reasons for the decline of Xiaomi's mobile phone market share.

Based on this, the problems that this research needs to explore mainly focus on the marketing status of Xiaomi mobile phones from the perspective of brand value, and mainly explore the key problems of Xiaomi mobile phone marketing: first, the lack of core competitiveness in the perspective of brand value; second, the imbalance of brand marketing leads to the problem of brand image; third, the monotony of brand audience; fourth, the asymmetry between target market and offline channels. Based on the in-depth analysis and discussion of these problems, this paper puts forward some countermeasures and suggestions for smartphone marketing, to solve many problems existing in the formulation and implementation of marketing strategy for Xiaomi mobile phone from the perspective of brand value.

### **1.3 Scope of the study**

The scope of this study mainly focuses on the marketing status of Xiaomi's mobile phone from the perspective of brand value. Based on qualitative research methods and methods, it makes a comprehensive analysis of Xiaomi's marketing strategy from the perspective of brand value, analyzes the macro-environment and micro-environment of Xiaomi by using the five forces model and PEST analysis, expounds on the competitive advantages and disadvantages of Xiaomi, and finds the opportunities and threats of the coming of 5G era to Xiaomi. At the same time, the marketing strategy of Xiaomi Company is analyzed by using 4Ps marketing mix strategy, STP strategy analysis, and new media marketing strategy analysis, and the shortcomings and existing problems of Xiaomi Company's marketing strategy are put forward. Based on this, relevant suggestions are put forward for Xiaomi's brand marketing strategy, hoping to provide some beneficial enlightenment and reference for the same industry.

### **1.4 Definition of terms**

(1)brand

Brand, which means brand in English, means "brand". This word comes from ancient Norwegian. That is to say, the brand exists as a symbol to distinguish things. The brand

originated in Britain at the earliest. It was in the 17th century that advertising companies first appeared on the historical stage. Therefore, the brand's dependence on advertising is greatly enhanced, resulting in a substantial increase in demand. During the 18th-19th century, the profession of advertising painter began to appear. During this period, Britain took the lead in completing the industrial revolution. During this period, people began to pay attention to the level of brand design and advertising, which promoted their rapid development and led to the opening of the "brand concept era".

The concept of brand gradually formed from the 19th century to the middle of the 20th century. With the rise of the American economy, the center of the world has shifted, and a large number of real brands have been born in the United States, such as Coca-Cola and Procter&Gamble, etc. However, the large-scale rise of brands is faced with fierce brand competition. To gain a firm foothold in the market, healthy competition based on brand value has been started, thus promoting the birth of trademark law. Bonita, M(2020)pointed out that there is a huge difference between brands and trademarks in essence. It is a symbol of trademark legal protection, and it exists only because of the existence of the system. As long as it is registered and the system remains unchanged, the trademark can always exist legally; Bucher, M(2015)believes that brands are not dependent on the legal system, but on the combination of consumer material and emotional needs. Erdener, K. (2021)thinks that the law does not protect the brand, but the brand can be recognized and maintained by the market and consumers. In addition, brands are more dependent on consumers' value choices. The brand was not built in a day, but it may be destroyed in an instant. In the Xinjiang Cotton Incident in March 2021, some international big names loved and sought after by Chinese people took part in it, boycotting China's high-quality Xinjiang cotton by political means of suppressing China's international status and damaging national security, which made Chinese people's attitude towards its brand rapidly change, boycotting its branded products one after another and contributing to China. The brand value of these brands has been greatly reduced.

Dickson, G(2020)regards a brand as an asset and thinks that a brand is an intangible asset beyond production and commodities except for all tangible assets, and its future brand value far exceeds the expansion cost required to launch other brands. Itzhak, G(2019)thinks that as the Pope of modern advertising, the brand is an intricate symbol, an invisible combination of brand name, history, attributes, and reputation, and the experience of consumers has a great influence on it. Kotler, the father of modern marketing, defines a brand as a set of specific characteristics, benefits, and services that sellers provide to buyers for a long time, and distinguishes them from competitors. Nowadays, the brand is a symbol of corporate culture and corporate image. Liu, JK(2019)thinks that brand is more about attracting consumers, and making consumers recognize the products, services, and culture of enterprises, to establish consumer loyalty to enterprises, which is a product of the mutual running-in between enterprises and customers' purchasing behaviors.

## (2)The influence of the brand on enterprises

Brand dynamically carries the information of corporate cultural values, historical

development, and inheritance, and it is not easy to copy. It is deeply influenced by corporate culture and can bring great economic value to enterprises. Enterprise culture exists in enterprises in the form of value, and its value creation ability is enormous. It can help enterprises shape the value of their products in consumers' minds. Excellent corporate culture can improve the reputation of enterprises and establish a high brand value position in people's hearts. In addition, entrepreneurship plays an important role in the process of corporate culture and brand building. At the macro level, the important role of entrepreneurship in enterprise performance and social development has been fully proved; At the micro level, it is necessary to integrate entrepreneurship into the construction of corporate culture, stimulate stakeholder's emotional cognition of brand cultural values, and then improve brand awareness and popularity. Only by making use of the "famous brand effect" can the "spillover effect" finally be produced and the sustainability of brand value-added be realized. At the same time, responsibility-corporate culture is the informal institutional guarantee and foundation of corporate social responsibility. The practice has proved that the practice of corporate social responsibility and entrepreneurial spirit have an important influence on corporate value and corporate culture.

Rahela, T. Shehbaz. A(2020)pointed out that brand value is influenced by many factors, such as positioning, pricing, business decision, and so on. The existing research mainly studies the influencing factors of brand value from four aspects: technological innovation, management system, marketing, and scale. Enterprise culture, as the soul of brand building, is more important to enhance the brand value. The brand is the life and soul of an enterprise and the core embodiment of a country's enterprise brand competitiveness and brand status. The continuous strengthening of China's economic strength has given birth to opportunities for brand cultivation and growth. At the same time, the brand value of some powerful Chinese enterprises has been continuously improved, contributing to the healthy growth of China's economy.

Chinese listed companies represent the vanguard and vitality of the Chinese economy. The brand influence of Chinese listed companies largely reflects the brand influence of Chinese enterprises as a whole. The list of brand values of listed companies in China is jointly published by the China Enterprise Research Center of Tsinghua University Institute of Economics and Management and national business daily and has been published once a year since 2017. Among them, the list of the brand value of listed companies in China in 2019 includes the top 100 in the general list, the top 50 on the overseas list, and the top 50 on the frontier list. The list of the brand value of listed companies in China can make listed companies a clearer understanding of their brand development, and provide a reference for listed companies to dynamically track brand investment performance and improve brand management efficiency. Non-listed companies can also be encouraged to learn from companies with dominant brands and continuously improve brand value. It can also guide academic circles to carry out theoretical research on brand value and provide a reference for the government to formulate more effective brand promotion policies.

As an important intangible asset of a brand enterprise, its essence is to enable consumers

to quickly distinguish the products of this enterprise from those of competitors and show the differences of products to win the favor of consumers and induce purchasing behavior. Rangga, T. R.(2011)thinks that after a series of marketing strategies, enterprises can make their brands more famous, loyal, and well-known, and enterprises can enhance their competitiveness through a good brand image, so that they can be in a strong position in the competition with competitors, gain more market share and increase market share. Compared with products without brands, branded products can get a higher product premium in the market competition. Under the same conditions, consumers are more willing to pay higher prices for brands, which is conducive to improving the profits of enterprises.

In recent years, through a series of brand marketing strategies such as " Hunger Marketing" and" Community Marketing", Xiaomi Company has made its brand popularity and reputation rapidly improved in many countries in China and even around the world. At the same time, Xiaomi Company's" extreme cost performance" strategy of high quality and low price enabled it to quickly acquire a large number of" rice noodles" with high loyalty, gain a competitive advantage in the market, quickly occupy a place in the market and grow into the third largest smartphone brand in the world.

### (3)The source of brand value from the perspective of consumers.

Milton, K(2020)believes that the real source of brand value lies in consumers' values and preferences in the process of using products. Mainly some psychological reactions, brand image, and brand awareness are two main components. Mirosawa, P(2018)believes that the value of a brand depends on its customers. That is to say, the value of the brand is reflected from the customer's point of view, mainly in the purchase and service behavior. Therefore, the evaluation of brand value should be based on the customer's perspective. Romans, D(2020)believes that brand is a link between products and consumers themselves, bearing the business philosophy and spirit of enterprises so that consumers can fully perceive products. When consumers decide to buy or want to buy brand products, it can effectively reflect the market's judgment on brand value. Based on the popularity and consumers' affection, this paper studies the relationship between brand reputation and brand trust: the popularity of a brand is positively related to its reputation in the industry.

### (4)The source of brand value from the perspective of other relevant stakeholders.

At present, the relationship between enterprises, consumers, and other stakeholders is getting closer and closer, and the mutual influence is becoming more and more obvious. Wang, XB(2014)discussed the relationship between corporate social responsibility and brand value from the perspective of stakeholders, including internal stakeholders such as employees, external stakeholders such as government, consumers, suppliers, distributors, and social groups, and internal and external stakeholders influence the relationship between enterprises and stakeholders through direct effect and responsibility association. This relationship then acts on the resource supply of stakeholders and the construction of internal and external advantages of enterprises, creating customer loyalty, human capital, material resources, financial resources, and social capital of enterprises, thus forming brand value. Swatra,

K(2019)combed and analyzed the internal and external influencing factors of brand value based on stakeholder theory, which provided a relatively complete framework for the research of brand value sources. Santa, B. Dainailtere(2018)By studying the relationship between managers and brand value, the empirical results show that managers' ability significantly improves brand value. Compared with state-owned enterprises, the management ability of non-state-owned enterprises has a greater impact on brand value. Brand value theory from the perspective of stakeholders is an extension of brand value theory, emphasizing that brand value management should pay attention to the needs of stakeholders, and brand value depends on multi-party relationships. Besides consumers, brand value also comes from employees, government, suppliers, distributors, competitors, social responsibilities, and so on. Brand value is to meet the needs of all stakeholders.

#### (5)Marketing strategy

Marketing technology strategic planning is a kind of concept, which generally refers to the strategy that an enterprise determines itself based on its internal market conditions and external market competition environment. It is a marketing strategy that an enterprise chooses and successfully occupies its target product market. It is not only an important part of how we formulate various strategic marketing strategic plans for a large enterprise, but also an overall plan of how a large enterprise conducts various marketing and management service activities. Shan L(2020)pointed out that to formulate a good marketing development strategy, the main purpose of enterprises is to give full play to an enterprise's advantages, enhance its core competitiveness, better conform to the changing market economic environment of the marketing industry, and obtain the greatest economic social and economic public interests in the future with less enterprise marketing funds and business investment.

### **1. 5 Organization of the study**

This study is divided into five chapters to carry out the logic and train of thought framework of the full text:

The first chapter, as the introduction of this study, mainly points out the motivation of this study, the problems to be studied and related contents, the concepts and definitions of related terms, the scope of research, etc., and makes certain organization and framework arrangements;

The second chapter is mainly based on the related content of the first chapter, which expands and analyzes the related literature review, including the corresponding theoretical support, the gaps in research, the relative review, and in-depth research work;

The third part mainly lists the research methods needed in this research, the case overview involved, data acquisition, and data measurement;

The fourth part, based on the application of the method in the third part, discusses the case in depth using data combination. This study uses qualitative research methods completely, so when discussing, it is mainly based on the applicable methods of relevant qualitative research and uses relevant axiology to conduct in-depth research and discussion on the case;

The fifth part, based on the previous analysis, makes further suggestions, summaries, and prospects.



## **Chapter 2 Literature Reviews**

### **2. 1 Concept of Intrapreneurship**

A literature review is referred to as literature review, also known as literature review and literature analysis. It is an academic paper that collects a large amount of relevant information about a subject, problem, or research topic in a certain field, a certain major, or a certain aspect, and then makes a comprehensive introduction and exposition to it by reading, analyzing, summarizing and sorting out the latest progress, academic opinions or suggestions of the current subject, problem or research topic.

Literature review refers to the comprehensive analysis, induction, and comment on the research status(including main academic viewpoints, previous research achievements and research levels, controversial focus, existing problems, possible reasons, etc. ), new level, new trends, new technologies and discoveries, development prospects and other contents of the research field, based on extensive reading and understanding of the literature in the research field involved in the topic selection, and puts forward one's own opinions and research ideas. It requires the author not only to comprehensively sort out and state the main viewpoints of the materials he has consulted but also to make a more specialized, comprehensive, in-depth, and systematic exposition and corresponding evaluation of the comprehensively sorted literature according to his understanding and knowledge, instead of just" piling up" academic research in related fields.

