A STUDY ON THE INFLUENCING FACTORS OF FINANCIAL RESOURCE ALLOCATION OF XIAOMI COMPANY IN CHINA BASED ON RESOURCE-BASED THEORY

HU KUN
6717195403

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION
GRADUATE SCHOOL OF BUSINESS
SIAM UNIVERSITY
2025

A STUDY ON THE INFLUENCING FACTORS OF FINANCIAL RESOURCE ALLOCATION OF XIAOMI COMPANY IN CHINA BASED ON RESOURCE-BASED THEORY

HU KUN

This Independent Study has been Approved as a Partial Fulfillment of the Requirements for the Degree of Master of Business Administration

Advisor: .....
(Dr. Qiu Chao)

Date: ...../...../.....

.....
(Associate Professor Dr. Jomphong Mongkhonvanit)
Dean, Graduate School of Business

Date...9.../...May.../...2026...
Siam University, Bangkok, Thailand

Title: A Study on the Influencing Factors of Financial Resource Allocation of Xiaomi Company in China Based on Resource-Based Theory

By: HU KUN

Degree: Master of Business Administration

Major: International Business Management

Advisor: .....

(Dr. Qiu Chao)

Date: ...../...../.....

ABSTRACT

In the fiercely competitive and rapidly evolving business landscape of China's technology sector, effective financial resource allocation has emerged as a critical determinant for a company's long-term success and sustainable development. As a leading player in the Chinese technology market, Xiaomi Company operates in an environment characterized by intense market rivalry, rapid technological advancements, and ever-changing consumer demands. Against this backdrop, understanding the factors that influence Xiaomi's financial resource allocation has become an urgent and essential task for both the company's management and researchers in the field.

This study aimed to explore the influencing factors of financial resource allocation of Xiaomi company in China, based on Resource-Based Theory. Specifically, the study sought to construct a structural model that comprehensively captures the relationships between these factors and financial resource allocation. The research also endeavored to validate the proposed research hypotheses and the structural model through empirical analysis. By analyzing the impacts of technological innovation capability, brand influence, supply chain management capability, and human resource quality on financial resource allocation, this study aimed to provide in-depth insights into the internal mechanisms that drive Xiaomi's financial resource allocation decisions.

This research adopted a quantitative research method and collected data through questionnaires. A total of 530 questionnaires were distributed, with 438 valid responses, resulting in an effective response rate of 82.6%. The study finds that technological innovation capability, brand influence, supply chain management capability, and human resource quality all have significant impacts on financial resource allocation. Based on these findings, this study proposes strategic suggestions for optimizing Xiaomi's financial resource allocation: (1) strengthen technological innovation capability; (2) enhance brand influence; (3) optimize supply chain management capability; and (4) improve human resource quality.

Keywords: Xiaomi Corporation, Resource-Based Theory, financial resource allocation, influencing factors

ACKNOWLEDGEMENT

On the occasion of the completion of this independent study, I, with immense gratitude, would like to extend my heartfelt thanks to all my mentors, colleagues, relatives, and friends who have provided me with support and assistance.

First and foremost, I would like to express my profound gratitude to my supervisor. During the process of writing this independent study, you guided and supervised me through every stage with your profound knowledge and rigorous academic attitude. You offered me invaluable guidance on topic selection, framework construction, research methods, and revision. I also sincerely thank all the teachers on the independent study defense panel. Your precious suggestions have greatly inspired me and further enhanced my understanding of conducting scientific research.

I am deeply grateful to all the leaders, colleagues, and classmates who facilitated my data collection process and provided immense help and support for my research investigation. I would also like to express my heartfelt thanks to all the teachers who participated in this research. I especially appreciate their provision of valuable first-hand research materials.

Finally, I would like to thank my family and friends. Thank you for comforting me when I was down, enabling me to move forward. Thank you for encouraging, guiding, and supporting me when I was at a loss. It is because of your understanding and support that I have had the most perfect graduation season and have always maintained the courage to forge ahead. Your understanding and support constitute the strongest backing for me to complete my studies.

The completion of this independent study not only serves as a summary of my past learning journey but also marks a new starting point for my future academic research. I will continue to uphold a rigorous and truth-seeking academic attitude, ceaselessly exploring and striving forward on the path of education.

HU KUN

DECLARATION

I, HU KUN, hereby certify that the work of embodied in this independent study entitled *" A Study on the Influencing Factors of Financial Resource Allocation of Xiaomi Company in China Based on Resource-Based Theory"* is result of original research and has not been submitted for a higher degree to any other university or institution.

(HU KUN)
July 9, 2025

CONTENTS

LIST OF TABLES

LIST OF FIGURES

Chapter 1 Introduction

1.1 Background of the Study

In recent years, the global technology industry has witnessed rapid development at an unprecedented pace. Emerging technologies such as cloud computing, big data, and artificial intelligence have continuously emerged, driving rapid transformation and upgrading across various industries. As one of the most dynamic and crucial sectors within the technology industry, the smartphone market has become increasingly competitive. Major mobile phone manufacturers have ramped up their research and development (R&D) investments, innovated marketing strategies, and optimized product services in a fierce battle for a limited market share. As a result of this intense competition among manufacturers, the market landscape has been constantly evolving, giving rise to new market opportunities and challenges (Fan & Chen, 2022).

Against this fiercely competitive and complex market backdrop, China's Xiaomi Corporation has rapidly risen to prominence with its unique business model and high-cost-performance products. Xiaomi adopts an internet-direct sales model, which reduces intermediary links and lowers sales costs. This enables the company to launch a range of high-performance smartphones at more competitive prices. Meanwhile, Xiaomi places a strong emphasis on user experience, continuously optimizing product features and software services while actively building a smart ecosystem. These initiatives have attracted a large number of loyal users, enabling Xiaomi to gain a substantial user base and capture a significant market share both domestically and internationally, thereby establishing a certain degree of influence in the global smartphone market (Zhao & Yi, 2021).

As Xiaomi's scale has expanded and its business scope has broadened, encompassing an increasingly diverse range of fields, the company has gradually extended its business from the initial smartphone segment to areas such as smart home, smart wearables, and the Internet of Things (IoT), forming a vast smart ecosystem industry chain. However, along with this expansion, the company has faced a growing number of challenges. Different business sectors have varying demands for financial resources. Consequently, how to allocate and utilize financial resources effectively and efficiently to meet the development needs of each business segment within the constraints of limited financial resources has become a critical issue that needs to be addressed urgently during the company's development process. Scientific and rational allocation of financial resources is crucial for the smooth implementation of the company's overall strategy and its long-term sustainable development (Jung, 2018).

Financial resources serve as a fundamental element for the operation and development of an enterprise, permeating every aspect of its production and business activities (Allen & Golfari, 2023). Effective allocation of financial resources ensures that an enterprise receives adequate financial support in various stages, including R&D,

production, and marketing. In the R&D phase, sufficient funds can attract top-tier scientific research talents, acquire advanced R&D equipment, and conduct cutting-edge technological research, thereby enhancing the enterprise's technological innovation capabilities and enabling it to launch more competitive products. In the production phase, a reasonable arrangement of funds can optimize production processes, improve production efficiency, and ensure product quality. In the marketing phase, adequate funds can support the enterprise in carrying out large-scale market promotion activities, enhancing brand awareness, and boosting product sales. Conversely, irrational allocation of financial resources can lead to resource waste and financial strain. For instance, overinvesting in one business area while neglecting others can result in the stagnation of certain businesses due to insufficient funds, thereby affecting the overall operation of the enterprise.

The resource-based view emphasizes that the unique resources and capabilities possessed by an enterprise are the sources of its competitive advantage and superior performance (Barney & Mackey, 2016). These unique resources and capabilities include advanced technologies, well-known brands, efficient supply chains, and outstanding talents. For Xiaomi Corporation, a thorough exploration of the factors influencing its financial resource allocation is beneficial for understanding the internal logic of the enterprise's financial operations from a resource perspective. By analyzing how different resources and capabilities affect the allocation of financial resources, we can reveal how the enterprise makes decisions regarding resource allocation based on its resource advantages and strategic objectives, providing a theoretical basis for optimizing financial resource allocation (Wahib & Prasetyo, 2020).

Based on this, this study, relying on the resource-based view, focuses on Xiaomi Corporation, aiming to comprehensively analyze the impact of factors such as technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality on financial resource allocation. Technological innovation capabilities are the driving force for an enterprise's sustainable development. Strong technological innovation capabilities can bring about new products and services, enhance market competitiveness, and influence the enterprise's investment and allocation of R&D funds. Brand influence reflects the enterprise's image and status in the minds of consumers. A good brand influence can reduce marketing costs and increase product added value, thereby affecting the enterprise's financial resource allocation in brand building and market promotion. Supply chain management capabilities are related to an enterprise's production efficiency and cost control. Efficient supply chain management can reduce inventory backlogs and lower procurement costs, influencing the enterprise's fund allocation in the supply chain. Human resource quality is the core element for an enterprise's development. Excellent talents can create greater value for the enterprise, influencing its financial investment in talent recruitment, training, and incentive programs. Through in-depth research on these factors, this study provides theoretical support and practical guidance for Xiaomi Corporation to optimize its financial resource allocation,

helping the enterprise achieve sustainable development in the fiercely competitive market.

1.2 Questions of the Study

The research questions of this study are designed to explore whether technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality all have an impact on the financial resource allocation of Xiaomi Corporation. If such impacts exist, it is necessary to identify their manifestations in specific aspects of financial resource allocation, such as R&D investment, brand promotion, fund allocation in supply chain links, and financial arrangements related to human resources.

(1) Does technological innovation capability affect the financial resource allocation of Xiaomi Corporation?

(2) Does brand influence affect the financial resource allocation of Xiaomi Corporation?

(3) Does supply chain management capability affect the financial resource allocation of Xiaomi Corporation?

(4) Does human resource quality affect the financial resource allocation of Xiaomi Corporation?

1.3 Objectives of the Study

This study aimed to conduct a systematic and in-depth analysis of the internal connections between technological innovation capabilities, brand influence, supply chain management capabilities, human resource quality, and the financial resource allocation of Xiaomi Corporation. Specifically, firstly, it clarified the direction and extent of the impact of technological innovation capabilities on the financial resource allocation of Xiaomi Corporation. Secondly, it elucidated the role played by brand influence in the financial resource allocation of Xiaomi Corporation. Thirdly, it explored the specific impact of supply chain management capabilities on the financial resource allocation of Xiaomi Corporation. Fourthly, it determined the influence mechanism of human resource quality on the financial resource allocation of Xiaomi Corporation. By achieving these objectives, it provides targeted and actionable recommendations for Xiaomi Corporation to optimize its financial resource allocation.

(1) To explore the impact of technological innovation capability on Xiaomi's financial resource allocation.

(2) To explore the impact of brand influence on Xiaomi's financial resource allocation.

(3) To explore the impact of supply chain management capability on Xiaomi's financial resource allocation.

(4) To explore the impact of human resource quality on Xiaomi's financial resource allocation.

1.4 Scope of the Study

This study focused on the influencing factors of financial resource allocation in Xiaomi Corporation, aiming to conduct a comprehensive and in-depth analysis of relevant issues.

In terms of research content, through a questionnaire survey, an in-depth analysis was carried out from four dimensions: technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality. It specifically covered the specific influence mechanisms of these four factors on the financial resource allocation of Xiaomi Corporation. Meanwhile, it analyzed the interrelationships among these four factors, such as the correlation between technological innovation capabilities and brand influence, and how they jointly affect financial resource allocation. Through empirical analysis, it verified whether these four factors have a significant impact on the financial resource allocation of Xiaomi, providing a scientific basis and decision-making reference for Xiaomi to optimize resource allocation and enhance corporate performance.

In terms of research method, a quantitative research approach was adopted to delve into the issues through systematic data collection and analysis. The research subjects were focused on Xiaomi employees because they are at the forefront of the company's operations and have an intuitive and in-depth understanding and insights into the allocation, utilization, and actual effects of financial resources in various business segments of the company. Their feedback can provide rich and practically valuable information for the research. The data collection period was set from May 2025 to June 2025. This time frame was selected after considering the cyclical nature of the company's business operations and the rationality of employees' work schedules to ensure that the collected data could truly reflect the actual situation of the company's financial resource allocation.

The sample size was set at 400. The determination of this number took into account multiple aspects. As a large-scale company, Xiaomi has a large number of employees. To ensure that the research results could fully reflect the overall situation of the company, a certain number of samples are required as support. Meanwhile,

according to statistical principles, while ensuring research accuracy and confidence level, and considering the experience of previous similar studies and the resource constraints of this study, 400 samples could better cover employees from different departments, levels, and positions within a cost-controllable range, making the sample sufficiently representative and diverse, thus laying a solid foundation for the reliability of the research conclusions.

The distribution and collection of questionnaires were carried out through the online platform Wenjuanxing. A total of 400 questionnaires were distributed to ensure the sufficiency and validity of research data, providing reliable data support for subsequent data analysis and the drawing of research conclusions.

1.5 Significance of the Study

This study, centered around the influencing factors of financial resource allocation in Xiaomi Corporation, holds significant theoretical and practical implications in multiple aspects.

From a theoretical perspective, current research on the influencing factors of financial resource allocation in technology enterprises, especially comprehensive technology companies like Xiaomi that have a multi-field presence, is not sufficiently comprehensive and in-depth. Focusing on Xiaomi Corporation, this study conducted a systematic analysis from four dimensions: technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality. It enriches the application of financial resource allocation theory in the context of technology enterprises. By delving into the specific influence mechanisms and interrelationships of these four factors on Xiaomi's financial resource allocation, it provides new empirical evidence and research perspectives for financial resource allocation theory. This helps to refine and expand the existing theoretical framework of financial resource allocation and promote the development and innovation of relevant theories in the context of technology enterprises.

