

# MEMORANDUM

DATE: June 7, 2015

TO: Wendong Li, English teacher

FROM: Chenxi Li, Student from Beijing University Posts and Telecommunications

SUBJECT: Evaluation of Xiaomi Mobile Phone

## INTRODUCTORY SUMMARY

Xiaomi mobile phone has developed quickly since the domestic smart phone existed. Having selected information for many months, I have concluded that Xiaomi has many advantages in the market of mobile phone. This memo presents my attitude about the main features of Xiaomi mobile phone and some existed problems in it.

## THE STATE OF DEVELOPMENT

The state of development provides three primary features: the group of customers, resource management, marketing strategy and reputation economics.

### The Group of Customers

The loyal customers of Xiaomi are the main force of the purchase power. Most of them are the online shoppers who are 18~30 years old. This group of people spend more than 2000 for the shopping every month.

### Resource Management

Xiaomi is devoted to innovate the business patterns that based on its good reputation, It carries out the hardware & software integration. Under these patterns, there are few rivals competing with them. At the same time, The company cooperates with other good companies and make good use of their resources, so that it can enhance the competitive ability.

### Marketing Strategy

Through directly selling online, this company has a lower cost and higher efficiency. What's more, they don't need to face many risks.

The price of Xiaomi mobile phone is not very high, their strategy is lower profit to attract more customers. Compared with other same level mobile phone, Xiaomi presents other corollary products as a gift to the customers. In this way, not only does Xiaomi sell their products, but they also satisfy the demand of the customers.

### Reputation Economics

Xiaomi still pays attention on the application functions and the after-sale services. The good reputation becomes the core power to spread its brand. Based on the cost performance and the price, people must encourage you to

choose Xiaomi. Setting up a good reputation is most effective way to keep a healthy development.

## **The core competence**

Develop in the competitive market, there must be some advantages in Xiaomi. I desire to present the advantages in MIUI operation system, update products, best design and the customers' consults.

### **MIUI operation system**

Based on the original Android operation system, MIUI is developed to be more suitable for Chinese people. people who have used this system must realize its convenience. This system can achieve the function of changing interesting theme freely, recommend something meaningful to you.

Technicians will promote this system to solve the common problems weekly. In addition, every smart phones can install MIUI system freely. Through this way, it can gain many potential customers(although they are using other products, they are likely to purchase Xiaomi next time).

### **update products**

In each press conference, Xiaomi showed customers that their products contain the latest technology. In the competition with iphone and Sumsung, Xiaomi isn't behind them. What's more, it is much cheaper than them which means its cost performance is higher.

### **best design**

In the appearance design, Xiaomi still retains its distinctive personality(no design is the best design). Their appearance makes people feel comfortable. In its store, there are abundant accessories for people to choose so that people have no reasons to refuse it.

## **EXISTED PROBLEMS**

In the development of Xiaomi, the results is much better the anticipate. In the meanwhile, some unexpected problems appear. These existed problems will be the tremendous risks if the company can't solve them in time.

### **The Control of the Supplier**

Because Xiaomi update technology frequently which means it can't make a long time cooperative relationship with suppliers. The suppliers may not concentrate to your products and then the quality can't be guaranteed.

### **After-sale Service**

At the original time, no one can imagine Xiaomi mobile phone can be popular like this. The limited repairing-stations can't achieve all the tasks. Many customers complain that their problems have not been solved or new problems appeared. The after-sale is an important part of development. No quality guarantees, no customers.

## **CONCLUSION**

As the leader of the domestic mobile phone, Xiaomi gains a great success in the recent years. MIUI operation system is accepted by more and more people. Compared with iphone, Xiaomi has higher cost performance. Their accessories are also outstanding, such as Mi bracelet which is widely used by people.

Based on the excellent strategy and the distinct features. Xiaomi gains an unexpected success. But everything has two parts, the repair and the after-sales service are not quite perfect. This requires the managers to devote to improve this system, put the customer's demands at the first place and ensure the quality of the product