### **2. 2 Personality traits of Intrapreneurship**

#### **2. 2. 1 Inspiration**

Under the background of the rapid development of mobile Internet, brand plays a vital role in the long-term development of enterprises. Since its listing, Xiaomi's brand mobile phone has made remarkable achievements through its novel brand communication methods and Internet marketing, and it has gained no fame for a while. However, with time, the major smartphone manufacturers have made great efforts to launch their superior products to occupy the market, and the competition in the smartphone market has become very fierce. The temperature of Xiaomi brand mobile phones caused by fever gradually recedes under the impact of many mobile phone manufacturers, and they have not always maintained a long-term competitive advantage. Compared with domestic mobile phone giants Huawei, Samsung, Apple, and other foreign famous brands, Xiaomi's mobile phones still have a big gap, and their advantages are not obvious compared with those of OPPO, VIVO, and other mobile phone brands. At present, Xiaomi's mobile phones not only have to face the attack of many mobile phone companies but also have their brand strategies. Therefore, by using the basic knowledge of marketing, especially the theories and methods of brand strategy, reading a lot of literature and consulting relevant data, and combining with the analysis of the internal and



external environment of Xiaomi mobile phone, this paper makes an in-depth study on the status quo of brand strategy of Xiaomi mobile phone and finds that there are some problems in Xiaomi mobile phone, such as single brand communication mode, low brand loyalty, and inadequate brand crisis management. And find out the specific causes of these problems, put forward the corresponding countermeasures and suggestions, promote the sales of Xiaomi mobile phones, improve its market competitiveness, make Xiaomi mobile phones stand out under the attack of many mobile phone manufacturers, and achieve long-term development. It can also provide a reference for the brand strategy development of other mobile phone companies in China.

### **2. 2. 2 Commitment**

Based on the perspective of brand value, this research mainly formulates the marketing strategy of Xiaomi's mobile phone using qualitative research, combined with literature review and analysis, and is determined to achieve the following theoretical and practical effects, which makes this research have certain innovative value and significance:

First, Xiaomi's mobile phone is too single in brand communication mode. After nearly ten years of development, Xiaomi's brand communication mode still hasn't changed much, and it only depends on social media for major communication. If the newly established Xiaomi mobile phone chooses this mode because of financial problems, then today's Xiaomi mobile phone has enough strength to carry out brand communication in many aspects. Therefore, At the end of this paper, some suggestions are put forward to enrich the brand communication methods of the Xiaomi mobile phone. By drawing lessons from the rich communication methods of mobile phone manufacturers at home and abroad and combining them with the integrated marketing theory, three ways of advertising communication, public relations communication, and new media communication are proposed for the improvement of the Xiaomi mobile phone.

Secondly, Xiaomi's management of the brand crisis is not in place, and the measures to prevent and deal with the crisis are not perfect. Before the crisis, we didn't do a good job in preventing the internal and external management of enterprises and didn't pay attention to the crisis process, which made Xiaomi's mobile phone in a dangerous environment all the time. Ordinary enterprises died in the crisis, excellent enterprises survived the crisis, and only great enterprises could develop themselves in the crisis. Therefore, under the theoretical system of 4r mode of crisis management theory, Find out the problems and causes of Xiaomi's mobile phone brand crisis, and put forward effective suggestions for improvement, that is, establish brand crisis awareness, strengthen internal management to do a good job of pre-crisis management and prevention, systematically handle the crisis and communicate with stakeholders in good faith, sum up experience and lessons after the crisis and pay attention to the recovery of brand image.

Thirdly, Xiaomi's mobile phone has the problem of low brand loyalty. According to the data, the probability of Xiaomi's mobile phone customers switching to other mobile phone

brands is very high. The main reason is that with the continuous development of Xiaomi's mobile phone, the quality of products and services can't meet the needs of users, the hardware quality, function, and innovation of products can't meet the needs of users, and Xiaomi's criticized service experience is the main factor of low brand loyalty of Xiaomi's mobile phone. Xiaomi's mobile phone can improve product quality, innovate products, strengthen the after-sales service experience, and keep communicating with consumers to understand their needs.

## **2. 3 Theoretical underpinnings**

The first is the integrated marketing theory:

Marketing refers to the process of unifying all communication activities related to the marketing of enterprises. Its central idea is to determine the unified promotion strategy of enterprises by communicating with customers and meeting customers' needs, coordinate the use of various communication means and give full play to the advantages of different communication tools, to reduce the cost of promotion and form the climax of promotion with high-intensity impact. In the process of information dissemination, the marketing theory is the most acceptable communication mode for the target consumer groups and integrates all media resources suitable for brand information dissemination in the whole field according to the current actual situation and demand of the brand. The information that its brand needs to spread at present is matched and integrated with various media so that each communication tool can play the best role in the corresponding period, and the best combination effect can be achieved in the transmission of information and all the ways of brand communication, resulting in a considerable situation that one plus one is greater than two. Zendesk, I(2020)pointed out that if enterprises can make good use of integrated marketing strategy, they can deliver the information that enterprises need to deliver to the target consumer groups in a way that the target consumer groups like best and can accept most, while greatly saving the communication cost.

The integrated marketing theory is mainly applied to the brand communication of Xiaomi mobile phones. This paper expounds on the current situation of brand communication of Xiaomi mobile phones and finds out that there is a single brand communication mode for Xiaomi mobile phones. The reason is that the brand communication of Xiaomi mobile phone relies too much on social media communication mode. Then, the integrated marketing communication theory is used to integrate the brand communication modes of Xiaomi mobile phone with various communication modes and media, enriching the communication modes of Xiaomi mobile phone and increasing the brand communication effect of Xiaomi mobile phone.

Second, customer loyalty theory:

Zhang, J(2021)thinks that customer loyalty refers to consumers' habitual behavior of repeated purchase of a certain product or service, as well as profound and lasting brand

preference. In the theoretical research of customer loyalty, scholars generally believe that attitude loyalty, behavior loyalty, and consistent loyalty of attitude and behavior together constitute customer loyalty. Attitude loyalty refers to consumers' willingness to buy the goods they bought before and their attitude of recognition and trust in the brand. Behavioral loyalty refers to the frequency, quantity, and behavior of customers' repeated purchases of products or services of the same brand. Zhang, S(2020)thinks that consistent loyalty in attitude and behavior refers to both willingness to buy products again and concrete actions. The influencing factors of customer loyalty include products, prices, service quality, and other factors. Superior product quality, satisfactory service process, and affordable product price will all affect consumers' opinions, feelings, and feelings about a certain brand, thus affecting consumers' repeated purchase behavior and persistent preference for the brand products.

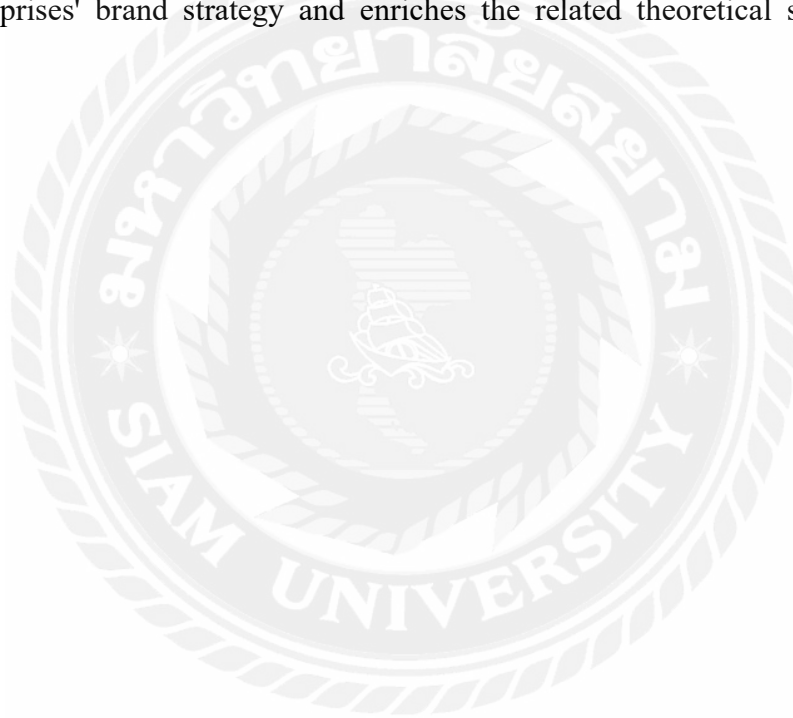
The customer loyalty theory is mainly applied to the brand loyalty of the Xiaomi mobile phone. This paper finds out the problem of low brand loyalty of Xiaomi mobile phones at present, and then finds out the reason that the product quality and service quality of Xiaomi mobile phones can't meet the changes in consumers' needs. Then, it puts forward the strategy of improving the loyalty of Xiaomi mobile phones by using the customer loyalty theory, suggesting that Xiaomi mobile phones should improve the product and service quality according to consumers' needs. The aim is to improve the brand loyalty of Xiaomi mobile phones and increase its brand competitiveness, to solve the problem of low brand loyalty caused by the quality of products and services.

## **2. 4 Factors are motivating**

When Xiaomi's mobile phone was first launched, it received great attention because of its high-cost performance. However, the intermediate process also experienced a severe blow, resulting in a serious decline in market share. Today, it's like riding a roller coaster, which is worthy of in-depth research and discussion by many domestic mobile phone manufacturers. All brands need a long and difficult process from the establishment to long-term development. Only by finding out the hidden dangers in the existing brand marketing strategies, according to their conditions, combined with the previous experience and lessons of domestic and foreign manufacturers, Xiaomi Mobile and many domestic smartphone brands can go further. Although the market share of Xiaomi's mobile phone is getting warmer, its brand strategy problems are still very serious. Therefore, this paper studies the brand strategy of Xiaomi's mobile phone, combines the related theory and content system of brand strategy with the analysis of the environment, finds out the existing brand strategy problems of Xiaomi's mobile phone, and puts forward some suggestions for improvement, so that Xiaomi's mobile phone can occupy a favorable market competitive position in the red sea environment of mobile phone industry and achieve long-term development in the fiercely competitive environment. It can also provide a reference value for other domestic mobile phone manufacturers in brand strategy and promote the development of the domestic mobile phone industry.

## **2. 5 Research gaps**

The strategy has always been a field of high concern in marketing academic research. The brand is a manifestation of enterprise value, and brand building is a long-term accumulation process. Some enterprises are gradually eliminated by the market because they don't pay enough attention to their brand strategies. At present, Chinese enterprises have gradually realized the importance of brand strategy, but how to make the brand of enterprises bloom with its due brilliance is a difficult problem for Chinese enterprises. At the same time, brand, as an important part of marketing, has great research attraction. However, through literature review and comprehensive analysis, it can be seen that smartphone marketing based on brand value and strategy is very weak. Many researchers start with the relevant marketing theories to explore the marketing status, existing problems, or advantages of a certain brand, but seldom practice it through the formulation of brand strategy. Therefore, under the theoretical guidance of Xiaomi's mobile phone brand value research, this paper discusses the innovative form and concrete manifestation of brand strategy, which provides more reference value for enterprises' brand strategy and enriches the related theoretical system of brand strategy.



## Chapter 3 Research Methodology

### 3.1 Research Design

This study mainly adopts the method of qualitative research. The so-called qualitative research refers to the individual or collective investigation of a small group of people, to understand their thoughts, intentions, motivations, and opinions, and to collect the initial needs of users and their first reactions to ideas and concepts. By analyzing the disordered information, we can find out the "why" of a certain topic, rather than the "how to do it". This information includes all kinds of information, such as historical records, transcripts, audio recordings, comments, feedback forms, photos, and videos. The specific purpose is to deeply study the specific characteristics or behaviors of the objects and further explore the causes of their occurrence. If quantitative research solves the problem of "what", then qualitative research solves the problem of "why". "

Usually, as a new product, planners will face a lot of confusion before going public. For example, who should it be sold to? What are its product benefits? Do consumers need these benefits? How much are they willing to spend to buy these benefits? What do consumers think of this new product? Will they like this kind of packaging and style...Why? There are so many questions that planners can't solve by having a meeting in the office, surfing the Internet, or patting their heads. Only through properly controlled qualitative research can we get the correct answers to these questions.