In terms of practice, for Xiaomi Corporation itself, the research findings can offer direct and targeted guidance for optimizing its financial resource allocation. After clarifying the direction and extent of the impact of each influencing factor on financial resource allocation, Xiaomi can allocate financial resources more scientifically and reasonably based on its strategic goals and business development needs. For instance, if it is found that technological innovation capabilities have a significant positive impact on financial resource allocation in the R&D sector, the company can increase its capital investment in R&D to enhance its technological innovation capabilities and thereby strengthen product competitiveness. If brand influence has a substantial impact on financial resource allocation in the market promotion sector, the company can strengthen brand building to increase brand influence, which in turn can reduce

marketing costs and improve marketing efficiency. This helps Xiaomi improve resource utilization efficiency, lower operating costs, enhance corporate performance, and strengthen its competitive edge in the fiercely competitive market.

For other technology enterprises in the same industry, this study also holds certain reference value. The technology industry shares similar development characteristics and challenges, such as rapid technological iteration, intense market competition, and complex supply chains. The experiences and lessons of Xiaomi Corporation in financial resource allocation can serve as a reference for other enterprises. Other technology companies can learn from Xiaomi's practices in handling the relationship between technological innovation capabilities, brand influence, and other factors, and financial resource allocation, and then optimize their own financial resource allocation strategies based on their actual situations to improve their financial management capabilities and market competitiveness.

Moreover, from a macroeconomic perspective, technology enterprises are an important driving force for economic development. Optimizing the financial resource allocation of technology enterprises helps enhance their innovation capabilities and production efficiency, promote the transformation and application of scientific and technological achievements, and drive industrial upgrading and economic structural adjustment. By providing optimization suggestions for financial resource allocation to technology enterprises like Xiaomi, this study indirectly has a positive impact on the healthy development of the macroeconomy and offers a certain reference basis for the government to formulate relevant industrial policies and economic decisions.

1.6 Definition of Key Terms

Technological innovation capability refers to the comprehensive ability of an enterprise or organization to create, improve, and apply new knowledge in the technological field, covering the entire process from the generation of technological ideas, R&D investment, to the transformation and commercialization of technological achievements.

Brand influence refers to the ability of a brand to attract consumers, influence their purchasing decisions, and shape their loyalty in the market.

Supply chain management capability refers to the ability of an enterprise to effectively plan, organize, coordinate, and control the logistics, information flow, and capital flow in the supply chain to achieve efficient operation and optimization of the entire supply chain.

Human resource quality refers to the comprehensive capabilities and qualities that individuals or groups possess in the field of human resources. It encompasses multiple

dimensions, including knowledge, skills, attitudes, values, physical conditions, and psychological attributes, serving as a critical determinant of both individual and organizational performance.

Financial resource allocation refers to the process by which an enterprise distributes and arranges its limited financial resources (including funds, assets, etc.) among different business activities, projects, departments, or time periods to achieve its strategic goals and improve resource utilization efficiency.

Chapter 2 Literature Review

2.1 Introduction

This chapter aims to review the key literature related to Resource-Based Theory and the financial resource allocation of Xiaomi Corporation, providing a theoretical foundation for the variable relationships and research hypotheses in this study. The literature review covers the crucial factors influencing Xiaomi's financial resource allocation, including technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality. Through a systematic review of the existing literature, this chapter offers theoretical support for each variable in the research model. It also helps to determine the relationships among these variables and provides a basis for subsequent hypothesis testing.

2.2 Literature Review

2.2.1 Resource-Based Theory

(1) The Origin and Development of Resource-Based Theory

Resource-Based Theory (RBT) originated in the field of strategic management in the 1980s (Hermawan, 2017). Wernerfelt first proposed the "Resource-Based View" (RBV), and subsequently, Barney systematically elaborated on the core framework of the theory (Foss & Stieglitz, 2010). This theory broke away from the traditional strategic management's excessive reliance on external market structures and instead emphasized that the uniqueness and heterogeneity of a firm's internal resources are the sources of its competitive advantage. Barney pointed out that the strategic resources controlled by firms are heterogeneous among enterprises and are difficult to transfer. These differences can persist over the long term and form a competitive advantage. This perspective provides a new theoretical lens for understanding a firm's sustained competitive advantage, suggesting that firms should achieve long-term development by accumulating, integrating, and utilizing scarce, valuable, and difficult-to-imitate resources (Dutta, 2013).

(2) Core Concepts and Framework of Resource-Based Theory

The core concepts of Resource-Based Theory include resources, capabilities, and competitive advantage. Resources refer to the various tangible and intangible assets owned by a firm, encompassing financial assets, physical facilities, human resources, brand reputation, and patented technologies. Lähtinen (2020) categorized resources into physical capital resources, human capital resources, and organizational capital resources, emphasizing that these resources must possess value, rarity, inimitability,

and non-substitutability (the VRIN framework) to constitute a firm's core competitiveness.

Capabilities, on the other hand, are a firm's ability to integrate, organize, and utilize resources, including technological innovation capabilities, marketing capabilities, and management capabilities. Resource-Based Theory posits that a firm's core capabilities stem from the combination of resources, and capabilities, in turn, affect the efficiency of resource utilization.

Competitive advantage refers to a firm's superior position in the market relative to its competitors, including cost advantages, differentiation advantages, and innovation advantages. Resource-Based Theory states that by rationally allocating and utilizing resources to cultivate core capabilities, firms can achieve sustainable competitive advantages. This logical chain forms the core analytical framework of Resource-Based Theory (Wang, 2018).

(3) Applications and Empirical Research of Resource-Based Theory

Resource-Based Theory has been widely applied in areas such as corporate strategy formulation, competitive analysis, and mergers and acquisitions. In the field of technological innovation, firms accumulate resources such as patented technologies and R&D teams to create technological barriers. For example, Google has dominated the Internet search market with its search algorithm patents. In brand building, firms invest in long-term brand management to establish brand reputations that are difficult to imitate. Coca-Cola, for instance, has formed a strong brand barrier through its global marketing network and brand culture.

Empirical research has further validated the effectiveness of Resource-Based Theory. Dutta (2013) pointed out through case studies that the heterogeneity and inimitability of a firm's resources are key to the sustainability of its competitive advantage. He and Song (2022) found that firms can continuously update and upgrade their resources through dynamic capabilities (such as learning and innovation capabilities) to maintain competitive advantages. Apple, for example, has maintained its market leadership by continuously introducing differentiated products through ongoing technological innovation and product design.

(4) Controversies and Criticisms of Resource-Based Theory

Despite its significant influence in the field of strategic management, Resource-Based Theory has faced some controversies and criticisms. Firstly, the theory overly emphasizes the role of internal resources while neglecting the impact of the external environment. In rapidly changing market environments, external technological breakthroughs or policy changes can quickly erode a firm's resource advantages. Secondly, the definition of core competitiveness in Resource-Based Theory is

relatively vague and lacks operability. There is still no unified standard for quantifying characteristics such as the rarity and inimitability of resources. Additionally, the theory fails to fully explain how competitive advantages are sustained in dynamic competitive environments. In the digital age, with accelerated technological iteration and shortened resource renewal cycles, traditional Resource-Based Theory struggles to adapt to these changes (Lähtinen, 2020).

(5) Recent Developments in Resource-Based Theory

In response to the above controversies, scholars have proposed the Dynamic Resource-Based View (DRBV), emphasizing that firms need to continuously update and upgrade their resources through dynamic capabilities (such as learning and innovation capabilities) to adapt to changes in the external environment. The dynamic capability theory proposed by Asad (2022) stated that firms need to possess the ability to perceive opportunities and threats, seize opportunities, and reconstruct their resource bases to maintain competitive advantages in dynamic environments. The integration of Resource-Based Theory with other theories has also become a research hotspot. The combination of Resource-Based Theory and institutional theory explores the impact of the institutional environment on a firm's resource acquisition and allocation. The combination of Resource-Based Theory and network theory analyzes the resource flow and value creation mechanisms within firm networks.

(6) Implications of Resource-Based Theory for This Study

This study focuses on the influencing factors of Xiaomi Corporation's financial resource allocation, and Resource-Based Theory provides an important theoretical framework for the analysis. Firstly, the theory emphasizes the direct impact of internal resources such as technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality on financial resource allocation. Xiaomi has enhanced its product competitiveness through continuous technological innovation investment, thereby influencing the financial resource allocation in the R&D sector. Through brand building, Xiaomi has improved its brand premium ability, affecting the financial resource allocation in the market promotion sector. Secondly, Resource-Based Theory guides this study to focus on the heterogeneity and inimitability of resources. Xiaomi's supply chain management model and human resource quality, due to their uniqueness and complexity, are difficult for competitors to imitate, thus constituting its unique advantages in financial resource allocation. Finally, Resource-Based Theory reminds this study to consider the issue of resource renewal in a dynamic environment. Against the backdrop of the rapid development of new technologies such as 5G and artificial intelligence, Xiaomi needs to continuously adjust and optimize its financial resource allocation through dynamic capabilities to maintain its competitive advantage.

Resource-Based Theory provides an important theoretical perspective for understanding the sources of a firm's competitive advantage. Its core concepts (resources, capabilities, competitive advantage) and analytical framework (VRIN) offer powerful tools for strategic management research. Although the theory has some controversies and limitations, it continues to adapt and explain firm behavior in dynamic environments through the Dynamic Resource-Based View and its integration with other theories. This study will be based on Resource-Based Theory to conduct an in-depth analysis of the influencing factors of Xiaomi's financial resource allocation, providing a theoretical basis and practical guidance for firms to optimize resource allocation and enhance competitive advantages.

2.2.2 Financial Resource Allocation

Financial resource allocation is a core aspect of corporate strategic management, encompassing the distribution and utilization of resources, such as funds and assets, to maximize corporate value. According to Resource-Based Theory, the heterogeneous resources (e.g., technology, brand) controlled by a firm serve as the sources of its competitive advantage (Fan & Chen, 2022). In contrast, the efficiency of financial resource allocation directly impacts the ability to transform these resources into actual productivity. Empirical research has demonstrated a significant positive correlation between the rationality of financial resource allocation and corporate performance. Xiaomi Corporation has successfully achieved business transformation by dynamically adjusting the proportion of financial investment in research and development (R&D) and market promotion.

Early research on financial resource allocation primarily focused on static distribution, emphasizing the optimization of resource allocation through means such as budgeting and cost control. Liao et al. (2019) proposed that firms need to build competitive advantages through resource accumulation and retention. However, this stage of theoretical research assumed resources as static stocks, neglecting the influence of external environmental changes. As the market environment has become increasingly complex, scholars have begun to pay attention to the dynamic adjustment of financial resources. Dynamic Capability Theory posits that firms need to achieve alignment between resource allocation and the external environment through a cyclical process of perceiving opportunities, seizing opportunities, and reconstructing resources. Huawei's ability to maintain its technological leadership by swiftly adjusting the allocation of R&D funds in the face of external sanctions exemplifies the necessity of dynamic allocation. Behavioral finance incorporates managerial psychological factors into the research framework. Radinmanesh et al. (2021) found that managers' overconfidence or risk-averse tendencies may lead to misallocation of financial resources, explaining the phenomenon where some firms have abundant resources but exhibit inefficient allocation.

The influencing factors of financial resource allocation can be categorized into internal and external factors. Among internal factors, technological innovation capability is a core direction. Apple invests 5% - 7% of its annual revenue in R&D, and the continuous iteration of its chip technology relies on long-term financial support. Brand influence requires substantial financial investment with delayed returns. Coca-Cola has maintained its top position in global brand value rankings through continuous marketing budget investment (Dobrovolskienė & Tamošiūnienė, 2016). Supply chain management capability enhances resource utilization by optimizing inventory capital occupation, with Toyota's lean production model serving as a typical example. Regarding human resource quality, Google provides high salaries and training for its employees, and its revenue per capita is significantly higher than the industry average, demonstrating the amplifying effect of talent investment on financial returns. Among external factors, the policy environment guides resource flow through means such as tax incentives and subsidies. Market competition forces firms to concentrate resources. Technological change requires firms to reallocate funds. After the widespread adoption of 5G technology, Huawei increased its investment proportion in 5G-related areas to 60% to cope with the pressure of technological iteration (Breuer, 2021).

The paths to optimize financial resource allocation include strategic-oriented allocation, data-driven decision-making, and risk hedging mechanisms. Strategic-oriented allocation requires firms to integrate financial resources with strategic goals. Amazon reinvests its profits in logistics network construction, achieving economies of scale by reducing unit delivery costs. Data-driven decision-making enhances the precision of allocation by leveraging big data and AI technologies. Midea Group has improved its capital turnover rate and reduced inventory occupation by establishing a financial data center. Risk hedging mechanisms reduce systemic risks through diversified allocation. Tencent adopts a core business and ecological layout model in its investment strategy, ensuring cash flow from its gaming business while diversifying industry risks through investments (Bao & Chai, 2022).

There are two major controversies in current research on financial resource allocation. Firstly, the measurement standards for allocation efficiency have limitations, as traditional indicators (e.g., Return on Investment, ROI) may overlook long-term value creation. Secondly, the boundaries of dynamic adjustment are difficult to determine, as overly frequent adjustments may lead to resource fragmentation. Future research can further explore ESG-oriented allocation (how to incorporate environmental and social factors into the resource allocation framework), cross-organizational resource allocation (resource synergy mechanisms in supply chain finance and industrial alliances), and resource allocation in crises (Alam, 2023).