Qualitative research is mostly based on first-hand information obtained by participating in observation and in-depth interviews. Specific methods include focus groups, customer site visits, ethnography, consumer testing groups, etc. The customer site visit is a method often used in qualitative research. The advantage of on-site customer visits is that it can not only observe the reasons, attitudes, efforts, and decision-making basis of the observed actions. Through participation, researchers can get the feelings of a member in a specific social situation, so they can understand actions more comprehensively. Then, through the data obtained by observation and interview, induction is adopted, which gradually transforms from concrete to abstract, and even forms a theory.

Contrary to quantitative research, qualitative research is based on a "well-founded theory". The theory formed in this way is generated from the correlation of many different collected evidence, which is a bottom-up process. Quantitative research is mainly expressed by data, patterns, graphs, etc. Qualitative research conclusions are mainly written descriptions. Qualitative research is the basis and guide of quantitative research, but only by using quantitative research at the same time can it be accurately determined based on accurate quantification.

In this paper, aiming at the marketing situation of Xiaomi Company, aiming at the

problem of "marketing", firstly, the qualitative research method is applied. Aiming at the marketing situation of Xiaomi Company, the marketing environment of related products and the marketing strategies adopted by Xiaomi Company are qualitatively analyzed, the existing problems are found out, and finally, suggestions and countermeasures are given.

### 3.2 Case Description

Xiaomi was founded in April 2010, and its full name is Beijing Xiaomi Technology Co., Ltd., which is an innovative technology enterprise focusing on the construction of high-end smartphones, Internet TV, and smart home ecological chain. "Born for a fever" is the slogan and product philosophy of Xiaomi Company, so its fans are called "rice noodles".

When Xiaomi Company was founded, it had a grand idea: to change the generally inefficient operation mode of the business community. Xiaomi has the courage, determination, and perseverance to promote profound changes in business efficiency: go all out to make products and let users pay every penny. In many fields, Xiaomi has completely changed the face of the industry with first-class quality and cost-effective pricing, and greatly accelerated the popularization of products. The words "moving people's hearts, good price" are an inseparable whole, far exceeding the expectations of users for the final product. Only by being "kind price" can we truly "touch people's hearts".

In just seven years, Xiaomi's annual income has exceeded 100 billion yuan. As of 2018, Xiaomi's business covers more than 80 countries and regions around the world. At the 5th anniversary of employees in 2018, Lei Jun said, "Old employees are Xiaomi's most precious wealth, without veterans and inheritance. No new army, no future." Thanks for having a group of like-minded friends, crying, laughing, and fighting together! For years, the initial heart is unchanged, always sincere and always loving.

Lei Jun once said at the press conference that Xiaomi's mission is to always insist on making good products with "touching people's hearts and good prices" so that everyone in the world can enjoy the beautiful life brought by technology. Together with us, we devote ourselves to the magnificent cause of creating a new model of business efficiency and improving human life with science and technology. Make business honest, make technology warm and make people happy. Our journey is the sea of stars. Please join us and always believe that beautiful things will happen. This sentence is the slogan of Xiaomi Company.

Table 3.1 Introduction of Xiaomi Company

Classify	Slogan
Early Generation slogan	Be born with a fever and always believe that something beautiful is about to happen.
2020 slogan	Believe in yourself and walk the line.

2021 slogan	Believe in beauty and travel lightly.
Core Values	Sincerity and Love
Vision	Make friends with users and be the coolest company in users' minds.
Mission	Always insist on making good products that touch people's hearts and are honest in price, so that everyone in the world can enjoy the beautiful life brought by science and technology.
Aspiration	Promote a profound revolution in business efficiency, devote every energy to making products, and make every penny paid by users worth every penny.

In 2020, the total revenue of Xiaomi Group reached RMB 245.9 billion, a year-on-year increase of 19.4%. The net profit reached RMB 13 billion, a year-on-year increase of 12.8%. Despite the impact of the COVID-19 epidemic since 2020, Xiaomi has successfully promoted the core strategy of "Mobile Phone××AIoT", and its businesses have continued to grow, showing solid resilience. Xiaomi's total revenue and adjusted net profit have all reached a record high in a single quarter(see Figure 3. 1).

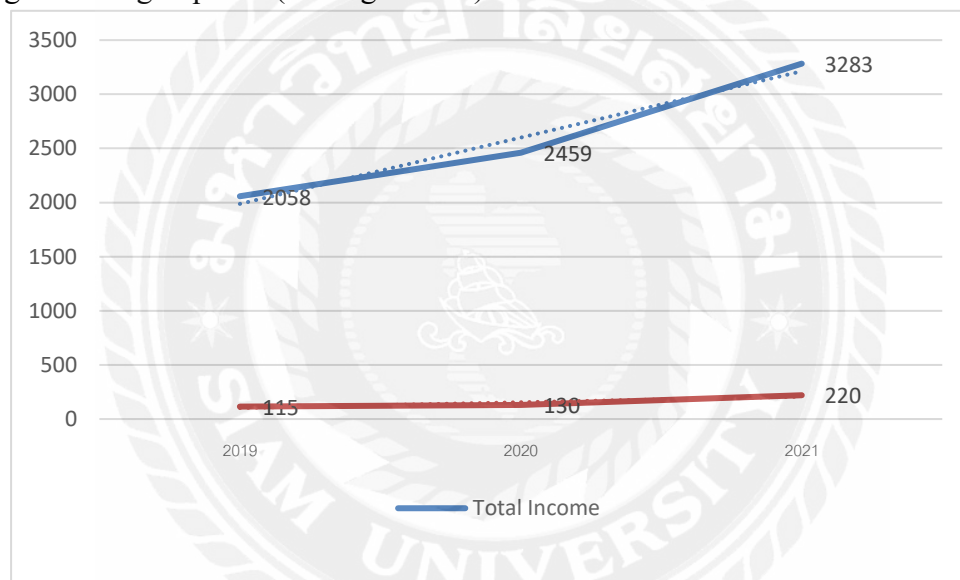


Figure 3. 1 Growth chart of total revenue and net profit of Xiaomi Group from 2019 to 2021(unit: 100 million yuan)

At present, Xiaomi is already the fourth largest smartphone company in the world. It has been ranked in the top five in more than 30 countries and regions. Through its unique "ecological chain model", Xiaomi has invested and driven more like-minded entrepreneurs and built an Internet of Things platform connecting more than 130 million smart devices.

On July 9th, 2018, Xiaomi was successfully listed on the main board of Hong Kong, becoming the first listed company with the same shares and different rights on Hong Kong Stock Exchange, setting the largest IPO of technology stocks in Hong Kong history and the third largest IPO of technology stocks in the world at that time.

Due to the product characteristics of smartphones, except for Huawei, which has abundant core patents and overseas R&D institutions, most companies in this industry choose

domestic production and then enter the market through indirect export and direct export. Xiaomi's exploration, development, and prosperity in overseas markets are also based on this market entry strategy. In October 2013, Hugo Barra, the former vice president of Google Android product management, became the vice president of Xiaomi Company, responsible for Xiaomi's international business, which also symbolized Xiaomi's entry into overseas markets.

Initial stage: Xiaomi first chose to develop in some countries in Southeast Asia. In February 2014, Xiaomi entered the Singapore market for the first time and reached a distribution agreement with local operators. In the same year, Xiaomi entered the markets of Malaysia, the Philippines, and other countries respectively, further expanding its international competitiveness and influence. Xiaomi chose two modes of direct export and indirect export in the early stage of exploration. Cooperate with local distributors to complete market entry, weaken entry barriers, and achieve rapid development.

Exploration stage: In 2015, Xiaomi tried to enter the Brazilian market. However, due to the high tax rate of electronic consumer goods, strong control by local operators, online sales control of e-commerce, relevant policies and regulations, fierce competition among peers, and other factors, Xiaomi suffered setbacks and chose to temporarily withdraw from this new market. Affected by the related policy restrictions and patent disputes, Xiaomi's overseas strategy as a whole is in a trend of fatigue.

Development stage: In 2017, Xiaomi's overseas market entered a prosperous turning point, completing a new attempt to enter the Latin American market from Mexico and the European market from Spain. After a whole year's efforts, Xiaomi has successfully entered more than 40 countries and regions, and its sales volume ranks first in India. In this year alone, Xiaomi's overseas income reached 32.1 billion yuan, a year-on-year increase of 250.4%. The expansion and outbreak of overseas markets have become a new growth point for Xiaomi's development.

Up to now, Xiaomi has established official websites overseas in Malaysia, Singapore, Indonesia, Philippines, India, Russia, Poland, Ukraine, Mexico, Vietnam, South Korea, Egypt, Thailand, Italy, Spain, the United States, and Central Africa. In 2017, Xiaomi's overseas sales in 14 countries ranked in the top five, and overseas markets accounted for 28% of its total business.

According to the statistics of canals on the European market in the first quarter of 2018, the shipments of millet reached 2.4 million units, with a market share of 5.3%, ranking fourth only to Samsung, Apple, and Huawei. As an emerging market, Xiaomi has achieved a growth rate of over 99.9% and its development are very prominent. In May 2018, Xiaomi submitted its prospectus in Hong Kong, and its future IPO will bring greater development to Xiaomi through a new round of financing.

Xiaomi also launched Redmi Y series products in India and cooperated with Bollywood



celebrity Katrina Kaif. Lei Jun and other major leaders held a new product launch conference in India, and they are working hard to build a core loyal customer base. Manu Jain, the current vice president of Xiaomi, is in charge of Xiaomi's India business and has also played an important role in promoting market entry. To further expand the market and increase offline sales, Xiaomi set up Midea Home Direct Store and cooperated with Croma, Universel, Puovica, Sangita, etc. Two manufacturing plants have been established in Andhra Pradesh, India, and 75% of mobile phone sales come from Andhra Pradesh. Part cooperation with Foxconn is an important part of the successful localization of the supply chain, marking the first step of the internationalization of the Xiaomi brand.

### **3.3 Data collection and analysis**

#### **(1) 4P Marketing**

At present, in the theoretical concept of product mix of enterprise marketing mix strategy in China, 4p mix theory is just a word: including product, price, place, and promotion), 4p mix theory is also an important theoretical basis of the whole marketing mix strategy. Product entity combination: the main product includes a combined entity, service, brand, and package of different products. Its main meaning is that a noun generally refers to the information collection of related goods, services, and other products provided by an enterprise to its customer service, including the main functions, utility, shape, style, brand, packaging, and other product specifications of a product, and sometimes it may also include many important factors such as customer service and product quality assurance. Price composition: There are several main conditions, including the price of basic commodities, the cost after discount, the time limit after payment, the borrower's funds, and so on. It means that a large enterprise finally pursues financial and other economic returns to sell some of its products. Management combination of channels: the distribution location is generally called an important combination of product distribution by us. Its main management contents generally include the management of various channels, warehouses, storage equipment, and product transportation points, the management of facilities and storage points, and the control of equipment and capital flow. It is mainly to organize and implement various distribution activities on behalf of a distribution enterprise to enable its product distribution business to smoothly enter and finally reach its sales target distribution market, including distribution channels, links, and places. Sales object combination: These enterprise sales object combinations mainly refer to a form of communication marketing activities actively carried out by operating enterprises by making full use of various electronic information network media as carriers to have a certain depth of direct communication with sales objects and the market public, including enterprise publicity network advertising, talent market promotion, business model publicity, and interaction with the market public, etc.

The above 4Ps are not only an influential factor that can be effectively controlled in the process of marketing work but also the main method and means for an enterprise to carry out marketing management activities. By applying them concretely, a marketing strategy of a

large enterprise is formed.

Products mainly refer to things and things that are provided to the society and market as commodities, used and consumed by other people, and can meet certain requirements of other people, including tangible goods, intangible services, organizations, ideas, or their structures and combinations. Products can usually be divided into five dimensions, namely core products, basic commercial products, expected commercial products, additional commercial products, and potential commercial products. The core product goal refers to the direct benefits and effects that the whole product can provide to consumers. The basic product is the macro of core technologies and products; Expected product refers to a set of attributes or conditions that a customer will generally obtain as expected when choosing the desired product. Additional products generally refer to products that far exceed customers' expectations; Potential products refer to various improvements and changes that enterprises may make to products or other developments in the next few years.

Price refers to the total value of goods or services of each unit, and their level is determined according to the relationship between supply and demand in the market. In other words, the price itself is a unit(or unit price). Price is a transformation of the transaction value of commodities in the circulation period. Moran M(2010)thinks that in the whole process of engaging in economics and enterprise operation to management, price is a value calculation figure made for providing goods, services, and assets with RMB as the main expression. In microeconomics, when resources are redistributed between demand and suppliers, price is also one of the important dynamic variables. At present, in the market economics of some modern socialist countries in China, the principle of price change is derived and developed continuously due to the mutual influence and balance between market supply and commodity demand. In classical market economics and modern Marxist market economics, price is usually regarded as an external substantial embodiment of an intrinsic substantial value of a commodity. These two people's arguments dialectically still exist with each other and play their leading roles together.

The sales channel, also known as a sales channel(place), trade channel(trade channel), or other distribution service channel, is generally used to refer to a kind of transportation distribution channel that an enterprise may need to pass along during the process of information exchange and trade transfer between the original major producers and the original consumers(product users)when selling products(including services). That is to say, a channel of marketing can involve all enterprises and social individuals related to their products, such as product suppliers, manufacturers and manufacturers, merchant service middlemen, agency service middlemen, auxiliary sales stores, and the final consumers or product users, etc., all of which are in the process of sales activities of other commodities. Sales, also known as channel management, generally refers to all product owners and individuals who have obtained the full ownership of products and related services of a certain category or assisted them in the direct transfer from product manufacturers to other consumers to other Chinese socialist people. Therefore, the distribution channel may include an intermediary of those businessmen(because they have successfully acquired its

ownership)and intermediaries of other product agents(because they are trying to help us transfer other ownership), and in addition, it may also include those who are already in the terminal starting point and end product producers and end consumers or product users of the whole distribution channel.

Promotion refers to the activities that pass the information of products or services to consumers or users by personnel or non-personnel means, help, influence, or persuade them to buy a certain product or service, or at least arouse the interest of potential consumers and stimulate their desire to buy. D Chaffey(2012)pointed out that promotion and general marketing activities have great characteristics. Sales mainly transfer their products from the market to other buyers through the currency exchange relationship with commodities and complete the transfer of commodity value forms. Promotion is a process of constantly informing and actively persuading consumers to promote the realization of marketing objectives. Kerpen D(2012)promotion mainly refers to one of the most basic promotion strategies in the combination of marketing in enterprises. The common combination of ways of promotion mainly includes personnel promotion and non-professional promotion, among which, non-professional promotion mainly includes advertising, good public relations, and business promotion.

## (2) SWOT analysis

SWOT analysis method includes correctly identifying and evaluating several main factors closely related to the research object through specific situation analysis, including the advantages and disadvantages of the research object itself and the exterior of the investigation. Then, according to the matrix rules, the target opportunity factors and threat factors are sorted and combined. Then, the system analysis method is used to match and combine various matrix factors according to certain rules. Finally, the corresponding strategies and countermeasures are put forward. And put forward other coping strategies.

The SWOT matrix analysis method originated in the United States and was founded and used by Heinz Welick, a professor in the field of international management and behavioral science at the University of San Francisco. It is mainly used to help companies analyze the market environment and formulate company strategies, limited to listing the company's internal strengths and weaknesses, external opportunities, challenges, and other factors, and analyzing them in isolation. In 1971, Kenneth Andrews, a professor at Harvard Business School, published the book *Concept of Enterprise Strategy*, in which he established a famous SWOT development strategy model and used systematic thought to analyze the advantages and disadvantages of internal and external factors. Correlation analysis of the company. The emergence of ability schools and resource schools derived from ability schools has brought innovation in methods and enriched the theory of SWOT analysis methods.

The so-called SWOT analysis, S refers to the advantages, it refers to the various advantages that affect the development of the research object. This advantage is not given by

the outside world but refers to the various advantages of the research object itself. W refers to the disadvantage, which means that studying its defects and other unfavorable factors will have a certain impact on its development and progress; O refers to opportunity, which means that the research object is in a specific environment and can help itself in its development. Various opportunity factors for better development and growth; T refers to threats, which represent various threats or challenges in the environment faced by the research object.

Table 3. 2 Characteristics of SWOT Analysis

Elements	Characteristic
Strengths	Competitive Situation, Financial Source, Corporate Image, Technical Strength, Product Quality, Cost Advantage.
Weaknesses	Management Confusion, Lack of Technology, Backward Innovation, Shortage of Funds, Backlog of Products, Poor Competitiveness.
Opportunities	Times, Emerging Markets. Policy Support, Technological Innovation, Consumer Demand
Threats	Competitors, Alternative Products, Market Tightening, Changes in Customer Preferences, Emergencies

### (3) STP marketing strategy

As early as 1956, Wendell Smith, an American marketing scientist, first put forward the concept of market segmentation. After that, American marketing scientist Philip Kotler further developed and perfected Wendell Smith's theory based on predecessors, and finally formed STP theory, the core content of modern marketing theory. In STP theory, S, T, and P are the abbreviations of Segmenting, Targeting, and Positioning, which means market segmentation, target market selection, and market positioning. It is the core content of strategic marketing, and market segmentation, target market selection, and market positioning are important components of STP theory.

## 3. 4 Validity and Reliability

Effectiveness of the analysis: To know the current situation of Xiaomi's mobile phone marketing from the perspective of brand value theory, we will use the "4P" marketing theory, SWOT analysis, and STP marketing strategy, starting from the macro-environment and micro-environment of Xiaomi's mobile phone marketing, and master the relevant strategies and means selected by Xiaomi's mobile phone marketing, which will make this research have certain effectiveness.

The credibility of the analysis: To grasp certain credibility, this research will be based on the in-depth understanding of the current situation of Xiaomi's mobile phone marketing, comparing the relevant methods selected by Xiaomi's mobile phone marketing strategy, and based on qualitative research, comprehensively exploring the performance of Xiaomi's marketing and the formulation of brand strategy, which makes this research have a certain credibility.

### **3. 5 Ethical Considerations**

In terms of moral concerns, firstly, the acquisition of information about Xiaomi's mobile phone operating status, the selected marketing strategy and means ensured the authenticity of certain information and kept it confidential; Second, the relevant data, the facts are only used for this research, and the original data are not open to the public or leaked; Third, to eliminate certain research concerns, the research conclusions obtained in this study will be responsible for a comprehensive explanation.

### **3. 6 Summary**

Marketing technology strategic planning is a kind of concept, which generally refers to the strategy that an enterprise determines itself based on its internal market conditions and external market competition environment. It is a marketing strategy that an enterprise chooses and successfully occupies its target product market. It is not only an important part of how we formulate various strategic marketing strategic plans for a large enterprise, but also an overall plan of how a large enterprise conducts various marketing and management service activities. To formulate a good marketing development strategy, the main purpose is to give full play to an enterprise's advantages, enhance its core competitiveness, and better conform to the changing market economic environment of the marketing industry. Only with less enterprise marketing funds and business investment can it obtain the greatest economic sociality and economic public interests in the future.

This chapter mainly introduces the relevant research methods used in this research and makes a detailed analysis of the comprehensive application of this method while introducing this method in depth. This study will choose the qualitative research method, which is qualitative in the marketing status and brand strategy formulation of Xiaomi mobile phone and make a comprehensive discussion and summary by using SWOT, STP, and other methods.

# Chapter 4 Data Findings and Discussion

## 4. 1 Introduction

### (1)Literature sources

Through collecting and reading a large number of literature about Xiaomi's mobile phone marketing and brand strategy on well-known thesis websites, and collecting information on the Internet, news, newspapers, magazines, etc., we can learn about the theory and research methods of brand strategy, and collect as many relevant literature materials as possible.

### (2)Data comparison

The problems studied in this paper are compared with domestic and foreign counterparts, and the advantages and disadvantages of this enterprise are found. Compared with other counterparts, the advantages of other mobile phone brands are absorbed, and the existing problems of this enterprise are further explored and improved.

### (3)Experience comparison

The related problems studied in this paper may not be solved if we only rely on related theories. Therefore, based on the related theoretical research, this paper draws lessons from the mature experience of other peer enterprises, which is conducive to improving the existing problems of this enterprise and putting forward more effective strategies.

## 4. 2 Marketing environment and present situation of Xiaomi Company

### 4. 2. 1 Analysis of marketing macro environment of Xiaomi Company

#### (1) Political environment

In recent years, the state has encouraged people to start businesses and innovate, increased policy support for enterprises, and improved relevant laws and regulations. Under the leadership of the party and the state, China's political situation is stable and the laws are sound, which makes all walks of life develop rapidly, the living standards of residents have made a qualitative leap, and the people's lives are getting better and better. Based on the principle of peaceful coexistence with foreign countries and global economic integration, China has maintained good diplomatic relations and friendly trade exchanges with other countries in the world. At present, China is vigorously developing the "the belt and road initiative", constantly carrying forward the "Silk Road Spirit", signing friendly trade agreements with many neighboring countries, jointly building a Community of Shared Future for Mankind, and giving strong support to neighboring countries in information infrastructure,

which makes China's position in the international arena higher and higher, which also provides great opportunities for China's smartphones to enter overseas markets. Secondly, in recent years, China has increased the support and supervision of telecommunications, communication information, and high-tech industries. In the field of the telecom business, supervision has been strengthened to ensure an open and transparent market environment, and the telecom business has been encouraged to speed up and reduce fees. People spend less and less and enjoy more and more services, which greatly stimulates the development of China's telecom industry. As the key industry of national economic development, the information industry has been strongly supported by the state and given many preferential policies. These favorable policies and regulations ensure that China's mobile phone industry can have a healthy and rapid development environment. In addition, China has been encouraging the development of high-tech industries and has formulated a series of relevant laws and regulations to protect the independent intellectual property rights and scientific and technological innovation achievements of enterprises from infringement.

China's stable political environment and sound laws and regulations of related industries provide favorable guarantees for the development of Xiaomi's mobile phone, which makes it grow rapidly. The continuous improvement of China's international status also provides favorable conditions for Xiaomi's mobile phone to enter the overseas market. The strong support and preferential policies of the state for the communication industry have also laid a solid foundation for the smooth development of Xiaomi's mobile phone.

### (2) Economic environment

In 2020, due to the impact of a new type of coronary pneumonia, the global economy and trade will be impacted, the economic growth of major economies will generally slow down, trade protectionism will spread, and the growth of international trade and investment will be affected, and the global economic growth will be slow. However, from a long-term perspective, 2020 will be the closing year of the 13th Five-Year Plan, and it will also be the closing year for China to build a well-off society in an all-around way. People's material level and spiritual life level are growing rapidly with the gradual establishment of a well-off society, and people's overall income level is constantly improving. As a result, the consumer's consumption concept is changing, consumers pay more and more attention to consumer experience, and their price sensitivity is gradually decreasing, which gives Xiaomi brand the economic foundation of high-end price impact. At the same time, economic globalization has become the development trend of the world. In many countries around the world, not only China's demand for smartphones is rapidly increasing, but also the market is vast, thus providing opportunities for the Xiaomi brand to go international and realize globalization.

### (3) Social and cultural environment

With the increasing popularity of smartphones in emerging markets such as China and India, the number of smartphone users in the world will reach 3.5 billion by 2021, accounting for about 45% of the total global population. With the rapid popularization of information technology, the period of consumer conversion from cognition to consumption

behavior has been shortened continuously. Smartphones have become an indispensable tool for people to do online shopping, obtain information, and do other social activities, and people's demand for smartphones is increasing. At the same time, with the gradual improvement of life quality and income level, people's acceptance of scientific and technological products is also increasing. The factors that determine consumers' purchases are no longer limited to functions, prices, and other factors, but pay more attention to factors such as personalization, brand preference, and fashion. The development of mobile payment systems is a huge trend, which creates an immeasurable market and development space for smartphones and makes more and more emerging Internet companies join the smartphone market.