This study takes Xiaomi Corporation as a case study. The uniqueness of its financial resource allocation is reflected in three aspects: ecological allocation,

asset-light model, and user-oriented investment. In a dynamic environment, financial resource allocation needs to meet both efficiency (short-term returns) and strategic (long-term value) objectives simultaneously. Future research can further quantify this balancing mechanism to provide more precise decision-making models for firms to optimize their resource allocation (Ji et al., 2022).

2.2.3 Technological Innovation Capability

(1) Connotation and Theoretical Framework of Technological Innovation Capability

Technological innovation capability refers to an enterprise's ability to improve products, processes, or business models through the research, development, application, and integration of new technologies, with the core objective of transforming technological potential into market value. The Resource-Based View (RBV) posits that technological innovation capability constitutes a crucial component of a firm's heterogeneous resources, enabling the formation of sustainable competitive advantages (Wang & Luo, 2020). The Dynamic Capability Theory further emphasizes that firms need to adapt to rapidly changing market environments through continuous technological iteration and knowledge accumulation. Technological innovation process models (such as the linear model and the chain-linked model) reveal, from a practical perspective, the staged characteristics of technological innovation, encompassing basic research, applied development, commercialization, and feedback optimization (Lau & Lo, 2019).

(2) Influencing Factors of Technological Innovation Capability

Numerous factors influence technological innovation capability. R&D investment serves as a direct driving force for technological innovation. Tu et al. (2023) pointed out that the scale of a firm's R&D investment is positively correlated with its technological output. Interdisciplinary teams and high-level talents significantly impact the efficiency of technological innovation. Wang & Luo (2020) argued that the breadth and depth of knowledge among a firm's R&D personnel determine their ability to absorb and re-innovate external technologies.

An open innovation culture and effective incentive mechanisms can stimulate employees' innovative vitality. Cheng and Yang (2017) found that a corporate culture that encourages trial and error and tolerates failure motivates employees to engage more willingly in high-risk innovation projects. Government policies such as R&D subsidies and tax incentives can reduce a firm's innovation costs. Tu et al. (2023) discovered that an increase in R&D subsidies is generally accompanied by an average rise in a firm's patent output. China's special support for the semiconductor and new

energy sectors in its "14th Five-Year Plan" has significantly driven technological breakthroughs in relevant enterprises.

Collaboration between firms and universities or research institutions can compensate for internal resource deficiencies. User demand serves as a guide for technological innovation. Su et al. (2023) indicated that user participation in the product development process enhances the relevance of innovation.

(3) Relationship between Technological Innovation Capability and Firm Performance

Technological innovation capability has a significant positive impact on a firm's financial performance. Detcharat Sumrit (2013), by constructing a knowledge production function model, found that an increase in a firm's R&D investment leads to an improvement in its total factor productivity. Technological innovation can enhance a firm's market share and pricing power. Wang and Zhang (2018) pointed out that technologically leading firms can establish barriers through product differentiation. Technological innovation is a crucial means for firms to address environmental and social challenges. Firms investing in green technology research and development have a higher long-term survival probability compared to traditional firms.

In an environment of rapid technological iteration, firms need to focus on both technological depth and breadth simultaneously and transform technological advantages into market competitiveness through organizational learning mechanisms. Future research can further quantify the relationship between technological innovation capability and a firm's strategic fit, providing more precise guidance for enterprise management practices.

2.2.4 Brand Influence

Brand influence refers to the persistent impact that a brand exerts on consumer decision-making and market dynamics through its effects on cognitive, emotional, and behavioral levels. Its theoretical origins can be traced back to brand equity theory, which encompasses four dimensions: brand awareness, brand loyalty, perceived quality, and brand associations. These elements collectively form the core sources of brand influence (Lou & Yuan, 2019). Hui (2004) posited that brands need to establish a brand pyramid in consumers' minds, with a hierarchical progression from brand recognition to brand resonance determining the depth and breadth of brand influence.

Brand awareness serves as the foundation of brand influence, including brand identification and recall. The frequency of consumer exposure to a brand and the breadth of its channel coverage directly affect the intensity of brand awareness. Brand emotional connection is fostered through avenues such as brand personality and value

transmission. Brand behavioral conversion manifests as actual consumer purchases and word-of-mouth dissemination. Xiaomi Corporation, through its high cost-performance ratio products and community-based operations, has inspired spontaneous user promotion, consistently leading smartphone brands in social media discussion volume (Godey et al., 2016).

Numerous factors influence brand influence. Product quality constitutes the fundamental support for brand influence. The consistency of communication content and the precision of channels impact the efficiency of brand information delivery. Reasonable brand extensions can expand the boundaries of brand influence. Competitive environments compel brands to differentiate themselves. In highly competitive markets, brands must break through by presenting unique value propositions. Shifts in social values affect brand attractiveness, with consumers showing a higher willingness to pay for sustainable brands compared to traditional ones. Policies restricting brand communication and product standards influence brand performance (Lou & Yuan, 2019).

Brand influence has a significant positive impact on financial performance. Strong brands can withstand market fluctuations. Brand influence provides a buffer for firms during crises. De Veirman et al. (2017) indicated that firms with high brand loyalty experience lower customer churn rates than those with low loyalty following product recall incidents.

2.2.5 Supply Chain Management Capability

Supply chain management capability refers to an enterprise's ability to achieve efficient coordination of logistics, information flows, and capital flows by integrating resources across suppliers, manufacturers, distributors, and end-users (Borazon et al., 2021). Its theoretical origins can be traced back to supply chain management theory, which emphasizes the need to be customer-demand-oriented and enhance overall efficiency through coordinating upstream and downstream activities. Daddi et al. (2021) further constructed a three-dimensional model of supply chain management capability, including process integration capability, relationship management capability, and responsiveness capability. These three dimensions collectively determine the competitiveness level of the supply chain (Jayaram et al., 2014).

Process integration capability is reflected in the seamless connection of various supply chain links, encompassing the standardization and automation of processes such as procurement, production, and distribution (Sun & Zhu, 2018). Functional product supply chains need to reduce costs through efficient process integration, while innovative product supply chains require flexible process integration to respond to market demands. Relationship management capability refers to an enterprise's ability to establish long-term trust and collaboration mechanisms with supply chain partners.

Firms need to construct strategic partnerships through reciprocal investments and information sharing. Responsiveness capability denotes the supply chain's adaptability to demand fluctuations and unexpected events. Enterprises with high responsiveness can swiftly adjust in response to surges in demand or supply disruptions.

Numerous factors influence supply chain management capability. Information technology serves as the foundation for supply chain visualization (Su et al., 2021). A flattened organizational structure can enhance decision-making efficiency. Research by Bag et al. (2022) revealed that firms adopting matrix management exhibit faster supply chain response speeds compared to those using functional management. Employees' proficiency in using supply chain tools affects execution efficiency. Firms with employees certified in supply chain management demonstrate higher order accuracy rates than those without such certifications. Suppliers' delivery stability and quality levels directly impact supply chain performance. Disruptions from core suppliers can lead to an average decline in a firm's revenue. Demand uncertainty necessitates supply chain elasticity. An increase in the standard deviation of demand leads to an average rise in a firm's inventory costs. Trade policies and environmental regulations influence supply chain layout (Kujawa, 2021).

Supply chain management capability enhances cost efficiency by reducing inventory levels and lowering transportation costs. On average, supply chain optimization projects can reduce a firm's total costs. Efficient supply chains can shorten delivery cycles and improve order fulfillment rates. Firms with fast supply chain response speeds enjoy a 25% higher customer retention rate compared to the industry average. Supply chain management capability provides a risk buffer for firms. Enterprises with resilient supply chains exhibit faster revenue recovery speeds during crises compared to those with weak resilience.

2.2.6 Human Resource Quality

Human resource quality is a core indicator reflecting the comprehensive level of individuals or groups in terms of knowledge, skills, abilities, and health status. It is regarded as a key driving force for organizational competitiveness and regional economic development (Yang, 2016). Ahmed and Siddiqui (2020) quantified human resource quality, emphasizing that it is formed through educational investment, vocational training, and health management, and directly influences labor productivity. The contribution of human resource quality to economic growth surpasses that of physical capital, particularly evident in knowledge-intensive industries.

Educational attainment serves as the foundation of human resource quality. Educational investment is positively correlated with workers' incomes, and individuals with higher educational levels exhibit stronger competitiveness in the job market. Developed countries have significantly enhanced the skill matching of technical

workers through vocational education systems and industry-university-research collaboration models, while developing countries still have substantial room for improvement in this area. Vocational skills are the core capabilities enabling workers to complete specific tasks. Technological advancements have led to polarization in the occupational structure, with increased demand for high-skilled and low-skilled positions and decreased demand for medium-skilled roles (Wang, 2018). Health status directly impacts labor efficiency and working lifespan. Improvements in workers' health levels reduce absenteeism due to illness, extend working years, and thereby enhance organizational productivity. Some countries have effectively mitigated the impact of workers' health losses on production through universal health management programs. Innovation capability represents an advanced manifestation of human resource quality, encompassing professional knowledge, creative thinking, and intrinsic motivation. Firms stimulate employees' innovative potential through flexible management systems, significantly boosting patent output and product competitiveness.

Numerous factors influence human resource quality. Public education expenditure is crucial for enhancing human resource quality. The proportion of educational spending is positively correlated with the average years of education per capita, with countries investing heavily in education generally leading in basic education quality. Corporate vocational training has a direct effect on skill enhancement. Employees receiving regular training update their skills more rapidly, achieving significantly higher product qualification rates and production efficiency compared to untrained groups. Some leading manufacturing nations have solidified their advantages in the global industrial chain through intensive vocational training. Public health policies affect workers' health levels. Countries implementing universal healthcare coverage see higher life expectancies among workers and lower rates of labor force exit due to illness. Health policy optimization reduces corporate labor costs and enhances overall economic vitality. The cultural environment shapes workers' values and behavioral patterns. Workers from different cultural dimensions exhibit variations in norm adherence and innovation propensity, with cultures encouraging risk-taking more likely to foster high densities of startups and technological innovations (Zhang, 2023).

Human resource quality is closely linked to labor productivity. Countries or firms with high human resource quality generally demonstrate higher manufacturing productivity, with the refinement of skill certification systems further strengthening this advantage (Zhou, 2013). Human resource quality serves as the core driver of long-term economic growth, with its contribution rate surpassing that of other production factors, especially prominent in technology-intensive economies. Developing countries have achieved economic structural optimization and growth momentum transformation by enhancing human resource quality. Firms with high human resource quality possess stronger market adaptability, enjoying higher customer satisfaction and lower employee turnover rates, and gaining an edge in technological innovation and product iteration. Global leading enterprises have consolidated their

technological barriers and market positions by attracting top talents and nurturing them internally.

2.3 Introduction to Xiaomi Corporation

Xiaomi Technology Company (hereinafter referred to as "Xiaomi"), founded in April 2010 and headquartered in Haidian District, Beijing, is a global leader in consumer electronics and intelligent manufacturing, with core businesses in smartphones, smart hardware, and IoT (Internet of Things) platforms. Led by Founder, Chairman, and CEO Lei Jun, Xiaomi aspires to "become friends with users and be the coolest company in users' hearts." Committed to its mission of "consistently creating heart-touching, fairly priced products that enable everyone worldwide to enjoy the beauty of technology-driven life," Xiaomi drives technological inclusivity and lifestyle upgrades through technological innovation and ecological synergy.

Xiaomi's core businesses span three major domains: smartphones, smart hardware, and IoT ecosystems. Its smartphone shipments consistently rank among the top three globally, with product portfolios covering high-end flagships (e.g., Xiaomi 15 series) and cost-effective models (e.g., Redmi Note series), meeting diversified market demands and maintaining a leading position in markets like India. In smart hardware, Xiaomi has built the world's largest consumer-grade AIoT platform, connecting over 900 million devices across more than 100 countries and regions, with products spanning smart homes, wearables, home appliances, and mobility solutions. In 2025, Xiaomi launched its first luxury SUV model, the Xiaomi YU7, and unveiled new products such as the Xuanjie O1 processor and the Mi Pad 7 Ultra. Continuously investing in R&D, Xiaomi introduced the HyperOS operating system, supporting multi-terminal interconnection, and has won numerous international awards in imaging technology and fast charging, including the champion title in the CVPR 2023 Night Scene Rendering Competition.

In terms of market performance, Xiaomi's business spans over 100 countries and regions globally, with smartphones ranking among the top five in more than 30 markets. In 2024, the group achieved a total revenue of RMB 365.9 billion, with monthly active users of smartphones and tablets worldwide reaching 719 million. The company has been listed on the Fortune Global 500 for six consecutive years (ranking 297th in 2025) and is included in indices such as the Hang Seng Index and the Hang Seng China Enterprises Index. Meanwhile, Xiaomi actively fulfills its social responsibilities, committing to achieving carbon neutrality by 2040 and utilizing 100% renewable energy in its existing operations.

2.4 Conceptual Framework

Based on Resource-Based Theory and an analysis of relevant research findings on financial resource allocation, this study proposes a model of the influencing factors of Xiaomi's financial resource allocation. The model identifies the influencing factors of financial resource allocation as four dimensions: technological innovation capability, brand influence, supply chain management capability, and human resource quality. Resource-Based Theory emphasizes that the unique resources and capabilities possessed by a company are the key sources of its competitive advantage and performance. This study explores the impacts of these four dimensions on Xiaomi's financial resource allocation. The model is shown in Figure 2.1.