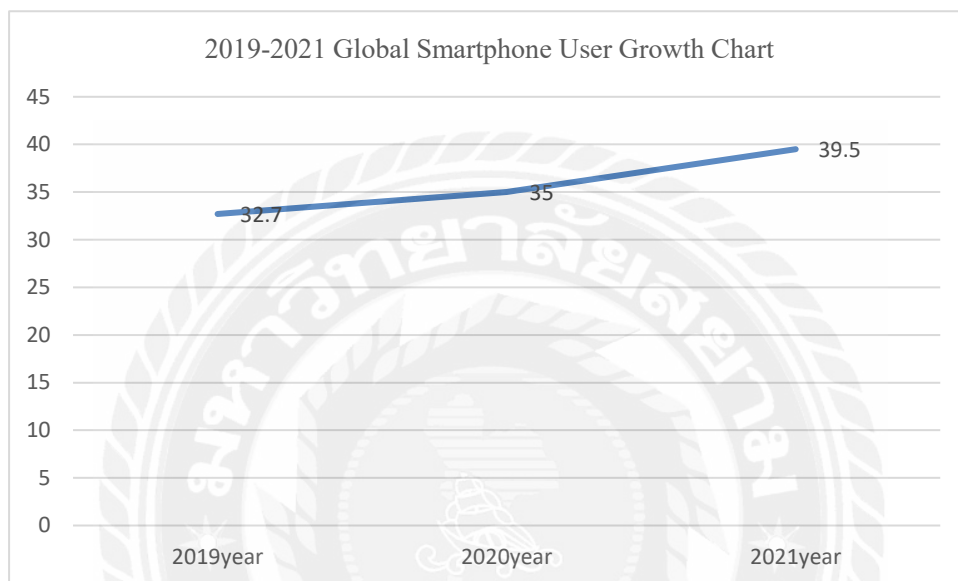


Figure 4. 1 Growth of Global Smartphone Users from 2019 to 2021

#### (4) Science and technology environment

At present, it is at the beginning of the 5G era, which is mainly the Internet of Things era. Generally speaking, the data transmission speed of 5G is several times faster and the quality is better than that of 4G. 5G is widely used in various fields. The concepts of the Internet of Things and Internet of Vehicles have emerged one after another. The purpose of 5G is to realize the interconnection of everything and bring a new revolution to mobile communication technology. The transformation from 2G to 3G makes the smartphone industry flourish, and the transformation from 3G to 4G makes many functions of life, study and entertainment migrate to smartphones. Every innovation in communication technology is closely related to smartphones, which promotes the development of smartphones. At present, it is in the process of transforming from 4G to 5G, which is a great opportunity for the mobile phone industry, and will inevitably bring about a wave of replacement boom. At present, 5G mobile phones have been mass-produced and put on the market in large quantities, but the faster transmission speed of 5G also requires higher mobile phone processors. Most mobile phone manufacturers in China are now using Qualcomm's processors because China started late in the chip field, and there is a big gap in technology, so the situation of being controlled by others has brought great hidden dangers to China's smart phone industry. Once others implement the technical blockade, the whole smartphone industry in China will collapse and face the situation of no core available. As early as a few years ago, the United States imposed



a technical blockade on China's ZTE company on the grounds of threatening national security, and now it has imposed sanctions on China's Huawei company for the same reason, causing serious losses to China's two major mobile phone giants. Fortunately, after the ZTE and Huawei incidents, the state began to vigorously support China's chip field, and Xiaomi started to develop chips by itself several years ago. Although this road is full of difficulties and has a long way to go, I believe that under the leadership of the state, China's smartphone enterprises will soon get rid of the current situation.

In the process of changing from the 4G era to the 5G era, it is bound to further promote the development of the mobile phone industry, and it will also bring about a new exchange boom. Xiaomi mobile phone should seize the opportunity here to develop rapidly, one step ahead in the 5G market, and occupy a higher market share. At the same time, however, the 5G era has brought greater challenges to the mobile phone industry in terms of technology. Xiaomi mobile phone should intensify its research and development. Only by having its core technology can it go further without restriction.

#### 4. 2. 2 Xiaomi company marketing micro-environment analysis

##### (1) The bargaining power of suppliers

In the era when smartphones are still at high prices, Xiaomi Company quickly occupies a place in the smartphone market with its "ultimate cost performance". Xiaomi mobile phone is popular in the market, but it also drives the business of related suppliers to rise sharply, achieving a win-win situation with suppliers. This also enables Qualcomm, Samsung Electronics, Toshiba, Sony, and other top global suppliers to provide components for Xiaomi mobile phones. The huge orders from Xiaomi provide stable cash flow for suppliers and form economies of scale, so Xiaomi Company has strong bargaining power over suppliers. In addition, with the development of the smartphone manufacturing industry in recent years, the gap between suppliers has gradually narrowed, and the substitutability has become stronger and stronger. Xiaomi Company's choice of suppliers has become more and more diverse, further strengthening Xiaomi Company's bargaining power (Table 4. 1 shows the sales volume and revenue of Xiaomi mobile phones from 2017 to 2020. ) .

Table 4. 1 Xiaomi Mobile Phone Sales and Revenue from 2017 to 2020

	Sales(10, 000 units)	Year-on-year growth(%)	Revenue(100 million yuan)	Year-on-year growth(%)
2017	91410	-----	805	-----
2018	119100	30. 29	1138	41. 36
2019	124600	4. 61	1345	18. 19
2020	146000	17. 17	1522	13. 16

##### (2) Buyer's the bargaining power

Xiaomi has attracted many consumers who are relatively sensitive to price by its "extreme cost performance". These consumers are loyal to the price of products, and their loyalty to the Xiaomi brand is not high. When products with lower prices appear, some consumers may turn to other brands, resulting in the loss of customers. At the same time,

when Xiaomi Company rapidly expanded its market share, after-sales service and product quality control failed to keep up with the market development speed, which led to the cumbersome and complicated after-sales service and the decline of consumer experience. With the development of the smartphone market, the homogenization between products becomes more and more serious, and the differentiation gradually disappears. Therefore, consumers have strong bargaining power.

### (3) Ability of potential competitors to enter

The smartphone market is huge and will attract potential competitors from many fields. First of all, there may be threats from traditional mobile phone manufacturers, such as ZTE, Lenovo, and other well-funded manufacturers to compete. There are also some mobile phone manufacturers with different target customers who will also pose threats to Xiaomi Company if they choose to expand their business, such as voice transmission, one plus, and so on. Secondly, as the representative of emerging Internet companies, Xiaomi Company will attract some Internet companies to grab market shares, such as 360, Alibaba, and other Internet giants with abundant funds and huge user base, which also pose a certain threat to Xiaomi Company. However, because smartphones need a certain degree of technology, the entry threshold is high and the cost is high for potential entrants. Meanwhile, with the gradual maturity of the market, it is relatively difficult for potential entrants to survive in the fierce market competition. Therefore, Xiaomi should further enhance its core competitive advantage and stabilize its market position.

### (4) Substitution ability of substitutes

At present, products that can completely replace smartphones have not yet appeared, so the threat of Xiaomi's substitutes is mainly the homogenization products of other smartphone manufacturers. At present, the smartphone manufacturing industry is relatively mature, the suppliers of different brands of hardware are highly consistent, and the operating systems of software are becoming more and more similar, with serious homogenization. But generally speaking, there are not many substitutes that can threaten Xiaomi Company at present, but with the continuous innovation and development of technology, the threat of substitutes will become greater and greater.

### (5) Competitiveness of existing competitors

At present, the smartphone market has gradually developed into the Red Sea market. In the fierce market competition, it mainly competes with domestic brands represented by Huawei, VIVO, and OPPO and foreign brands represented by Apple and Samsung. In addition, the newcomers to Yijia, Realme, and other industries are gradually participating. Xiaomi, as a newly established emerging Internet company, lacks the core competitive advantage when competing with technology-based enterprises such as Huawei, Apple, and Samsung. At the same time, when facing traditional mobile phone giants such as VIVO and OPPO, the laying of offline channels seems to be stretched, and industry rookies such as Realme also follow Xiaomi's example in a cost-effective strategy to participate in the competition.

However, with the gradual development of Xiaomi Company and the gradual improvement of its industrial chain, especially the increasing construction of the Xiaomi ecological chain, the Xiaomi mobile phone, as the link hub of the ecological chain, can bring a better experience to users of ecological chain and attract a large number of consumers to buy its products. At the same time, Xiaomi Company attracts a large number of electronic product enthusiasts to become its fans, forming a fan economy of a certain scale, and customer loyalty is gradually improving. The gradual enrichment and improvement of the supply chain have reduced the production cost of Xiaomi Company. At the same time, the gradual enhancement of scientific and technological research and development capabilities, the gradual improvement of sales channels, and the extremely cost-effective sales strategy have created a good environment for the development of Xiaomi Company, so Xiaomi Company still has strong industry competitiveness.

#### **4. 2. 3 SWOT analysis of Xiaomi Company**

##### **(1) Advantage analysis**

At present, the smartphone market is gradually saturated and the market competition is fierce. How control of the enterprise cost is very important. When Xiaomi released new products, it used the influence and popularity of the founder and product manager to publicize through the new media platform and achieved unexpected publicity effect with extremely low operating cost, which greatly reduced the publicity cost of Xiaomi Company.

In the initial stage of establishment, Xiaomi Company vigorously developed online sales. Besides the existing traditional e-commerce channels such as Taobao and JD. COM, Xiaomi Mall, and Xiaomi Youpin were also built. There is almost no channel construction cost for online sales, which can effectively control the sales cost and ensure the profit of Xiaomi Company.

The flat organizational structure of Xiaomi Company is mainly divided into three levels: core team, department leaders, and executive staff. Compared with the traditional organizational structure, this flat organizational structure can improve the work efficiency of enterprises, make enterprise decisions quickly and accurately communicated to subordinates, and avoid unnecessary mistakes.

At the beginning of its establishment, Xiaomi Company relied on the MIUI operating system which was deeply customized for Chinese users. Because of its rich functions, convenient operation, and suitable operation habits of Chinese people, it quickly opened up the situation in China and was deeply supported by fans. Besides, the MIUI team will continue to optimize the system after receiving user feedback to enhance user experience and thus increase customer loyalty.

##### **(2) Analysis of Disadvantages**

In the market competition, Xiaomi's core competitiveness is not strong when it competes with Huawei, Apple, Samsung, and other technology-based enterprises that can independently research and develop. Most of Xiaomi's hardware comes from top international suppliers. Due to the constraints of suppliers, Xiaomi can't compete strongly with technology-based enterprises such as Huawei.

Xiaomi Company vigorously develops online sales at the initial stage of sales, but with the gradual stabilization and saturation of online channels, in the face of the rapid development speed of enterprises, single online sales seem to be inadequate, and the offline layout is late, which leads to the traditional sales channels unable to adapt to the development speed of enterprises.

For a long time, Xiaomi Company has attracted a large number of consumers by "the ultimate price-performance ratio", which makes it stand firmly in the first echelon of the market. The price-performance ratio has become a prominent label of Xiaomi Company, which makes Xiaomi Company's brand premium ability weak for a long time. At the same time, in 2018, founder Lei Jun announced that the comprehensive net interest rate of Xiaomi Company should not exceed 5%, which further limited the premium ability of Xiaomi Company.

### (3) Opportunity analysis

In the Samsung explosion in 2016, due to the failure of public relations in handling the Samsung crisis and the lack of sincerity in apologizing to Chinese consumers, the Samsung China market fell, and many consumers gradually lost confidence in Samsung mobile phones. In 2019, Huawei was listed as an entity by the United States, and a series of subsequent sanctions severely frustrated Huawei in foreign markets. The weakening of competitors' strengths is a rare development opportunity for Xiaomi Company.

With the development of the mobile Internet, people's lifestyle is gradually changing, and people's demand for mobile phones is rapidly increasing all over the world. Xiaomi Company has also gone abroad to face some developing countries such as Southeast Asia, and the vast overseas market has brought new development opportunities to Xiaomi Company.

With the continuous innovation of science and technology and the continuous advancement of the commercialization of the 5G network, it will surely lead to the change of smartphones, which will be followed by a huge wave of machine change, which will be a good opportunity for Xiaomi Company to seize the market again and move towards high-end. At the same time, the characteristics of 5G, such as low latency, low power consumption, and high speed, play a vital role in Xiaomi's core strategy AIoT, which can further develop the Internet of Things, build the whole ecological chain of Xiaomi and usher in the opportunity of rapid development.

#### (4) Threat analysis

Because most of the components of Xiaomi's products come from major suppliers all over the world, especially chips as the core components of mobile phones, almost all of Xiaomi's products come from Qualcomm, USA. Although in recent years, it has tried to independently develop "surging" chips and use the chips of MediaTek, the results are hard to compete with Qualcomm's chips, which makes Xiaomi have no core components to use in the face of Qualcomm's technical blockade, which is undoubtedly a huge risk for Xiaomi.

With the gradual development of the smartphone market, there are more and more brands for people to choose from, and the market competition is becoming more and more fierce. Besides facing the existing mobile phone giants such as Huawei, Apple, VIVO, and OPPO, we should also prevent the new Internet giants from joining to grab market share.

The cost-performance advantage of Xiaomi Company has gradually disappeared. In recent years, all major mobile phone manufacturers have launched sub-brands (such as Realme, IQOO, etc.) to enter the online and low-end market competition. Xiaomi's advantage of super high-cost performance gradually disappeared, which caused a lot of trouble for the follow-up development of Xiaomi Company.

#### **4. 2. 4 Marketing mix strategy analysis**

##### (1) Product strategy

Xiaomi takes the mobile phone+intelligent hardware+AIoT platform as its core product. Xiaomi attaches great importance to the combination of software and hardware of products. When it is committed to developing smartphones, it develops the AIoT platform and intelligent hardware at the same time, so that they can cooperate to promote development and enhance the competitiveness of enterprises.

Xiaomi's mobile phone update iteration speed is very fast. According to the different needs of different consumers, it has launched digital series, MIX series, Note series, CC series, and other series. Actively collecting users' demands before product release to improve the product not only reduces the R&D cost but also allows users to participate in the design of mobile phones to enhance the sense of experience, thus quickly attracting a large number of users to become "rice noodles".

At the same time, the ultra-high cost-effective product strategy has attracted a large number of price-sensitive users to become fans of Xiaomi. However, with the development of the Xiaomi brand, it needs an advanced high-end market, and the cost-effective ratio also restricts the development of Xiaomi. Therefore, Xiaomi Company implemented the dual-brand strategy in 2019 to make the Redmi series independent from the Redmi brand, and handed over the low-end market to the Redmi brand, while the Xiaomi brand began to research and develop the top-level flagship machine to attack the high-end market.

At the same time, the world's largest consumer IoT Internet of Things platform was also established by Xiaomi Company, which has connected more than 100 million intelligent Internet devices, making the Internet of Everything possible. In addition, the addition of MIUI has created the AIoT ecological chain of all categories. Intelligent hardware involves many fields, and most of the product designs are simple and popular among consumers. At the same time, consumers will choose the Xiaomi brand under the same conditions to enhance the consumer experience, forming a unique consumption concept for Xiaomi Company, further enhancing the brand value of Xiaomi Company and releasing the brand's potential energy.

Table 4. 2 Summary of Xiaomi Mobile Phone Product Models

Brand	Series	Model
Xiaomi	MIX Series	Xiaomi MIX3、MIX2/2S、MIX1
	Digital Series	Xiaomi11、Xiaomi10/10Pro、Xiaomi9/9Pro、Xiaomi8
	CC Series	XiaomiCC9/CC9Pro
	K Series	K40/K40Pro、K30/K30Pro、K20/K20Pro
Redmi HongMi	X Series	10X/10XPro
	Note Series	Note9/9Pro、Note8/8Pro、Note7/7Pro
	Digital Series	Redmi9/9A、Redmi8/8A、Redmi7/7A

Table 4. 3 Xiaomi Mobile Phone Product Strategy

Type	Introduce
Mi 10T/Mi 10T Pro	It is equipped with Snapdragon 865 processor, 144hz high refresh rate screen, 64-megapixel, and 100-megapixel HD main camera starting from 499 euros and 599 euros. By the end of October, the sales volume of models with a price of 3, 000 yuan and more than 300 euros had exceeded 8 million units.
Facing the overseas market	
Redmi K30 Extreme	They are equipped with Dimensity 1000+flagship 5G processor and Snapdragon 865 processor, 120Hz AMOLED full screen, and 144Hz refresh rate screen respectively. The price starts from 1999 yuan, which provides users with different preferences with extremely cost-effective flagship options, and the market response is strong.
Commemorative Edition/K30S Extreme	
Commemorative Edition	Since it was released in June 2020, it has been very popular. As of September 30th, the global sales volume has exceeded 14 million units. In the third quarter of 2020, among the top ten best-selling models in the world, three are Redmi phones.
The flagship of cost performance	
Redmi 9 series \$100 entry model	

## (2) Price strategy

When Xiaomi released the first generation of products, it caused an uproar in the industry at the price of 1999. In that era when smartphones were very expensive, Xiaomi Company used the price-sensitive consumer's low-cost psychology to attract a huge number of consumers, and at the same time maintained the corporate image with excellent product quality, enhanced the brand loyalty of consumers, and quickly occupied the market.

From the beginning of Xiaomi's product release, it has been pricing with "9" as the mantissa, which can make consumers think that commodity prices are low, further catering to consumers' desire for honesty and enhancing consumers' identity with the brand. At the same time, due to the influence of national customs, social customs, cultural traditions, and values, "9" has been given a long and lasting meaning by the Chinese people. In ancient times, "9" was regarded as the biggest auspicious meaning of the number, such as the "Ninth Five-Year Plan", which was in line with the Chinese people's consumption concept, so it was more easily accepted by consumers.

### (3) Promotion strategy

Before each new product release of Xiaomi Company, executives including the founder will preheat the new products through the new media platform, and widely publicize the products through the star effect. Award-winning interaction is carried out to make consumers participate in preheating, answer questions for consumers, and at the same time, further enhance the popularity of promoting new products, enhance consumers' sense of participation, and increase user viscosity.

In addition, Xiaomi Company not only promotes activities in festivals such as "double 11 Shopping Carnival" and "JD. COM 618" that we are familiar with but also promotes discounts at the "Rice Noodle Festival" on April 6th every year. Every year, Xiaomi Company will invite some fans to participate in the "Xiaomi Family Banquet", which will narrow the distance between Xiaomi and fans, enhance the sense of belonging and identity of consumers and thus enhance brand loyalty.

### (4) Channel strategy

Xiaomi sells its products mainly through online sales, supplemented by offline sales. At the initial stage of the company's establishment, Xiaomi Company mainly developed online sales with extremely low channel construction costs to reduce the cost and shorten the length of intermediate channels, taking offline as the after-sales service point. However, with the development of Xiaomi Company, the online dividend gradually shrank and began to gradually lay out offline channels.

Online channels. There are mainly self-operated flagship stores of traditional e-commerce platforms such as Taobao and JD. COM, as well as sales channels such as Xiaomi Mall and Xiaomi Youpin. Consumers can buy or learn about products of the Xiaomi brand and some eco-chain products through Xiaomi Mall, and use big data analysis to analyze demand preferences according to consumers browsing records, to better push product information that meets consumers' consumption needs. Xiaomi Youpin mainly sells eco-chain products or Mijia products. Most of the products it sells are simple in design, but the prices of products of the same quality are lower than those of other brands, which are loved by many consumers, especially young consumers.

Offline channels. In the early days, Xiaomi Company only treated offline as the after-

sales service point of Xiaomi Company. However, with the development of the market, after the online dividend gradually disappeared, VIVO and OPPO kept growing with offline channels when the market environment was sluggish, which made Xiaomi Company realize the importance of laying offline channels. However, due to the limitation of cost performance, the cost of expanding dealers is huge, so the self-built and self-operated "Xiaomi Home". Xiaomi Home will be built into a comprehensive shop that provides consumers with product sales, after-sales service, product experience, etc. In this way, we can pay more attention to the needs of consumers, enable consumers to truly experience the products of Xiaomi Company and ecological chain products, and enhance customer stickiness. According to the data released by Xiaomi Company, the ping efficiency of Xiaomi Home is 270, 000 yuan, ranking second only to Apple's 400, 000 yuan. Internationally, most consumers are used to buying contract machines, so Xiaomi Company actively cooperates with local market operators to launch contract machines to meet the needs of local consumers.

Table 4. 4 Comparison of sales channels between Xiaomi and competitors

		Xiaomi	Samsung	Apple	OPPO	Lenovo
Online	official website	Primary	Secondary	Primary	Secondary	Secondary
	Taobao	Secondary	Secondary	Secondary	Secondary	Secondary
	JD. COM	Secondary	Secondary	Secondary	Secondary	Secondary
Offline	Brand Stores	Without	Primary	Primary	Secondary	Primary
	Mobile Phone Stores	Without	Primary	Secondary	Primary	Primary
	Telecom Operators	Secondary	Secondary	Secondary	Secondary	Secondary

#### 4. 2. 5 STP strategic analysis

##### (1) Market segmentation

According to the geographical environment, different geographical environments cause consumers different consumption ideas and demands, so enterprises also need to formulate appropriate marketing strategies according to different regions<sup>①</sup>. In developed areas such as first-tier and second-tier cities, consumers have strong spending power, pursue fashionable personalities, and pay more attention to their status. However, in third-and fourth-tier cities and remote underdeveloped areas, consumers are weak in spending power and sensitive to prices, hoping for high quality and low price products. Therefore, Xiaomi mobile phone implements the dual-brand strategy of Xiaomi+Redmi. Xiaomi fully impacts the high-end market in the face of developed regions, while the Redmi brand inherits the cost-effective advantages of Xiaomi and deeply cultivates the low-end market in underdeveloped regions.

According to purchasing power, most young white-collar workers and students with low income have limited purchasing power, but they love entertainment and are interested in electronic products. Therefore, the performance and configuration of mobile phones have certain requirements, which coincides with Xiaomi's product philosophy of being "born for fever" and "extremely cost-effective", and is the main consumer of Xiaomi Company at present. However, high-income people have high purchasing power, are insensitive to the

<sup>①</sup>Rahela Tabassum, Shehbaz Ahmed. (2020). Xiaomi invades the smartphone market in India. *DECISION: Official Journal of Indian Institute of Management Calcutta*, 12(5), 77-79.



price of mobile phones, and pay more attention to the stability and security of mobile phone systems. These consumers are more sensitive to brand awareness, and they are the people that Xiaomi Company should be able to strive for in the future development process.

By gender, male consumers are more sensitive to the performance, configuration, and price of products, while female consumers pay more attention to the cameras and industrial design of products. Tough industrial design is more in line with men's aesthetic, which leads to the fact that most of Xiaomi's consumers are male consumers. After realizing the problem, Xiaomi cooperated with Meitu Company to launch the Xiaomi CC series for female groups, but the results were not satisfactory. In the follow-up development process, we should pay more attention to the product design to win more female consumers.

## (2) Selection of the target market

Since its development, Xiaomi has gained a firm foothold in the smartphone market with one product after another with "the ultimate cost performance". According to Canals's report, Xiaomi surpassed Apple in the third quarter of 2020 and became the third mobile phone brand in global smartphone shipments. However, with the development of the market, the "cost-performance ratio" reduces the brand value of Xiaomi Company and limits its pace of entering the high-end market. In 2019, Xiaomi Company separated the Redmi series and combed the product line, which made the product layout of Xiaomi Company gradually clear. Among them, the Xiaomi MIX series will be built into the top flagship product, as the main product impacting the high-end; Xiaomi digital series is the flagship product for the original "enthusiasts" and white-collar workers, and at the same time has a certain cost performance compared with other brands; CC series continues to cooperate with Meitu to design products that meet women's aesthetics and compete for the women's market with huge consumption potential. The K series of the Redmi brand will be aimed at price-sensitive youth and students, and continue to build sub-flagship products with high-cost performance; the Redmi Note series and digital series are deep-rooted in the low-end market based on cost performance, maintaining the original low-end market share and developing mobile phones for the elderly. In addition, Xiaomi's black shark mobile phone continues to build e-sports mobile phones to compete in the game mobile phone market.

Since then, the target market of Xiaomi's products has covered all the high-end business mobile phones, flagship mobile phones, female mobile phones, student phones, old man-machine computers, game mobile phones, and other markets, and all prices segments from 100-yuan machines to 10,000-yuan machines. Making Xiaomi company launch different series and formulate different marketing strategies for different market segments can more accurately meet the needs of all kinds of consumers, save production costs and a lot of post-publicity costs, and help Xiaomi company to impact the high-end market while improving its brand value.

## (3) Market positioning

At the initial stage of entering the market, Xiaomi quickly differentiated the market

with "extreme cost performance" to differentiate itself from the old smartphone manufacturers, highlighting the product advantages, enabling consumers to quickly remember the Xiaomi brand and establish a huge consumer group. However, as more and more established smartphone manufacturers began to enter the cost-effective market, the cost-effective dividend of Xiaomi Company gradually disappeared and began to restrict its rapid development of Xiaomi Company. At the same time, the improvement of the smartphone industry chain inevitably leads to more and more homogeneous products, prompting Xiaomi Company to find new differences and distinguish it from its competitors.