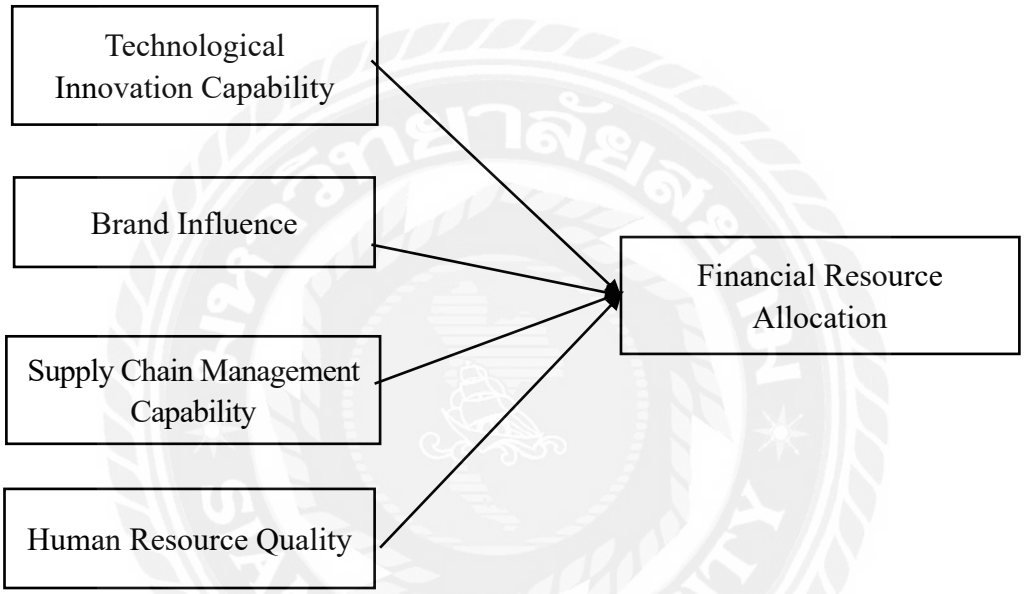

Figure 2.1 Conceptual Framework

Chapter 3 Research Methodology

3.1 Research Design

This study employed a quantitative research method to conduct an in-depth analysis of the factors influencing the financial resource allocation of Xiaomi Corporation. During the research process, the questionnaire survey method was adopted as the primary means of data collection, with a focus on exploring the internal correlation mechanisms between the key elements—technological innovation capability, brand influence, supply chain management capability, and human resource quality—and Xiaomi's financial resource allocation.

In the data collection phase, a structured questionnaire was designed using a 5-point Likert scale (where 1 represents "strongly disagree" and 5 represents "strongly agree"). The design of the scale drew extensively on previous relevant research findings, aiming to comprehensively cover the core dimensions of each variable to ensure data integrity and accuracy.

Regarding data analysis, descriptive statistical analysis was initially conducted to clearly present the demographic characteristics of the sample and the data distribution patterns of each core variable by calculating mean and standard deviation. Subsequently, Pearson correlation coefficients were used for correlation analysis to examine the degree of association between variables. To further quantitatively assess the specific impact of each factor on credit risk management, a multiple regression model was constructed for multiple regression analysis to clarify the roles played by technological innovation capability, brand influence, supply chain management capability, and human resource quality.

To ensure the high scientific rigor of the research methods, SPSS software was utilized to conduct reliability and validity tests on the questionnaire before formal data analysis. Through this testing step, the reliability and validity of the measurement tools were fully guaranteed, laying a solid foundation for the accuracy of subsequent research results. The overall study strived to objectively and accurately reveal the driving factors that enhance Xiaomi's financial resource allocation through a rigorous and scientific analytical process.

3.2 Population and Sample

This study focused on the financial resource allocation of Xiaomi Corporation and adopted a quantitative research method. In terms of research subject selection, this study targeted employees of Xiaomi's Beijing headquarters, as they are at the forefront of the company's operations and possess intuitive and in-depth knowledge and insights into the allocation, utilization, and actual effects of financial resources

across various business segments. Their feedback can provide rich and practically valuable information for the research.

The target respondents of this study were staff members of Xiaomi's Beijing headquarters, with an approximate number of 35,000.

Based on the requirements of the research design, a systematic refinement of the sample size calculation was conducted, with the specific derivation process as follows:

(1) Basic Parameter Settings

Population Size (N): Approximately 35,000 staff members of Xiaomi's Beijing headquarters (based on the latest publicly available data from 2024).

Confidence Level: A 95% confidence level (Z = 1.96) was adopted, which is commonly used in academic research to ensure the statistical significance of the conclusions.

Margin of Error (e): Set at 5% (i.e., ±0.05), balancing precision and practical operability.

Proportion Estimate (p): When no prior information is available, 0.5 was taken (the maximum variance scenario) to ensure the conservatism of the sample size estimation.

(2) Derivation of the Sample Size Calculation Formula

Infinite Population Sample Size (n_0):

$$n_0 = \frac{Z^2 \cdot p \cdot (1-p)}{e^2} = \frac{1.96^2 \cdot 0.5 \cdot 0.5}{0.05^2} = 384.16 \approx 385$$

This represents the theoretical sample size without considering the finiteness of the population.

Finite Population Corrected Sample Size (n):

$$n = \frac{N \cdot n_0}{N + n_0} = \frac{35,000 \cdot 385}{35,000 + 385} = 380.8 \approx 381$$

Since the population size is relatively large (N > 10,000), the sample size is slightly lower than that in the infinite population scenario.

(3) Adjustment for Actual Response Rate and Validity Rate

Response Rate Assumption: Considering the losses during the questionnaire distribution and collection process, a response rate of 80% was set (i.e., the actual number of recovered samples = the number of distributed questionnaires × 80%).

Validity Rate Assumption: After excluding invalid questionnaires (e.g., those with missing answers or obvious contradictions), a validity rate of 90% was set.

Adjusted Sample Size ($n_{adjusted}$):

$$n_{\text{adjusted}} = \frac{n}{0.8 \cdot 0.9} = \frac{381}{0.72} \approx 529$$

Therefore, it was recommended to set the final sample size at 530 to ensure that the number of valid samples was $\geqslant$ 381.

This study ultimately determined the sample size to be 530, covering approximately 1.5% of the employees of Xiaomi's Beijing headquarters. This sample size could not only guarantee the reliability of statistical inference but also conform to the feasibility of practical operations. Random sampling was suggested for sample extraction to enhance the representativeness of the sample. Questionnaires were distributed to the target respondents through an online platform (Questionnaire Star). Additionally, contact is made with Xiaomi's Human Resources Director to assist in completing the survey.

During the sampling process, the research team paired special attention to the representativeness of the sample's demographic characteristics, striving to achieve broad representativeness in terms of gender, age, educational background, job level, and work experience. The main purpose of this was to improve the applicability and universality of the research results, enabling them to more accurately reflect the actual situation.

3.3 Hypothesis

This study focuses on the optimization paths of financial resource allocation at Xiaomi Corporation, aiming to conduct a systematic factor analysis to deeply explore the actual mechanisms of action of four core elements, including technological innovation capability, brand influence, supply chain management capability, and

human resource quality. This provided theoretical foundations and practical guidelines for Xiaomi to construct a more scientific and practical financial resource allocation framework. Based on the above research objectives, this study proposes the following hypotheses for empirical testing:

H1: Technological innovation capability has a significant impact on Xiaomi's financial resource allocation.

H2: Brand influence has a significant impact on Xiaomi's financial resource allocation.

H3: Supply chain management capability has a significant impact on Xiaomi's financial resource allocation.

H4: Human resource quality has a significant impact on Xiaomi's financial resource allocation.

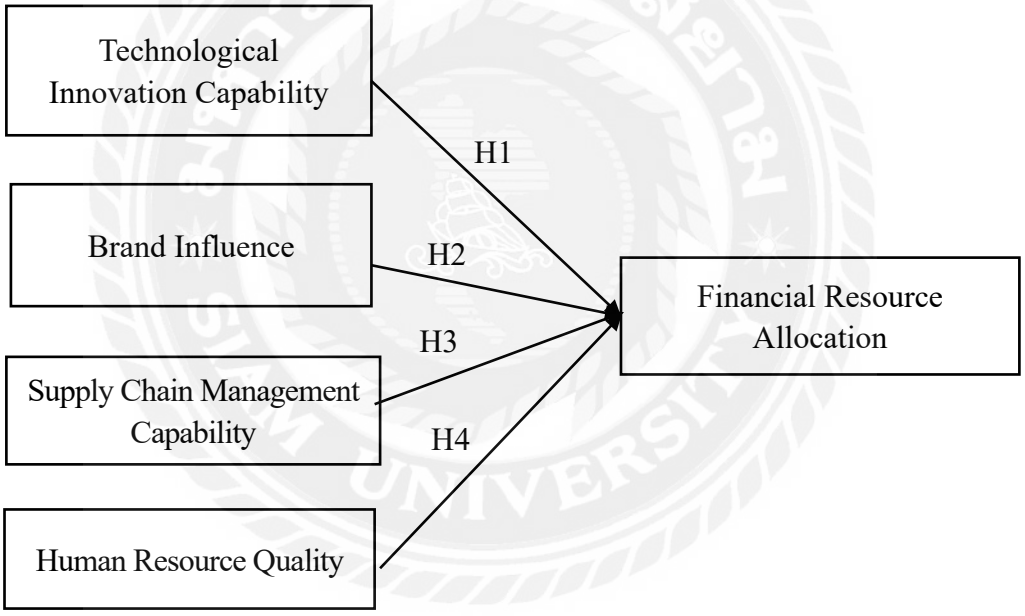

Figure 3.1 Hypotheses

3.4 Research Instrument

Based on Resource-Based Theory, the independent variables (technology, brand, supply chain, and human resources) are Xiaomi's heterogeneous resources, while the dependent variable (financial resource allocation) reflects the efficiency of converting resources into competitive advantages. Each independent variable is covered by five items that encompass its core dimensions (e.g., investment in technological innovation, innovation cycle, and synergy). The item design incorporates Xiaomi's publicly

available data (e.g., the proportion of R&D investment, the number of patents, and the self-sufficiency rate of the supply chain). A 5-point Likert scale is adopted to ensure the differentiation between mild and strong opinions. The item language is concise to avoid ambiguities arising from professional terms.

Technological innovation capability is a core resource for Xiaomi to build differentiated competitive advantages, directly influencing the direction of R&D investment, patent layout, and product iteration efficiency, thereby optimizing the allocation of financial resources in R&D, production, and marketing.

Brand influence affects Xiaomi's resource allocation strategies in marketing budgets, channel construction, and ecosystem chain investments through user loyalty, market pricing power, and the synergistic effects of ecosystem products.

Supply chain management capability optimizes Xiaomi's financial resource allocation in raw material procurement, production scheduling, and inventory management through cost control, delivery efficiency, and risk buffering mechanisms.

Human resource quality influences Xiaomi's resource allocation efficiency in talent recruitment, training investment, and cross-departmental collaboration through employee skills, innovation capabilities, and organizational culture.

The efficiency of financial resource allocation reflects Xiaomi's ability to convert heterogeneous resources such as technology, brand, supply chain, and human resources into strategic advantages. It is specifically manifested in the rationality of resource allocation in R&D, production, and marketing, as well as its impact on profitability, cash flow stability, and long-term competitiveness. This study quantified the efficiency level of Xiaomi's financial resource allocation through the following measurement items, as shown in Table 3.1.

Table 3.1 Measurement Items

Influencing Factor	Measurement Item	NO.
Technological Innovation Capability	Xiaomi's annual proportion of R&D investment can precisely reflect its emphasis on technological innovation.	1
	The conversion efficiency of core technology patents has significantly increased the product gross profit margin.	2
	The shortened technological innovation cycle has reduced the cost of financial resource occupation.	3
	Cross-departmental technological collaboration has minimized redundant investments.	4
	The upfront investment in technology pre-research has laid a solid foundation for long-term financial returns.	5
Brand Influence	Xiaomi's brand market awareness directly enhances the product's premium capability.	6

	The synergistic effect of the brand ecosystem has reduced the user acquisition cost for new products.	7
	The investment in brand internationalization expansion has brought about scaled financial returns.	8
	The budget allocation for brand crisis response has effectively maintained user trust.	9
	The investment in brand mythification strategies has significantly increased the proportion of Generation Z users.	10
Supply Chain Management Capability	Supplier diversification has mitigated the risk of single-source dependency.	11
	Supply chain digitization has reduced inventory overstock and out-of-stock losses.	12
	The increase in the self-sufficiency rate of key components has lowered long-term procurement costs.	13
	Logistics network optimization has shortened the product delivery cycle.	14
	The emergency supply chain has effectively hedged against production interruption risks.	15
Human Resource Quality	There is a positive correlation between the proportion of highly skilled talents and patent output.	16
	Investment in employee training has significantly improved production efficiency.	17
	The collaboration efficiency of cross-cultural teams has optimized resource allocation in international markets.	18
	Incentive mechanisms have reduced the turnover rate of core talents.	19
	Organizational culture has strengthened employees' identification with resource conservation goals.	20
Financial Resource Allocation	Xiaomi's financial budget can precisely support its "Smartphone × AIoT" ecosystem strategy and international expansion goals.	21
	The internal financial resource sharing at Xiaomi has significantly reduced redundant investment costs.	22
	Xiaomi maintains a reasonable ratio of fund allocation between long-term projects, such as technology pre-research and current product iterations.	23
	Xiaomi has reserved sufficient financial resources to cope with risks such as supply chain disruptions and market demand fluctuations.	24
	Xiaomi's financial investments in key areas can be directly translated into quantifiable benefits, such as market share growth, gross profit margin increases, or enhanced user ecosystem loyalty.	25

3.5 Reliability and Validity Analysis of the Scale

Table 3.2 Variable Reliability Test

Variables	Cronbach's Alpha	N of Items
Technological Innovation Capability	0.845	5
Brand Influence	0.864	5
Supply Chain Management Capability	0.875	5
Human Resource Quality	0.842	5
Financial Resource Allocation	0.863	5
Total	0.853	25

Table 3.3 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.877
Bartlett's Test of Sphericity	Approx. Chi-Square	4267
	df	341
	p	0.000

An analysis of the variable reliability in Table 3.2 reveals that the Cronbach's Alpha value for technological innovation capability is 0.845, encompassing 5 items. The Cronbach's Alpha value for brand influence is 0.864, also with 5 items. The Cronbach's Alpha value for supply chain management capability stands at 0.875, with a total of 5 items. For human resource quality, the Cronbach's Alpha value is 0.842, and the number of items is 5. The Cronbach's Alpha value for financial resource allocation is 0.863, again with 5 items. Overall, all variables exhibit relatively high Cronbach's Alpha values, and the Cronbach's Alpha value for the entire scale reaches 0.853, with a total of 25 items. This indicates strong internal consistency among the variables and the overall scale, suggesting high reliability. In other words, the measurement results are stable and reliable, capable of accurately reflecting the corresponding concepts.