At present, the smartphone market has entered the buyer's market from the seller's market, so Xiaomi Company should formulate differentiated marketing strategies and product designs according to the needs of consumers, instead of persuading consumers to buy products to meet the needs of consumers in various target markets, so that consumers can form consumption preferences for Xiaomi brand and enhance their loyalty so that consumers can play the role of opinion leaders in daily life and use huge customer resources to enhance brand influence.

In addition, Xiaomi Company should make full use of the low latency and high network speed of the 5G network to give full play to its dominant position in the field of AIoT and attract consumers to experience the convenience of the Internet of Things, and enhance the purchasing experience. Make Xiaomi mobile phone and intelligent hardware develop synergistically, and reshape the brand image. Make use of Xiaomi Home, Xiaomi Community, etc. to keep close contact with consumers, more accurately know and meet the needs of consumers, provide rich and perfect products and services, enhance brand value, and lay a good foundation for Xiaomi Company to impact the high-end market.

#### **4. 2. 6 Xiaomi Company's new media marketing strategy analysis**

##### **(1) Word-of-mouth marketing**

When Xiaomi launched its first product, the MIUI system, word-of-mouth marketing achieved unexpected results. One of the founders organized a team to post posts in major forums to find disseminators and finally selected 100 users to participate in MIUI research and development. After these 100 users became loyal fans of Xiaomi Company, they began to spontaneously spread information about Xiaomi Company in their daily lives, which made MIUI users from 0, 000 to 300, 000 in less than a year.

At the same time, taking advantage of the sociality and extensive information dissemination of new media platforms such as Weibo and Today's Headlines, all senior executives go into battle to warm up and publicize new products before each new product release, and attract a large number of consumers attention through activities such as manufacturing hotspots and prize-winning interaction, so that the product information can quickly spread to fans ears, and the fans actively spread in the social circle, so that the product information can reach a wider audience in the shortest time. Because most of the

receiver's information in word-of-mouth marketing comes from the interpersonal relationships around them, it is easier for the receiver to trust and identify with each other after receiving the information, which is beneficial to Xiaomi Company to establish a good corporate image.

## (2) Community marketing

In 2011, one of the founders of Xiaomi Company established the MIUI Forum, which was defined as a platform where "enthusiasts" gathered. Through interactive communication in the forum, users' pain points and real needs for Android were understood, and products were designed more accurately to meet users' consumption needs. The registered users of the MIUI Forum exceeded 2 million in less than one year. To adapt to the development of Xiaomi Company, MIUI Forum, and my Xiaomi will be merged into the Xiaomi community in 2018, and the internal test of the MIUI system will be released to enthusiasts through the Xiaomi community so that users can quickly experience the latest product functions, make users participate in the research and development process with user experience as the core, improve customer participation and self-identity, build communities and form fan groups to increase customer viscosity.

Xiaomi community has changed the traditional communication path, making the programmers of Xiaomi Company become the core members of the Xiaomi community, communicating face-to-face with rice flour with common interests to learn the demand and realize precise marketing. In the face of the questions raised by consumers, fans in the community will help each other solve the problems. Besides, programmers will also answer the questions online for the first time, so that the service will go online from the after-sales point, jumping out of the service mode that traditional mobile phone manufacturers set up offline after-sales points, and realizing convenient, efficient, accurate and extremely low-cost after-sales service. The content of the Xiaomi community is also updated in real-time, and the MIUI system business has realized the update frequency as fast as one week according to the user experience, effectively improving the customer stickiness.

## (3) Hunger marketing

Before each new product release, Xiaomi will use a lot of energy to be active on new media platforms such as Weibo, Tik Tok, Today Headlines, etc. to promote new products and warm up hot spots of manufacturing products, keep consumers attention to new products, and cooperate with word-of-mouth marketing to make the heat rise again and amplify the brand appeal. When new products are released, through accurate investigation and evaluation of market demand, an accurate production plan is formulated to control the output, which makes it difficult to find a single machine in product sales so that consumers can perceive the scarcity of products and increase the popularity of millet products again. At the same time, it sells in the form of "snapping up" and "second kill" to stimulate and strengthen consumers' desire to buy. By controlling the production plan to produce mobile phones in batches, the production cost is decreasing with time, and the attention of consumers can also be transformed into purchasing power in the product life cycle, thus prolonging the product life

cycle and obtaining stable benefits. In the eyes of consumers, products that need to be snapped up for a long time must be good, otherwise, they won't need to be snapped up, which enhances consumers' sense of brand identity and effectively maintains the corporate image.

#### (4) Explosives marketing

Xiaomi is deeply involved in product design and user experience at the same time as increasing the cost-effective route and has created dozens of "explosive products" with over 1 billion sales by its precise positioning in the target market. The marketing of explosive products has broken the traditional way of promoting only a single product, but through a single breakthrough, it quickly connects customers to enhance stickiness. From the single-point "explosive products" to each other, the explosive products in the product plane are formed, and a trinity three-dimensional marketing method is formed with enterprises. Xiaomi's initial "price-performance ratio" strategy caters to the characteristics of students or young people who are new to the workplace and who love high technology, and high value but lack money. Therefore, it has created several "young people's first" explosive products suitable for young people (such as young people's first TV, etc. ), thus breaking through the pain points of consumers and quickly grasping the "young people" consumer group. At the same time, we will create products with extremely high-cost performance, such as "Millet Giant Energy Writing" and "Millet Rainbow Battery", but the profits of these products as daily necessities are extremely low. However, for Xiaomi Company, the use of extremely low cost increases consumers' perception of Xiaomi Company, which virtually enhances the corporate image in consumers' minds and establishes users' perception of high quality and low price. In addition, the industrial design atmosphere and simplicity of smart hardware of Xiaomi Eco-chain have a unified design style, which is in line with the aesthetics of current consumers and can be intelligently interconnected with Xiaomi mobile phones, thus quickly distinguishing itself from other smartphone manufacturers and smart home manufacturers and highlighting its competitive advantages. Make consumers, smart hardware, and Xiaomi mobile phones form a closed loop, and enhance the loyalty of consumers.

### 4.3 Discussion

With the development of China and the improvement of people's living standards, we have gradually entered the Internet age. As a new way of social evolution, the Internet is changing people's way of thinking, life, and communication with its fast and changeable features. The development of the Internet can be divided into three stages. The first stage: is from a single network to the Internet; The second stage: is to build a three-level Internet, which is divided into a backbone network, regional network, and campus network; The third stage is the Internet of Things. In the process of predicting and thinking about the strategy of the Internet of Things, Xiaomi's ecological chain came into being. Lei Jun's core team and Xiaomi's advanced layout with strategic height are very innovative at the operation level and forward-looking at a strategic level, behind which Lei Jun and his team have very careful thinking. Ecology is not only an extension at the product level, but also a reflection on how to connect more users with products and hardware, lay out the Internet of Things in advance,

and occupy certain opportunities under the background of mass market consumption upgrading.

In the whole strategy of the Internet of Things, the core idea is "connection", which firstly connects people and things, then realizes the connection between people, and finally creates a big IoT era in which everything is connected. Nowadays, endless ecological chains are integrated into life in different ways, such as Yunmi, Yiweilian, Graffiti Intelligence, Opal Lighting, etc. However, the vast majority of ecological chains are just like newly-built houses, and their foundation is still thin. Not only are there few products in the circle, but also the connection "ties" are full of loopholes. Among them, the development of Xiaomi technology is the fastest. After several years of layout, it not only exaggerates the scope of the ecological circle to various fields but also breaks through the barriers of many platforms, connecting more and more users through the ties of science and technology. A clear and vibrant ecological chain is gradually being built.

In recent years, according to the strategic transformation of Xiaomi Company and the development of its ecological chain, there are still many problems worthy of further discussion. Apart from the advantages of the product itself, Xiaomi's mobile phone has to benefit from its successful "marketing strategy" for its position in the highly competitive market. However, in the electronic product industry, the market competition is particularly fierce. Since the advent of the Xiaomi mobile phone in 2011, Xiaomi mobile phone has mainly adopted the strategy of hunger marketing, which has deeply attracted consumers, aroused consumers' desire to buy, opened up the market for Xiaomi mobile phone, and occupied a place in the fierce market competition. However, over time, the hunger marketing strategy gradually retreated from the original "magic" in the sales process of Xiaomi mobile phones. With the layout of Xiaomi's ecological chain, the focus of Xiaomi's research has gradually expanded from a single mobile phone to the general direction of scientific and technological products. However, with the increasing number of Xiaomi products, its product quality, sales and service have not kept up with its development pace, which makes consumers have various concerns when buying Xiaomi's products. Therefore, Xiaomi's mobile phone should adjust its marketing strategy at any time according to the actual situation of the market, control the product quality, improve the service level, and make it more in line with consumers' consumption psychology and habits.

To sum up, Xiaomi mobile phone brand has great advantages in internet marketing, online channels, and cost performance, but there are also some shortcomings in hunger marketing, product quality, and after-sales service. Although Xiaomi's mobile phone brand is facing the impact of fierce competition from many mobile phone manufacturers in the same industry and the crisis of negative public opinion, it can be seen from the opportunity analysis that with the support of national policies, the rapid development of 5G mobile Internet and the successive weakening of competitors, Xiaomi's mobile phone still faces a great market development space.

## **Chapter 5 Conclusion and Recommendations**

### **5. 1 Conclusion**

#### **5. 1. 1 Insufficient core competitiveness**

With the maturity of the smartphone industry, people pay more and more attention to intellectual property rights. In 2018, the United States sanctioned ZTE, prohibiting American companies from selling parts, commodities, software, and technology to ZTE within seven years. In 2019, the United States listed Huawei in the entity list, which caused Huawei's Kirin chip to be cut off. Further, it is suggested that having core technology is becoming a necessary condition for enterprises to develop in the market for a long time. Most of Xiaomi's core hardware comes from top international suppliers, especially since the core components of smartphones are excessively dependent on Qualcomm. In 2015, due to various reasons in the supply chain, South Korea's Samsung Company once stopped supplying screens to Xiaomi Company, resulting in a decline in business. Over-reliance on suppliers, not paying attention to research and development of core technologies, when encountering unpredictable economic sanctions and trade frictions, Xiaomi Company will not be able to avoid risks in time and effectively, resulting in the loss of enterprise interests. According to the ranking of domestic patents in the first half of 2020 released by the State Intellectual Property Office, Huawei(2, 772)and OPPO(1925)occupied first and second place respectively, while Xiaomi Company was not listed. In the market competition, Xiaomi's core competitiveness is not strong when competing with Huawei, Apple, Samsung, and other technology-based enterprises that can independently research and develop.

#### **5. 1. 2 Brand marketing imbalance leads to brand image damage**

At the initial stage of its establishment, Xiaomi gained a large number of fans through word-of-mouth marketing, and at the same time, with the strategy of being "cost-effective", Xiaomi's mobile phone stood out from the highly competitive smartphone market and occupied one place. But at the same time, it also limits the development of Xiaomi Company. "Cost-performance ratio" and "low price" have become a cognitive label of consumers for Xiaomi Company. In addition, the top management of Xiaomi Company does not pay attention to corporate image building, and the marketing strategy does not change with the market changes, resulting in the damage to corporate brand image, hitting the high-end market one after another. According to the market share list of high-end mobile phones released by CounterpointResearch in the first quarter of 2020 in the world, among the high-end phones with a price of over\$400, the top three are Apple's 57%, Samsung's 19%and Huawei's 12%, while Xiaomi's fifth place only accounts for 2%. It is not difficult to see that Xiaomi Company's long-term deep-rooted low-end market has led to a serious shortage of market share of high-end phones and poor brand premium ability. In recent years, Xiaomi Company's long-standing brand image has led to repeated setbacks in smartphones such as Xiaomi 9 and Xiaomi MIX3 released in the high-end market, and the market response is flat. Until the release of Xiaomi 10 Supreme Commemorative Edition in 2020, the main theme

of "black technology" subverted the usual form of conference and achieved certain success in initially stabilizing the high-end machine market. However, the overall brand image of Xiaomi Company has not yet gotten rid of the "low-end" label, and it is necessary to change the marketing strategy according to the market development, change the consumer's perception of the Xiaomi brand and rebuild the brand image.