From the KMO and Bartlett's test data in Table 3.3, the Kaiser-Meyer-Olkin measure of sampling adequacy is 0.877. This value, being close to 1, implies strong correlations among the variables, indicating that the sample data is suitable for factor analysis. In Bartlett's test of sphericity, the approximate chi-square value is 4267, with 341 degrees of freedom and a significance level (p) of 0.000, which is far below the commonly used significance level of 0.05. This demonstrates that the variables are not independent of each other but rather exhibit significant correlations, further confirming the suitability of the data for factor analysis. This provides data support for subsequent in-depth exploration of the relationships among the variables.

3.6 Data Collection

This study adopted a quantitative research method, aiming to conduct an in-depth exploration of the influencing factors of Xiaomi's financial resource allocation through systematic data collection and analysis. In terms of research subject selection, this study focused on Xiaomi employees, as they are at the forefront of the company's operations and possess intuitive and in-depth knowledge and insights into the allocation, utilization, and actual effects of financial resources across various business segments. Their feedback can provide rich and practically valuable information for the research.

The data collection of this study was guided by scientific rigor and practical adaptability, using a structured questionnaire as the core tool and designing measurement items based on Xiaomi's business characteristics and employee cognitive patterns. The data collection period was from May 1, 2025, to June 30, 2025. Samples were drawn from Xiaomi's Beijing headquarters in China using a convenience sampling method, covering core departments including Finance Department, Technology Department, Marketing Department, and Supply Chain Management Department to ensure that the sample can reflect the company's overall operational characteristics.

The questionnaire design was based on literature review, collecting demographic information including gender, age, educational background, job level, and work experience to describe the sample distribution and serve as control variables. For independent variable measurement, there are five items for technological innovation capability, five for brand influence, five for supply chain management capability, and five for human resource quality. For dependent variable measurement, there are five items for financial resource allocation. The questionnaires were distributed through the "Questionnaire Star" online platform, with a total of 530 questionnaires distributed. Ultimately, 438 valid questionnaires were obtained, with an effective response rate of 82.6%.

3.7 Data Analysis

This study adopted a quantitative data analysis method to systematically explore the influencing factors and mechanisms of action of Xiaomi's financial resource allocation. The data analysis process covered four stages: descriptive statistical analysis, reliability and validity testing, hypothesis testing, and model validation.

This study revealed the demographic characteristics of the sample and the distribution trends of variables through descriptive statistical analysis, initially judging the representativeness and concentration degree of the data. Cronbach's α coefficient and Exploratory Factor Analysis (EFA) were used to verify the reliability and structural validity of the scale, ensuring the reliability of the measurement tools. In the hypothesis

testing stage, correlation analysis was initially used to verify the strength of the association between independent and dependent variables, followed by multiple regression analysis to quantify the independent impact of each factor on financial resource allocation. By integrating quantitative and qualitative analyses, this study validated the direct impact of supply chain management capability, technological innovation capability, on financial resource allocation, providing theoretical foundations and practical insights for Xiaomi to optimize its resource allocation strategies.

Chapter 4 Findings and Discussion

4.1 Findings

4.1.1 Demographic Characteristics of Participants

A total of 438 valid questionnaires were collected in this survey. From the perspective of demographic characteristics, the samples exhibited a diverse distribution in terms of gender, age, educational background, job level, and work experience.

In terms of gender, males accounted for 56.6% and females for 43.4%, with the proportion of males being slightly higher than that of females. Regarding age distribution, employees aged 26 - 30 years old constituted the largest group, accounting for 33.6%, followed by those aged 31 - 35 years old (19.4%) and 20 - 25 years old (18.0%). This reflects that the sample was mainly composed of young employees, while the proportion of employees over 40 years old was relatively low. In terms of educational background, nearly half of the employees held a bachelor's degree or above. Specifically, 40.9% had a bachelor's degree, 28.8% had a master's degree, and 17.8% had a doctorate, indicating a relatively high overall educational level. Only 12.6% of the employee’s degree had a junior college degree or below.

In terms of position level, entry-level employees accounted for the largest proportion, reaching 69.4%, followed by middle-level managers at 21.5% and senior managers at 9.1%, which is in line with the pyramid-shaped management structure of enterprises. Regarding work experience, employees with 1 - 3 years of experience accounted for the highest proportion at 32.4%, followed by those with 4 - 5 years of experience (27.2%) and those with less than 1 year of experience (16.4%). Employees with over 10 years of experience were the least, accounting for only 7.8%. Overall, the sample was mainly composed of young employees aged 26 - 35 years old, with a bachelor's degree or above, working in entry-level positions, and having 1 - 5 years of work experience. It also exhibited a certain degree of management hierarchy and educational diversity, which could well represent the overall characteristics of the enterprise's employee group, as shown in Table 4.1.

Table 4.1 Descriptive Statistical Analysis of Participants

Variable	Option	Number	Percentage%
Gender	Male	248	56.6
	Female	190	43.4
Total		438	100
Age	20-25 Years Old	79	18.0
	26-30 Years Old	147	33.6
	31-35 Years Old	85	19.4
	36-40 Years Old	68	15.5

	Over 40 Years Old	59	13.5
Total		438	100
Educational Background	Junior College and Below	55	12.6
	Undergraduate	179	40.9
	Master's Degree	126	28.8
	Doctorate Degree	78	17.8
Total		438	100
Position Level	Grassroots Employee	304	69.4
	Middle-Level Manager	94	21.5
	Senior Manager	40	9.1
Total		438	100
Working Experience	Less than 1 Year	72	16.4
	1-3 Years	142	32.4
	4-5 Years	119	27.2
	6-10 Years	71	16.2
	More than 10 Years	34	7.8
Total		438	100

4.1.2 Correlation Analysis

Table 4.2 Correlation between Variables

	Technological Innovation Capability	Brand Influence	Supply Chain Management Capability	Human Resource Quality	Financial Resource Allocation
Technological Innovation Capability	1				
Brand Influence	.632**	1			
Supply Chain Management Capability	.635**	.651**	1		
Human Resource Quality	.623**	.662**	.623**	1	
Financial Resource Allocation	.665**	.672**	.647**	.642**	1

NOTE：*. Correlation is significant at the 0.05 level (2-tailed). **. Correlation is significant at the 0.01 level (2-tailed).

The above data present the correlation coefficients among the five variables: technological innovation capability, brand influence, supply chain management capability, human resource quality, and financial resource allocation. The following

analysis was conducted from the perspectives of overall correlation, significant correlation relationships, and potential impacts:

(1) Overall Correlation Overview

All variables have a correlation coefficient of 1 with themselves, which is an inevitable result, indicating a perfect positive correlation between a variable and itself. The correlation coefficients among the remaining variables range from 0.623** to 0.672**, all of which are accompanied by double asterisks. This implies that, statistically, there are highly significant positive correlations between each pair of these variables, suggesting close interconnections and synergistic effects among them.

(2) Analysis of Significant Correlation Relationships among Variables

Technological Innovation Capability and Other Variables

The correlation coefficient between technological innovation capability and brand influence is 0.632**, indicating that enterprises with stronger technological innovation capabilities tend to have greater brand influence. Technological innovation may lead to product or service differentiation, enhancing consumers' recognition and loyalty to the brand, thereby strengthening brand influence.

The correlation coefficient between technological innovation capability and supply chain management capability is 0.635**, suggesting that technological innovation has a positive impact on supply chain management. Advanced technologies can optimize supply chain processes, improve efficiency, and enhance flexibility.

The correlation coefficient between technological innovation capability and human resource quality is 0.623**, meaning that technological innovation requires high-quality human resources as support. Simultaneously, technological innovation also attracts and cultivates more high-caliber talents, creating a virtuous cycle.

The correlation coefficient between technological innovation capability and financial resource allocation is 0.665**, demonstrating that technological innovation has a significant impact on financial resource allocation. Enterprises will rationally allocate financial resources and increase investment in research and development to promote technological innovation. Effective technological innovation, in turn, brings better financial returns, further optimizing financial resource allocation.

Brand Influence and Other Variables

The correlation coefficient between brand influence and supply chain management capability is 0.651**, indicating that enterprises with strong brand

influence usually perform well in supply chain management. A powerful brand can attract high-quality suppliers and establish more stable and efficient supply chain partnerships.

The correlation coefficient between brand influence and human resource quality is 0.662**, suggesting that enterprises with large brand influence are more likely to attract and retain high-quality human resources. A good brand image and corporate reputation are attractive to talent, and high-caliber talents also contribute to enhancing brand influence.

The correlation coefficient between brand influence and financial resource allocation is 0.672**, meaning that brand influence has a significant effect on financial resource allocation. Enterprises with strong brand influence often have more market opportunities and resources, giving them an advantage in financial resource allocation. They can allocate funds more reasonably for brand building and market expansion.

Supply Chain Management Capability and Other Variables

The correlation coefficient between supply chain management capability and human resource quality is 0.623**, indicating that improving supply chain management capability requires high-quality human resources as a guarantee. Simultaneously, effective supply chain management also provides a better development platform for human resources, promoting the improvement of human resource quality.

The correlation coefficient between supply chain management capability and financial resource allocation is 0.647**, suggesting that optimizing supply chain management capability helps achieve more reasonable financial resource allocation. Efficient supply chain management can reduce costs and improve capital turnover, enabling enterprises to be more flexible and efficient in financial resource allocation.

Human Resource Quality and Financial Resource Allocation

The correlation coefficient between human resource quality and financial resource allocation is 0.642**, meaning that high-quality human resources contribute to better financial resource allocation in enterprises. High-caliber employees can conduct better financial analysis and decision-making, improving the efficiency of fund utilization. They can also create more value for the enterprise, thereby influencing the direction of financial resource allocation.

(3) Potential Impacts and Implications

These highly significant positive correlation relationships indicate that

enterprises should focus on the coordinated development of various elements during their growth. For example, enterprises should not solely focus on technological innovation while neglecting brand building, supply chain management, and human resource development. Nor should they emphasize brand influence without investing sufficient resources in technological innovation and supply chain optimization. Only by achieving a virtuous interaction and coordinated improvement among technological innovation capability, brand influence, supply chain management capability, human resource quality, and financial resource allocation can enterprises gain an advantage in the fierce market competition and achieve sustainable development.

4.1.3 Multiple Regression Analysis

Table 4.3 Multiple Regression Analysis

Item	Key Statistics	Value
C	Unstd. B	2.463
	t	8.80
	Sig.	0.000
F		54.323***
Durbin-Watson		1.585
Technological Innovation Capability	Std. Beta	0.461
	t	3.84
	Sig.	0.000
	VIF	1.12
Brand Influence	Std. Beta	0.572
	t	3.75
	Sig.	0.000
	VIF	1.15
Supply Chain Management Capability	Std. Beta	0.534
	t	6.63
	Sig.	0.000
	VIF	1.17
Human Resource Quality	Std. Beta	0.541
	t	6.42
	Sig.	0.000
	VIF	1.14
Model fitting degree	R Square	0.657
	Adjusted R Square	0.667

The above data present the results of a multiple regression analysis, covering key statistics related to the constant term, multiple independent variables, and model fit. The specific analysis is as follows:

(1) Analysis of the Constant Term (C)

The non-standardized coefficient (Unstd. B) of the constant term is 2.463, which represents the predicted value of the dependent variable when all independent variables take a value of 0. Its t-value is 8.80, and the significance level (Sig.) is 0.000. At the commonly set 0.05 significance level, the null hypothesis is rejected, indicating that the constant term is statistically significant, i.e., it has a significant difference from 0. The F-value is 54.323***, meaning that the overall model is highly statistically significant, suggesting that the independent variables as a whole have a significant impact on the dependent variable. The Durbin-Watson value is 1.585, which falls within the ideal range of 1.5 - 2.5, indicating that there is no obvious first-order autocorrelation in the residual sequence.

(2) Analysis of Independent Variables

Technological Innovation Capability: The standardized coefficient (Std. Beta) is 0.461, which means that, controlling for other variables, for every standard deviation increase in technological innovation capability, the dependent variable will increase by 0.461 standard deviations. The t-value is 3.84, and the significance level is 0.000, indicating that technological innovation capability has a statistically significant impact on the dependent variable. The variance inflation factor (VIF) is 1.12, which is much less than 10, suggesting that there is no serious multicollinearity problem.

Brand Influence: The standardized coefficient is 0.572, meaning that, controlling for other variables, for every standard deviation increase in brand influence, the dependent variable will increase by 0.572 standard deviations. The t-value is 3.75, and the significance level is 0.000, showing that brand influence has a significant impact on the dependent variable. The VIF is 1.15, indicating no serious multicollinearity.

Supply Chain Management Capability: The standardized coefficient is 0.534, suggesting that, controlling for other variables, for every standard deviation increase in supply chain management capability, the dependent variable will increase by 0.534 standard deviations. The t-value is 6.63, and the significance level is 0.000, indicating that supply chain management capability has a highly significant impact on the dependent variable. The VIF is 1.17, showing no serious multicollinearity.

Human Resource Quality: The standardized coefficient is 0.541, meaning that, controlling for other variables, for every standard deviation increase in human resource quality, the dependent variable will increase by 0.541 standard deviations. The t-value is 6.42, and the significance level is 0.000, indicating that human resource quality has a highly significant impact on the dependent variable. The VIF is 1.14, suggesting no serious multicollinearity.

(3) Analysis of Model Fit

The R Square value is 0.657, indicating that the independent variables explain

65.7% of the variation in the dependent variable, suggesting that the model has a certain degree of explanatory power. The Adjusted R Square value is 0.667, which is the adjusted model fit index considering the number of independent variables. This relatively high value further indicates that the model has a good fit, and the independent variables have a relatively satisfactory explanatory effect on the dependent variable.

Overall, this multiple regression model is statistically significant as a whole, the independent variables have a significant impact on the dependent variable, there is no serious multicollinearity problem, and the model has a relatively good fit.

Therefore, according to the results of the data analysis, technological innovation capability has a significant impact on Xiaomi's financial resource allocation, which supports Hypothesis 1. Brand influence has a significant impact on Xiaomi's financial resource allocation, which supports Hypothesis 2. Supply chain management capability has a significant impact on Xiaomi's financial resource allocation, which supports Hypothesis 3. Human resource quality has a significant impact on Xiaomi's financial resource allocation, which supports Hypothesis 4.

4.2 Discussion

4.2.1 Technological Innovation Capability Has a Significant Impact on Xiaomi's Financial Resource Allocation

Technological innovation capability is the core for Xiaomi to build long-term competitiveness, and the scale of its R&D investment directly determines the allocation ratio of financial resources between core and non-core businesses. When Xiaomi focuses on key areas such as self-developed chips, imaging algorithms, or fast-charging technologies, the R&D budget will be skewed towards these directions, reducing the proportion of funds allocated to other non-strategic areas. This prioritization in resource allocation reflects the profound influence of a technology-oriented approach on the company's financial strategy. Xiaomi plans to increase its chip self-sufficiency rate within three years, which may lead to an increase in the proportion of chip-related investments in its R&D budget, while the budget for functional optimization of mid-to-low-end models may correspondingly decrease. The scale of technological investment not only affects short-term cash flows but also determines the height of technological barriers for the company in the coming years, thereby influencing the long-term allocation direction of overall financial resources.

The quantity and quality of patents are important quantitative indicators of technological innovation capability, and their strategic layout directly affects the resource balance between Xiaomi's long-term technological reserves and short-term

market returns. Xiaomi needs to continuously invest funds in maintaining its patent pool, including patent applications, international deployment, defense against infringement lawsuits, and other aspects. Although these investments do not directly generate short-term returns, they can build technological barriers and provide support for future product premiums. For instance, by accumulating core patents in the field of imaging algorithms, Xiaomi's high-end models can command higher prices due to technological exclusivity, thereby recouping long-term R&D investments. Conversely, if the patent layout is insufficient, the company may be forced to pay high patent licensing fees, which will squeeze the financial resources originally intended for R&D or marketing. Therefore, the rationality of patent layout determines the efficiency of funds used for technological reserves, thereby influencing the allocation structure of overall financial resources.

Enterprises with strong technological innovation capabilities can shorten product life cycles through faster product iterations, thereby optimizing the turnover efficiency of financial resources in the R&D, production, and sales processes. If Xiaomi shortens the iteration cycle of its mobile phones, it can reduce the backlog of old models, lower warehousing costs, and minimize clearance and promotional expenses. Meanwhile, faster technological iterations can stimulate consumers' demand for upgrading their devices, increasing the profit contribution rate per unit product, and indirectly freeing up financial resources for next-generation technological R&D. An increase in the speed of technological iterations may lead to a reduction in annual inventory costs and an improvement in the turnover rate of R&D funds. This efficiency enhancement not only optimizes the current allocation of financial resources but also provides more abundant financial space for future technological investments.

Xiaomi's technological innovation capability is also reflected in its cross-departmental collaboration efficiency. By reusing technologies, it can reduce redundant development costs and enhance the overall utilization rate of financial resources. For example, the imaging algorithms developed by the mobile phone department can be applied to the autonomous driving systems of the automotive department, and the connection protocols of AIoT devices can be shared across the smart home product line. This technological synergy reduces independent R&D investments, enabling the same R&D funds to support multiple business units. According to estimates, cross-departmental technology reuse can reduce corporate R&D costs, while the technology-exporting departments can generate additional revenue through internal settlement mechanisms, creating a virtuous cycle of resource allocation. Therefore, technological synergy capability directly determines the allocation ratio of financial resources between single businesses and the ecological layout.

Xiaomi's pre-research investments in cutting-edge technologies such as solid-state batteries, G communication (Assuming "G communication" refers to a specific generation of communication technology like 5G or 6G; if a more specific term is

available, it should be used), and quantum computing require the early allocation of financial resources to seize technological high ground. Although these investments do not directly generate short-term returns, they can build the company's competitiveness for the coming years. For instance, Xiaomi plans to achieve mass production of solid-state batteries, and during the pre-research stage, it needs to continuously invest funds in material testing, process optimization, and patent layout. This long-term resource allocation requires balancing current returns and future risks: excessive pre-research investments may squeeze short-term profits, while insufficient investments may result in missing out on technological transformation opportunities. Therefore, the scale and pace of technological pre-research directly reflect the company's judgment of future markets, thereby influencing the allocation strategy of financial resources between prudent operation and aggressive innovation.

4.2.2 Brand Influence Has a Significant Impact on Xiaomi's Financial Resource Allocation

Brand influence is manifested through its premium-pricing ability, directly influencing the allocation of financial resources between Xiaomi's high-end and mid-to-low-end product lines. High-end models, benefiting from strong brand recognition, can be allocated more marketing budgets, while mid-to-low-end models focus on cost-effective resource investments. Products with strong brand premium capabilities can be sold at higher prices, thereby covering higher R&D and marketing costs and forming a cycle of high investment and high returns. As Xiaomi's brand premium capability improves, the gross profit margin of its high-end models may increase, while mid-to-low-end models maintain their gross profit margins through economies of scale. This differentiated resource allocation strategy makes brand influence a core lever for financial resource allocation.

The brand influence of Xiaomi's mobile phone AIoT ecosystem enables categories such as smart home and wearable devices to share brand resources, reducing independent promotion costs. Users are more likely to accept ecosystem products from Xiaomi due to their trust in the Xiaomi mobile phone brand, leading to a 1+N purchasing behavior. This synergistic effect reduces the financial investment required for brand building in new categories, allowing resources to be concentrated on product innovation and user experience optimization. For example, Xiaomi's smart speakers, backed by the mobile phone brand, can have lower market promotion costs compared to independent brands, while user repurchase rates increase. The success of this synergy in ecosystem products directly determines the allocation ratio of financial resources between single-category expansion and ecological layout.

Xiaomi's brand-building investments in markets such as India and Europe directly impact local market shares. Brand investments drive sales growth by enhancing user awareness and loyalty, which in turn feeds back more resources for brand deepening. In

the Indian market, Xiaomi boosted its market share within three years by sponsoring cricket leagues and opening offline stores, leading to an increase in the proportion of brand investments. This cycle of investment growth followed by reinvestment makes brand influence a core driver for financial resource allocation in international expansion. If brand investments become disconnected from market share growth, resource allocation strategies need to be adjusted to avoid falling into a high-investment, low-return dilemma.

Enterprises with strong brand influence need to reserve resources to respond to public opinion crises to maintain user trust and long-term financial health. When Xiaomi faces controversies over quality issues, it needs to invest funds in recalls, compensation, or public relations, which can squeeze the originally planned R&D or marketing budgets. The timeliness and effectiveness of brand crisis response determine the user churn rate and the speed of brand value recovery. According to research, enterprises that handle brand crises properly can achieve higher user retention rates compared to those that handle them poorly. Therefore, the allocation ratio of brand crisis response budgets reflects a company's ability to anticipate brand risks, thereby influencing the balance of financial resources between prudent operation and risk prevention.

Xiaomi's brand strategy targeting Generation Z requires the allocation of dedicated financial resources to capture this young user group. Young users not only have strong purchasing power but also offer higher lifetime value, capable of generating long-term returns for the enterprise. By launching customized products in collaboration with anime IPs, Xiaomi has lowered the average age of its users and increased repurchase rates. Although this brand youthification investment increases marketing costs in the short term, it can reduce future user acquisition costs and improve overall financial return rates. Therefore, the scale of investment in youth-oriented brand strategies directly determines the allocation logic of financial resources between short-term customer acquisition and long-term user operation.

4.2.3 Supply Chain Management Capability Has a Significant Impact on Xiaomi's Financial Resource Allocation

Xiaomi reduces the risk of single-source dependency by collaborating with multiple chip and screen suppliers, albeit at the cost of increased negotiation, quality inspection, and inventory management expenses. Supplier diversification disperses the allocation of procurement budgets but enhances supply chain resilience. For instance, when Xiaomi cooperates with multiple suppliers for screen provision, the proportion of procurement budgets allocated to each supplier becomes more balanced rather than concentrated on a single supplier. Although this allocation strategy increases management costs, it prevents production disruptions caused by supplier outages. Supplier diversification can lower the risk of supply chain disruptions while potentially

raising procurement costs. Therefore, the balance between the costs and benefits of supplier diversification directly determines the allocation ratio of financial resources between risk prevention and cost optimization.

Enterprises with strong supply chain management capabilities can optimize resource inputs in warehousing and clearance through accurate demand forecasting and dynamic inventory adjustments. If Xiaomi reduces its inventory turnover rate, it can cut warehousing costs and clearance promotion expenses while freeing up occupied cash flow. An improvement in inventory turnover may lead to a reduction in annual warehousing costs and an increase in cash flow for the enterprise. These saved funds can be reallocated to R&D or marketing, creating a virtuous cycle of resource utilization. Hence, inventory management efficiency serves as a core indicator of how supply chain capabilities influence financial resource allocation.

By establishing its own factories or holding stakes in supply chain enterprises, Xiaomi needs to invest substantial funds in equipment procurement, technological upgrades, and personnel training. Vertical integration, while increasing fixed costs, reduces reliance on externally purchased components and lowers long-term procurement expenses. After Xiaomi builds its own battery factory, its battery procurement costs may decrease, but it has to share the factory depreciation and operational expenses. This shift in cost structure redirects financial resources from external procurement to internal production, affecting the resource allocation ratio in the production process. The success of vertical integration hinges on the comparative advantage between internal production efficiency and external procurement costs.

Xiaomi's global deployment of regional warehouses and logistics centers requires capital investment in infrastructure construction and information systems. Logistics network optimization shortens product delivery cycles, reducing transportation costs and the risk of user churn. A reduction in delivery cycles may lead to a decrease in annual transportation costs and an improvement in user satisfaction for the enterprise. These cost savings and enhanced user experiences indirectly optimize financial resource allocation, enabling resources to be more concentrated on core businesses.

To cope with supply chain disruptions, Xiaomi needs to pre-stock critical components, which occupy working capital but mitigate losses caused by production interruptions. If Xiaomi stocks a certain volume of chips, its working capital occupation may increase, but it can avoid monthly revenue losses due to supply outages. The scale of emergency supply chain reserves requires a balance between risk costs and opportunity costs: excessive reserves reduce capital utilization efficiency, while insufficient reserves may trigger operational crises. Therefore, the allocation ratio of emergency supply chain reserves reflects a company's ability to anticipate supply chain risks, thereby influencing the balance of financial resources between prudent operation and flexible responsiveness.

4.2.4 Human Resource Quality Has a Significant Impact on Xiaomi's Financial Resource Allocation

The size and skill level of Xiaomi's R&D team directly influence its patent output and the speed of technological breakthroughs. An increase in the proportion of highly skilled personnel can shorten the development cycle for new features and reduce the waste of human resources on repetitive trials. If the proportion of highly educated personnel in the R&D team rises, the development cycle for a single project may be shortened while research and development costs only increase slightly. This efficiency improvement enables the enterprise to achieve more technological outputs with fewer resources, optimizing the allocation of R&D resources. Investments in the recruitment and cultivation of highly skilled talent serve as a core financial guarantee for the enterprise's technological competitiveness.

By offering technical certification courses and operational specification training, Xiaomi can enhance employee skills, thereby reducing production error rates and defective product rates, as well as lowering rework costs and raw material waste. After operators receive training, the defective product rate decreases, directly reducing rework costs and raw material losses. These saved funds can be reallocated to upgrading production equipment or incentivizing employees, creating a positive cycle of resource utilization. The scale of investment in employee training is directly related to the magnitude of improvement in production efficiency, which in turn affects the allocation ratio of financial resources between human resource costs and quality control.