### **5. 1. 3 The brand audience is monotonous**

In the early days, Xiaomi mobile phone relied on the precise positioning of the market, which made up for the gap in the low-cost market in the era when most smartphones cost 3,000 yuan, and developed rapidly in the smartphone market. Moreover, this market mainly faces groups with low incomes but knowledge of the Internet, such as young people and students who are new to the workplace, and enthusiasts who like to experience new things and often change electronic devices. Therefore, Xiaomi's current audience is mostly price-sensitive young male white-collar workers, students, and mobile phone enthusiasts who pursue the functionality and configuration of mobile phones.

However, these two groups of people only account for a small part of the smartphone market, and there is a vast market that is not the audience of the Xiaomi brand. At present, the male-female ratio of Xiaomi mobile phone users is seriously out of balance by about 2:1, and users are younger than other smartphone brands. In 2019, Xiaomi Company set up the Xiaomi CC series to show good to female users and made the Redmi digital series a mobile phone designed for the elderly. However, the market response was not satisfactory due to the lack of attention to these two target markets in the early stage. All in all, Xiaomi Company's current product audience is monotonous and cannot meet the needs of other consumers.

### **5. 1. 4 Asymmetric target market and offline channels**

Xiaomi Company, as an emerging Internet company, relies on the Internet in both marketing strategy and sales channels. Xiaomi, which is at the forefront of the Internet, quickly stands out in the market competition and shows amazing explosive power. However, nowadays, major mobile phone manufacturers are also laying out online sales, and the Internet dividend is gradually divided up. However, Xiaomi Company, which relies on online sales from the very beginning, seems to be short of the offline channel layout of other smartphone manufacturers.

As the sales profit of Xiaomi's mobile phones is not high, few dealers are willing to sell Xiaomi products as agents. At the same time, expanding the offline sales channels will inevitably increase the cost of Xiaomi Company. Therefore, Xiaomi Company's current offline sales mainly rely on the self-operated "Xiaomi Home", which determines that Xiaomi Company's offline sales channels can't complete the layout quickly. A considerable number of consumers in Xiaomi are cost-effective fans who are sensitive to price. However, in the face of third-and fourth-tier cities with a vast market that is more sensitive to price but backward Internet, the Internet marketing strategy cannot effectively adapt to market penetration. Compared with OPPO and VIVO, the dominant offline channels, their offline self-operated stores, and distributors are blooming everywhere in third-and fourth-tier cities

and even backward villages. OPPO and VIVO are not necessarily the best choices for consumers, but they must be the easiest mobile phone brands to buy. However, Xiaomi Company's initial layout of offline channels is slow due to various reasons, and Internet marketing occupies a dominant position, resulting in asymmetric information dissemination to the target market, which makes the company lose a large number of consumers in the target market.

## **5. 2 Recommendations**

### **5. 2. 1 Clear product positioning in the target market**

Different consumers are influenced by different political environments, economies, and other factors, and their consumption preferences are also different. Only through professional market research, can enterprises accurately understand the needs of users, produce products that meet their preferences and realize precise marketing<sup>②</sup>. At present, apart from low-and middle-income people as the target market, Xiaomi should also conduct market research, subdivide the target market according to the age, gender, purchasing power, and other factors of consumers, and intensively cultivate Xiaomi's product line for a single target market. According to different target markets, different marketing strategies are used, and the low-end market is handed over to Black Shark mobile phone from the Redmi series and game market, while other series of Xiaomi focus on hitting the high-end market, giving full play to the competitive advantage of products in the target market, and timely adjusting the product production strategy according to the market development trend, so that each product line can cover the whole smartphone market.

### **5. 2. 2 Enhance innovation ability and core competitiveness**

At present, the competition in the smartphone market is fierce, the iteration speed of mobile phones is accelerating, more and more homogeneous products are used, and the service life of consumer products is prolonged. Xiaomi Company pays too much attention to marketing strategy and neglects its technical strength accumulation, which leads to the lack of core competitiveness in the company. For the sake of sustainable development in the future, Xiaomi Company must enhance its innovation ability and core competitiveness.

Xiaomi should rely on its advantages in MIUI, AIoT, intelligent hardware, and other fields to apply the cutting-edge science and technology of the Internet of Things, artificial intelligence, and 5G to its products, and pay attention to the joint development of innovative products in different fields, so that users can feel the convenience brought by high-tech innovative products to their life scenes, enhance their consumption experience and promote consumption upgrading to give full play to their competitive advantages. In addition, whether it is product innovation or scientific and technological research and development, it needs a large amount of talent reserve and capital investment, increasing the cost ratio of

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<sup>②</sup>Loo Geok Pee, Shan L. Pan, Mingwei Li, Suling Jia. (2020). Social informatics of information value cocreation: A case study of Xiaomi's online user community. *Journal of the Association for Information Science and Technology*, 71(4), 65-69.



technological research and development in enterprise operation, paying attention to extensive talent reserve, recruiting talents and attracting technical talents, and improving the ability of scientific and technological transformation to lay the foundation for the core competitiveness of sustainable development.

### **5. 2. 3 Pay attention to brand marketing and improve consumer loyalty**

In recent years, Xiaomi's mobile phone has repeatedly tried to enter the high-end market but failed repeatedly because Xiaomi's brand value is not high, and it is difficult to gain the recognition of consumers in the high-end market. Therefore, Xiaomi Company should pay more attention to brand marketing, widely publicize and enhance its popularity through Internet marketing and traditional media marketing, at the same time, establish a perfect product quality supervision system, perfect after-sales service system, keep in touch with consumers before and after sales by Xiaomi community, and make consumers feel the intimate service from Xiaomi brand so that consumers can feel that they are buying not only a single product but a whole service system, strengthen the quality of Xiaomi brand in consumers minds, establish a brand image, enhance consumer identity and enhance brand premium ability. In addition, Xiaomi's ecological chain and Xiaomi's mobile phone can realize linkage development, so that consumers can experience the fun brought by by-products, enhance brand stickiness, enhance customer loyalty, form a unique competitive advantage for the Xiaomi brand, and enhance the brand value.

### **5. 2. 4 Broaden offline sales channels**

At present, Xiaomi Company mainly relies on online sales, while offline sales mainly rely on Xiaomi Home, which leads to the loss of customers because a large number of areas with underdeveloped information cannot receive product information. People in these areas have lower incomes and are more sensitive to prices, just in line with Xiaomi Company's ultra-high cost-effective product strategy. Low product prices can effectively attract consumers to buy, which can be said to be the target market tailored for Xiaomi Company, but it has not been taken seriously. Therefore, to further expand product sales, it is very necessary to vigorously develop offline channels in third-and fourth-tier cities with vast markets and huge consumption potential and backward areas with underdeveloped information. In addition to continuing to expand Xiaomi's store, we can also establish cooperative relations with other distributors and local business halls, so that we can quickly cover products to various regions at a low cost.

### **5. 2. 5 Grasp the "5G" tuyere**

Lei Jun, the founder of Xiaomi Company, said: Pigs can fly when standing on the tuyere. With the gradual saturation of the smartphone market, the product life cycle becomes longer. As a result, the consumption power in the smartphone market is insufficient, but in 2019, the 5G network began to be officially commercialized. No matter the national policy or enterprise development, the 5G layout has begun, and every iteration of communication technology upgrade will bring about a replacement demand. This also means that it is both a challenge and an opportunity for Xiaomi Company. Whether it can take advantage of the changing tide brought by the 5G network to meet the needs of consumers, promote

enterprises to move towards the high-end market, and expand market share is very important. We can rush to launch 5G products to lead the 5G market, and at the same time, we can apply 5G technology to the ecological chain to interconnect smart homes and mobile phones to create smart living scenes, so that consumers can truly experience the changes brought by 5G. We can also give full play to Xiaomi's unique cost-effective advantages to make 5G mobile phones stand firm in the low-end market, and at the same time, use 5G technology to create innovative products with high technology content, enter the high-end market to compete and effectively enhance the brand image.

### **5.3 Research Limitations**

This study is based on the brand value theory of millet marketing analysis of the current situation. This study uses qualitative research methods and lacks the application and consideration of quantitative research, such as the lack of actual market questionnaire survey, interview survey, etc. The research method itself has certain limitations, such as the analysis is not comprehensive enough, and it can't be cut from the perspective of consumers.

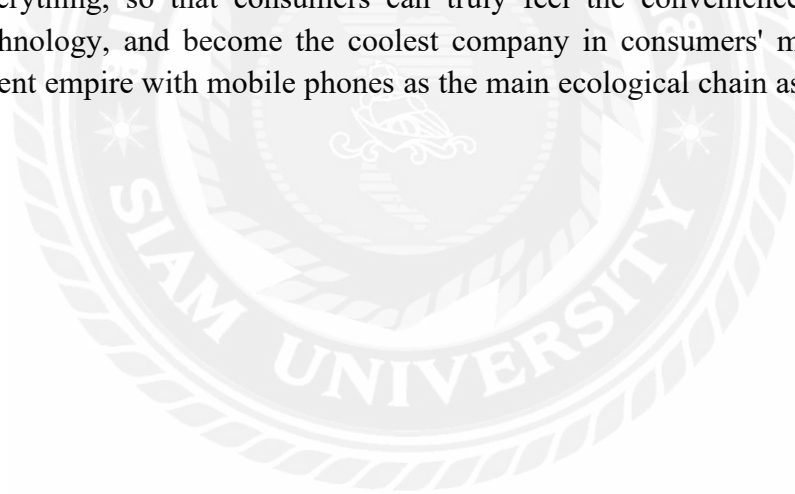
### **5.4 Future Research**

With the development of information technology in recent years, the market prospect of smartphones is broad, and mobile phones are increasingly becoming indispensable electronic products for modern people. The widespread use and popularization of mobile phones have promoted the arrival of large-scale social transformation. With the full coverage of 4g and 4g networks, and the further acceleration and layout of 5g and 4g networks, more and more smartphones have been shipped in China and around the world, especially in China. In 2020, the total shipments of smartphones and mobile markets in China averaged 639 million, and the number of smartphone users reached 889 million. In the fierce competition in the international market, Xiaomi's mobile phone stands out from the crowd and has already occupied a large market share. The released mobile phone products are welcomed and supported by consumers, which makes Xiaomi not only gain a large number of fans in China but also get the support of many consumers in foreign countries. Electronic products are developing rapidly in the fierce market competition and play an important role in daily life. As early as 2010, Beijing Xiaomi Technology Co., Ltd. was officially registered and incorporated into Beijing Yingu Technology Building and has a team of Xiaomi technology R&D and operation management talents with super comprehensive R&D capabilities. Thanks to the rapid development of the new technology products of Xiaomi Mobile Phone, it and Xiaomi, a well-known brand in the world, have developed rapidly in all the streets and alleys in China. In just a few years, Xiaomi's smartphone has gradually become mature and has become a kind of "fashion" widely accepted and respected by the younger generation. From the unknown mobile phone market to today's domestic hegemony, Xiaomi's hunger consumption marketing and mobile internet can be said to have set its sweat horse for Xiaomi. At that time, the development of the Internet made many Chinese and foreign enterprises, but with the prominent problems in the later period, many Chinese and foreign enterprises also

fell into a desperate situation due to the rapid popularization of the Internet.

Today, Xiaomi has become the fourth largest smartphone manufacturer in the world and has entered the top 5 in the mobile phone market in more than 30 countries and regions. A series of marketing strategies used by Xiaomi Company have endowed Xiaomi with its unique corporate culture and mission, enhanced consumers' sense of identity and loyalty, and made Xiaomi have a certain brand awareness all over the world. Thus, it took only 8 years to go public, and 9 years to become a business miracle of the world's top 500.

However, with the development of society and the progress of science and technology, some marketing strategies of Xiaomi Company are no longer suitable for the trend of today's social development. If you want to continue to improve the core competitiveness of enterprises, you need to combine the consumer demand, define the positioning of products in the target market, enhance your innovation ability, and strive to create a new business model to find new growth points. At the same time, in the face of different consumers, we should adopt appropriate marketing strategies to continuously enhance consumers' brand loyalty, seize the opportunity in the new 5G outlet to speed up the process of impacting the high-end market, enhance the brand premium ability and enhance the brand value. In addition, the maturity of the Internet of Things technology is used to create an intelligent life scene of the Internet of Everything, so that consumers can truly feel the convenience and efficiency brought by technology, and become the coolest company in consumers' minds, forming a Xiaomi intelligent empire with mobile phones as the main ecological chain as the supplement.



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