Xiaomi's globalized team requires cross-cultural collaboration capabilities to achieve localized operations in international markets. Efficient communication between the Indian R&D center and the headquarters can reduce the time and communication costs associated with international projects. An improvement in cross-cultural team collaboration efficiency may shorten the cycle of international projects while reducing resource inputs. This efficiency improvement enables the enterprise to allocate financial resources more flexibly across different markets, avoiding resource waste caused by cultural differences. Therefore, cross-cultural team collaboration capabilities become a key factor in financial resource allocation during international expansion.

Xiaomi retains core employees through equity incentive plans, career development plans, and performance rewards, which require financial investments for long-term incentives. A reduction in the talent turnover rate can decrease the expenses associated with recruiting and training new employees, while also avoiding technological gaps and project delays caused by the departure of core personnel. An improvement in the retention rate of core employees may lead to a decrease in the enterprise's annual talent turnover costs and a shortening of project delivery cycles.

These cost savings and efficiency improvements indirectly optimize financial resource allocation, enabling resources to be more concentrated on strategic businesses.

Xiaomi's fan-culture-oriented training can enhance employees' identification with cost control, fostering a resource-saving atmosphere involving all staff. When employees actively propose process optimization suggestions, energy consumption costs and logistics expenses can be reduced. According to estimates, cost-saving measures involving all staff can lead to a decrease in the enterprise's annual operational costs and an improvement in employee satisfaction. This resource-saving, driven by organizational culture, enables financial resources to more efficiently support core businesses rather than being consumed by inefficient processes. Therefore, organizational culture identification becomes a soft yet crucial factor influencing financial resource allocation.

Table 4.4 Hypothesis Test Results

NO.	Hypothesis	Result
H1	Technological innovation capability has a significant impact on Xiaomi's financial resource allocation.	Supported
H2	Brand influence has a significant impact on Xiaomi's financial resource allocation.	Supported
H3	Supply chain management capability has a significant impact on Xiaomi's financial resource allocation.	Supported
H4	Human resource quality has a significant impact on Xiaomi's financial resource allocation.	Supported

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study, based on Resource-Based Theory, conducted an in-depth exploration of the influencing factors on the financial resource allocation of Xiaomi Corporation in China. It aimed to construct a structural model of the relevant influencing factors and validate the research hypotheses and the model. In terms of research methodology, a quantitative research approach was adopted. Data were extensively collected through a well-designed questionnaire survey. A total of 530 questionnaires were distributed, and ultimately, 438 valid questionnaires were successfully collected, achieving an effective response rate of 82.6%. This provides relatively rich and reliable data support for the study.

The research focused on the impact of four key factors—technological innovation capability, brand influence, supply chain management capability, and human resource quality—on the financial resource allocation of Xiaomi Corporation. After rigorous data analysis and model validation, the research results clearly indicate that all four factors have a significant impact on the financial resource allocation of Xiaomi Corporation. Specifically, as one of the core driving forces for enterprise development, technological innovation capability can provide innovative directions and technical support for the effective allocation of financial resources, prompting resources to flow towards more promising areas. Brand influence indirectly affects the allocation of financial resources by enhancing the enterprise's market recognition and product added value, guiding resources towards brand building and market expansion. The role of supply chain management capability in financial resource allocation is reflected in optimizing cost structures and improving operational efficiency. A reasonable supply chain layout enables financial resources to be more efficiently utilized in procurement, production, logistics, and other links. Human resource quality, as the intellectual guarantee for enterprise development, allows a high-quality talent pool to plan and utilize financial resources more scientifically, achieving maximum resource efficiency.

This study not only successfully reveals the key factors influencing the financial resource allocation of Xiaomi Corporation but also validates the significant relationships between each factor and financial resource allocation through empirical analysis, providing a solid theoretical basis and practical reference for a deeper understanding of the financial resource operation mechanism of Xiaomi Corporation.

5.2 Recommendation

(1) Strengthen Technological Innovation Capability

Enhancing technological innovation capability is the core driving force for Xiaomi's sustainable development. Xiaomi has been continuously exploring the field of technology, and increasing investment in research and development (R&D) is crucial for improving its technological innovation capability. Xiaomi needs to establish professional R&D teams composed of members from different fields who possess rich professional knowledge and practical experience, enabling them to tackle technical challenges from multiple perspectives. In chip R&D, Xiaomi can attract top-tier chip design talents who can conduct in-depth research on chip architectures to enhance chip performance and efficiency.

In terms of software technology, Xiaomi should continuously optimize its operating system. As the bridge connecting hardware and users, Xiaomi's operating system can become smoother and more intelligent through continuous technological innovation. R&D personnel can customize the system based on users' usage habits and feedback, adding new features such as more intelligent voice interaction and more convenient file management.

Technological innovation also requires establishing close cooperative relationships with universities and research institutions. Universities and research institutions possess abundant scientific research resources and cutting-edge research achievements. Xiaomi can collaborate with them on project research. Through such cooperation, Xiaomi can promptly access the latest technological information and transform scientific research achievements into practical product applications. In the field of artificial intelligence, Xiaomi's cooperation with universities can jointly develop more advanced algorithms, enhancing the intelligence level of its products.

Xiaomi should foster an innovation-encouraging corporate culture. Within the company, Xiaomi should provide employees with sufficient innovation space and resource support, enabling them to dare to try new ideas and technologies. For employees with innovative achievements, Xiaomi should offer corresponding rewards and promotion opportunities to stimulate their innovation enthusiasm. This cultural atmosphere can attract more innovative talents to join Xiaomi, providing a continuous driving force for technological innovation.

Technological innovation should closely follow market demands. Xiaomi should deeply understand consumers' needs and pain points and combine technological innovation with market demands. As consumers' requirements for photography functions continue to rise, Xiaomi can innovate in camera technology to improve photography quality, color reproduction, and other aspects, meeting consumers' demand for high-quality photography.

(2) Enhance Brand Influence

Enhancing brand influence is a vital means for Xiaomi to bolster its market competitiveness. Xiaomi needs to clarify its brand positioning, highlighting its unique features and advantages. Renowned for its cost-effective products, Xiaomi should emphasize this characteristic in brand communication, enabling consumers to clearly recognize that Xiaomi products offer more affordable prices while ensuring quality. By clarifying brand positioning, Xiaomi can establish a distinctive brand image in the minds of consumers.

In terms of brand communication, Xiaomi should adopt diversified communication channels. In addition to traditional advertising, Xiaomi can also leverage emerging channels such as social media and online live streaming. Social media boasts a vast user base and powerful dissemination capabilities. Xiaomi can publish product information, user reviews, and other content on social media platforms and interact with consumers. Online live streaming allows consumers to gain a more intuitive understanding of product features and functions. Through demonstrations and explanations by hosts, it can enhance consumers' trust in the products.

Xiaomi should focus on building brand reputation. Brand reputation is consumers' comprehensive evaluation of a brand, and a good reputation can attract more consumers. Xiaomi should provide high-quality products and services, ensuring that product quality and performance meet consumers' expectations. Regarding after-sales service, Xiaomi should promptly respond to consumers' needs and resolve issues they encounter. When consumers experience product malfunctions, Xiaomi should offer fast and efficient repair services, making consumers feel the brand's care.

Participating in public welfare activities is also an important way to enhance brand influence. Xiaomi can demonstrate its corporate social responsibility by engaging in environmental protection, education, and other public welfare initiatives. During these activities, Xiaomi can donate products or funds to support those in need. Such philanthropic acts can enhance the brand's image in the eyes of consumers, making them perceive Xiaomi as a caring and responsible enterprise.

Xiaomi can also collaborate with other well-known brands. By partnering with renowned brands, Xiaomi can leverage the other party's influence and resources to enhance its own brand awareness. For example, Xiaomi can collaborate with fashion brands to launch co-branded products, combining technology with fashion to attract more consumers who pursue both style and technology.

(3) Optimize Supply Chain Management Capability

Optimizing supply chain management capability is crucial for Xiaomi to ensure product supply and reduce costs. Xiaomi should establish stable supplier relationships. Suppliers are a vital link in the supply chain, and forging long-term and stable

partnerships with high-quality suppliers can ensure the quality of raw materials and the stability of supply. Xiaomi can conduct rigorous screening and evaluation of suppliers, selecting those with a good reputation, strong production capabilities, and strict quality control. By collaborating with these suppliers, Xiaomi can obtain higher-quality raw materials, providing a guarantee for product quality.

In terms of supply chain planning, Xiaomi should conduct scientific forecasting and planning. Based on market demand and sales data, Xiaomi can make reasonable plans for product production and supply. Before a product is launched, Xiaomi should forecast its sales volume in advance and arrange the procurement of raw materials and production schedules accordingly. This can prevent situations such as raw material shortages or product overstocking, improving the operational efficiency of the supply chain.

Xiaomi should introduce advanced supply chain management technologies. With the development of technology, many advanced supplies chain management technologies have emerged, such as the Internet of Things (IoT) and big data. Xiaomi can use IoT technology to conduct real-time tracking of raw materials and products, understanding their locations and statuses. Through big data analysis, Xiaomi can make more accurate predictions of market demand and optimize inventory management. Based on the results of big data analysis, Xiaomi can reasonably adjust inventory levels and reduce inventory costs.

Strengthening supply chain collaboration is also an important aspect of optimizing supply chain management capability. All links in the supply chain are interconnected, and Xiaomi should enhance communication and collaboration with suppliers, logistics companies, etc. Xiaomi can establish close partnerships with logistics companies to optimize logistics and distribution plans and improve product transportation efficiency. Xiaomi should share information with suppliers, promptly provide feedback on problems and needs during the production process, and jointly resolve issues arising in the supply chain.

In addition, Xiaomi should establish a supply chain risk early warning mechanism. Various risks exist in the supply chain, such as rising raw material prices and natural disasters. By establishing a risk early warning mechanism, Xiaomi can promptly identify potential risks and take corresponding measures to address them. When raw material prices rise, Xiaomi can negotiate prices with suppliers in advance or find alternative raw materials to mitigate the impact of risks on the supply chain.

(4) Improve Human Resource Quality

Improving human resource quality is the foundation for Xiaomi to achieve sustainable development. Xiaomi needs to formulate a scientific talent recruitment strategy. During the recruitment process, Xiaomi should focus on evaluating

applicants' professional skills, innovation capabilities, and teamwork spirit. For technical R&D positions, Xiaomi should recruit talents with solid professional knowledge and rich practical experience. For marketing positions, it should hire individuals with keen market insights and excellent communication skills. Through precise recruitment, Xiaomi can bring in high-caliber talent.

In terms of employee training, Xiaomi should offer a diverse range of training courses. With the continuous advancement of technology and changes in the market, employees need to constantly learn and upgrade their abilities. Xiaomi can provide technical training, management training, marketing training, and other courses based on employees' job requirements and career development plans. For technical personnel, Xiaomi can offer the latest technical training to enable them to master cutting-edge technologies in the industry. For management personnel, it can provide leadership training to enhance their management capabilities.

Xiaomi should establish a reasonable incentive mechanism. Incentive mechanisms can stimulate employees' work enthusiasm and creativity. Xiaomi can reward outstanding employees through salary incentives, promotion incentives, and honor incentives. For employees who achieve remarkable results in their work, Xiaomi can offer generous bonuses and promotion opportunities. For those with innovative achievements, it can confer honorary titles to enhance their sense of accomplishment.

Creating a positive work atmosphere is also an important aspect of improving human resource quality. Xiaomi should build an open, inclusive, and innovative work environment where employees can freely express their ideas and opinions. In the workplace, Xiaomi should encourage communication and cooperation among employees to promote knowledge sharing and transmission. It can organize team-building activities to enhance employees' cohesion and teamwork spirit.

Xiaomi should pay attention to employees' career development. Xiaomi should provide employees with broad career development opportunities to help them achieve their career goals within the company. Based on employees' interests and abilities, Xiaomi can formulate personalized career development plans for them and offer promotion opportunities and job rotation opportunities. By focusing on employees' career development, Xiaomi can improve employees' loyalty and sense of belonging, providing stable human resource support for the company's development.

5.3 Further Study

Although this study conducted a relatively systematic exploration of the influencing factors of Xiaomi's financial resource allocation and achieved certain

results, it was still limited by research conditions, time constraints, and other factors, leaving many areas that require further in-depth investigation.

In terms of research samples, this study mainly focused on Xiaomi as a single case. While Xiaomi is representative within the industry, different companies operate in varying market environments, at different development stages, and with distinct strategic positions. The influencing factors and mechanisms of their financial resource allocation may differ. Subsequent research can expand the sample scope to include more companies of different types, sizes, and development stages. Through comparative analysis, it can more comprehensively and deeply reveal the common and unique factors influencing corporate financial resource allocation, enhancing the universality and extrapolability of the research conclusions.

From the perspective of research methods, this study adopted a quantitative research approach, collecting data through questionnaires for analysis. However, quantitative research may have certain limitations in exploring the deep-seated relationships and internal mechanisms among variables. Subsequent research can combine qualitative research methods, such as case studies and in-depth interviews, to gain a deeper understanding of corporate managers' decision-making processes, the interactions among influencing factors, and the actual challenges faced during financial resource allocation. This will enable a more accurate grasp of the dynamic process and internal logic of financial resource allocation.

Regarding the consideration of influencing factors, this study mainly focused on technological innovation capabilities, brand influence, supply chain management capabilities, and human resource quality. In reality, corporate financial resource allocation may also be influenced by many other factors, such as the macroeconomic environment, policies and regulations, and industry competition dynamics. Subsequent research can further expand the scope of influencing factors, comprehensively considering various internal and external factors, and construct a more comprehensive and complete influencing factor system for financial resource allocation to more accurately predict and explain corporate financial resource allocation behaviors.

With the rapid development of technology and continuous changes in the market environment, corporate financial resource allocation models are also constantly evolving. Subsequent research should maintain a focus on industry trends and technological innovations, promptly capturing new influencing factors and mechanisms to provide more forward-looking and targeted suggestions for the optimal allocation of corporate financial resources.

References

Ahmed, S. W., & Siddiqui, D. A. (2020). Human resource management, total quality management and competitive advantages: Evidence from Pakistani banking industry. *Human Resource Research*, *4*(1), 1.

Alam, T. (2023). Optimal financial resource allocation using Mult objective decision-making model. *Pakistan Journal of Statistics and Operation Research*, *11*(2), 349–358. https://doi.org/10.18187/pjsor.v19i2.4201

Allen, L., & Golfari, A. (2023). Do cocos serve the goals of macroprudential supervisors or bank managers? *Journal of International Financial Markets, Institutions and Money*, *84*(5), 101761.

Asad, M. (2022). Porter five forces vs resource-based view - A comparison. *SSRN Electronic Journal*, *2*(1).

Bag, S., Dhamija, P., Bryde, D. J., & Singh, R. K. (2022). Effect of eco-innovation on green supply chain management, circular economy capability, and performance of small and medium enterprises. *Journal of Business Research*, *141*(36), 60–72. https://doi.org/10.1016/j.jbusres.2021.12.011

Bao, Q., & Chai, H. (2022). Environmental regulation, financial resource allocation, and regional green technology innovation efficiency. *Discrete Dynamics in Nature and Society*, *2022*(6), 1–11. https://doi.org/10.1155/2022/7415769

Barney, J. B., & Mackey, A. (2016). Text and metatext in the resource-based view. *Human Resource Management Journal*, *26*(4), 369–378.

Borazon, E. Q., Huang, Y.-C., & Liu, J.-M. (2021). Green market orientation and organizational performance in Taiwan's electric and electronic industry: The mediating role of green supply chain management capability. *Journal of Business & Industrial Marketing*, *6*(4).

Breuer, M. (2021). How does financial-reporting regulation affect industry-wide resource allocation? *Journal of Accounting Research*, *59*(1). https://doi.org/10.1111/1475-679x.12345

Cheng, C., & Yang, M. (2017). Enhancing performance of cross-border mergers and acquisitions in developed markets: The role of business ties and technological innovation capability. *Journal of Business Research*, *81*(14), 107–117. https://doi.org/10.1016/j.jbusres.2017.08.019

Daddi, T., Heras-Saizarbitoria, I., Marrucci, L., Rizzi, F., & Testa, F. (2021). The effects of green supply chain management capability on the internalization of environmental management systems and organization performance. *Corporate Social Responsibility and Environmental Management*, *28*(4).

De Veirman, M., Cauberghe, V., & Hudders, L. (2017). Marketing through Instagram influencers: The impact of number of followers and product divergence on brand attitude. *International Journal of Advertising*, *36*(5), 798–828. https://doi.org/10.1080/02650487.2017.1348035

Detcharat Sumrit. (2013). Using DEMATEL method to analyze the causal relations on technological innovation capability evaluation factors in Thai technology-based firms. *Journal of Business Management*, *25*(3).

Dobrovolskienė, N., & Tamošiūnienė, R. (2016). Sustainability-Oriented financial resource allocation in a project portfolio through multi-criteria

decision-making. *Sustainability*, *8*(5), 485.

Dutta, D. K. (2013). Path dependence, VRIN resource endowments, and managers: Towards an integration of resource-based theory and upper echelons theory. *Journal of Business Theory and Practice*, *1*(1), 109.

Fan, Y., & Chen, S. T. (2022). Research on the effects of digital inclusive finance on the efficiency of financial resource allocation. *Frontiers in Environmental Science*, *10*(3). https://doi.org/10.3389/fenvs.2022.957941

Foss, N. J., & Stieglitz, N. (2010). Modern resource-based theory. *SSRN Electronic Journal*, *6*(4). https://doi.org/10.2139/ssrn.1676255

Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R., & Singh, R. (2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. *Journal of Business Research*, *69*(12), 5833–5841. ScienceDirect. https://doi.org/10.1016/j.jbusres.2016.04.181

He, T., & Song, H. (2022). Identifying the transformation characteristics of resource-based cities in China based on night-light remote sensing data: Evidence from 126 resource-based cities. *SSRN Electronic Journal*, *5*(4). https://doi.org/10.2139/ssrn.4302339

Hermawan, S. (2017). Makan intellectual capital perspective the role theory dan the resource-based theory. *EKUITAS (Journal Ekonomi Dan Keeanga)*, *17*(2), 256. https://doi.org/10.24034/j25485024.y2013.v17.i2.2252

Hui, K. L. (2004). Product variety under brand influence: An empirical investigation of personal computer demand. *Management Science*, *50*(5), 686–700. https://doi.org/10.1287/mnsc.1030.0200

Jayaram, J., Dixit, M., & Motwani, J. (2014). Supply chain management capability of small and medium sized family businesses in India: A multiple case study approach. *International Journal of Production Economics*, *147*(52), 472–485. https://doi.org/10.1016/j.ijpe.2013.08.016

Ji, X., Tang, Y., & Shao, W. (2022). Spatial spillover effects of financial resource allocation efficiency on green economy: Evidence from China. *Frontiers in Environmental Science*, *10*(8). https://doi.org/10.3389/fenvs.2022.1037162

Jung, S. C. (2018). Comparative analysis of strategies Samsung vs. Xiaomi (focused on industrial attractiveness and VRIO analysis). *The SIJ Transactions on Advances in Space Research & Earth Exploration*, *6*(2), 1–4. https://doi.org/10.9756/sijasree/v6i2/06080100102

Kujawa, B. (2021). Journal of transport and supply chain management. *Journal of Transport and Supply Chain Management*, *2*(1).

Lähtinen, K. (2020). Assessing the resource usage decisions and financial performance in finish sawmills within the resource-based view framework. *Dissertations Forestalls*, *2009*(89). https://doi.org/10.14214/df.89

Lau, A. K. W., & Lo, W. (2019). Absorptive capacity, technological innovation capability and innovation performance: An empirical study in Hong Kong. *International Journal of Technology Management*, *80*(2), 107. https://doi.org/10.1504/ijtm.2019.099750

Liao, G., Yao, D., & Hu, Z. (2019). The spatial effect of the efficiency of regional financial resource allocation from the perspective of internet finance: Evidence from Chinese provinces. *Emerging Markets Finance and Trade*, *56*(6), 1211–1223. https://doi.org/10.1080/1540496x.2018.1564658

Lou, C., & Yuan, S. (2019). Influencer marketing: How message value and credibility affect consumer trust of branded content on social media. *Journal of Interactive Advertising*, *19*(1), 58–73.

Radinmanesh, M., Ebadifard Azar, F., Afghani, A., Najafi, B., & Majdzadeh, R. (2021). A review of appropriate indicators for need-based financial resource allocation in health systems. *BMC Health Services Research*, *21*(1). https://doi.org/10.1186/s12913-021-06522-0

Su, X., Mou, C., & Zhou, S. (2023). Institutional environment, technological innovation capability and service-oriented transformation. *PLOS ONE*, *18*(2), e0281403. https://doi.org/10.1371/journal.pone.0281403

Su, Z., Zhang, M., & Wu, W. (2021). Visualizing sustainable supply chain management: A systematic scient metric review. *Sustainability*, *13*(8), 4409. https://doi.org/10.3390/su13084409

Subramanian, K. (2010). A resource-based theory of entrepreneurial finance. *SSRN Electronic Journal*, *4*(2). https://doi.org/10.2139/ssrn.1562554

Sun, J., & Zhu, Q. (2018). Organizational green supply chain management capability assessment: A hybrid group decision making model application. *IEEE Engineering Management Review*, *46*(1), 117–127.

Tu, W., Zhang, L., Sun, D., & Mao, W. (2023). Evaluating high-tech industries' technological innovation capability and spatial pattern evolution characteristics: Evidence from China. *Journal of Innovation & Knowledge*, *8*(1), 100287. https://doi.org/10.1016/j.jik.2022.100287

Wahib, M., & Prasetyo, H. D. (2020). Distinguishing loyalty and customer satisfaction of Xiaomi smartphone in young workers Sido Arjo. *Media Mahershala*, *18*(2), 192. https://doi.org/10.29062/mahardika.v18i2.147

Wang, H. (2018). Educational resource management system based on JSP technology. *Educational Sciences: Theory & Practice*, *7*(3).

Wang, J. (2018). Making a difference through quality manuscript review. *Human Resource Development Review*, *17*(4), 339–348.

Wang, W., & Zhang, C. (2018). Evaluation of relative technological innovation capability: Model and case study for China's coal mine. *Resources Policy*, *58*(29), 144–149. https://doi.org/10.1016/j.resourpol.2018.04.008

Wang, X., & Luo, Y. (2020). Has technological innovation capability addressed environmental pollution from the dual perspective of FDI quantity and quality? Evidence from China. *Journal of Cleaner Production*, *258*(3), 12.

Yang, R. (2016). Impact of human resource quality and bureaucracy behavior on organizational performance effectiveness. *International Journal of Science and Research (IJSR)*, *5*(2), 881–885. https://doi.org/10.21275/v5i2.nov161285

Zhang, F. (2023). Factors influencing human resource outsourcing evidence in Vietnam. *Quality-Access to Success*, *25*(19), 12-15.

Zhao, W., & Yi, L. (2021). Product innovation logic under the open innovation ecosystem: A case study of Xiaomi (China). *Technology Analysis & Strategic Management*, *35*(6), 1–17. https://doi.org/10.1080/09537325.2021.1980208

Zhou, H. (2013). Linking human resource management practices and customer satisfaction on product quality. *Human Resource Management International Digest*, *21*(3). https://doi.org/10.1108/hrmid.2013.04421caa.003

Appendix

Dear Sir/Madam,

Thank you for your participation in this questionnaire survey. The survey will be conducted anonymously, and your relevant information will be kept confidential. Thank you again for your cooperation.

Part Ⅰ:

Please fill in the following basic information:
1. Your Gender
A Male
B Female
2. Your Age
A 20-25 Years Old
B 26-30 Years Old
C 31-35Years Old
D 36-40 Years Old
D Over 40 Years Old
3. Your Educational Backgrounds
A Junior College and Below
B Undergraduate
C Master's Degree
D Doctor
4. Your Position Level
A Grassroots Employee
B Middle-Level Managers
C Senior Managers
5. Your Working Experience
A Less than 1 Year
B 1-3 Years
C 4-5 Years
D 6-10 Years
E More than 10 Years

Part Ⅱ:

Please judge to what extent you agree with the following statement; choose the most appropriate option, and mark the corresponding number " √ . " The questionnaire used a Likert scale, ranging from 1 to 5 in which one indicates strongly disagree, two indicates relatively disagree, three indicates neutral, four indicates relatively agree, and five indicates strongly agree

Measuring Item	Strongly Disagree	Relatively Disagree	Neutral	Relatively Agree	Strongly Agree
Technological Innovation Capability					
Xiaomi's annual proportion of R&D investment can precisely reflect its emphasis on technological innovation.					
The conversion efficiency of core technology patents has significantly increased the product gross profit margin.					
The shortened technological innovation cycle has reduced the cost of financial resource occupation.					
Cross-departmental technological collaboration has minimized redundant investments.					
The upfront investment in technology pre-research has laid a solid foundation for long-term financial returns.					
Brand Influence					
Xiaomi's brand market awareness directly enhances the product's premium capability.					
The synergistic effect of the brand ecosystem has					

reduced the user acquisition cost for new products.					
The investment in brand internationalization expansion has brought about scaled financial returns.					
The budget allocation for brand crisis response has effectively maintained user trust.					
The investment in brand mythification strategies has significantly increased the proportion of Generation Z users.					
Supply Chain Management Capability					
Supplier diversification has mitigated the risk of single-source dependency.					
Supply chain digitization has reduced inventory overstock and out-of-stock losses.					
The increase in the self-sufficiency rate of key components has lowered long-term procurement costs.					
Logistics network optimization has shortened the product delivery cycle.					
The emergency supply chain has effectively hedged against production interruption risks.					
Human Resource Quality					
There is a positive correlation between the proportion of highly skilled talents and patent					

output.					
Investment in employee training has significantly improved production efficiency.					
The collaboration efficiency of cross-cultural teams has optimized resource allocation in international markets.					
Incentive mechanisms have reduced the turnover rate of core talents.					
Organizational culture has strengthened employees' identification with resource conservation goals.					
Financial Resource Allocation					
Xiaomi's financial budget can precisely support its "Smartphone × AIoT" ecosystem strategy and international expansion goals.					
The internal financial resource sharing at Xiaomi has significantly reduced redundant investment costs.					
Xiaomi maintains a reasonable ratio of fund allocation between long-term projects, such as technology pre-research and current product iterations.					
Xiaomi has reserved sufficient financial resources to cope with risks such as supply chain disruptions and market demand fluctuations.					

Xiaomi's financial investments in key areas can be directly translated into quantifiable benefits, such as market share growth, gross profit margin increases, or enhanced user ecosystem loyalty.					