A company started just eight years ago has now become

one of the world’s largest smartphone makers.

I'm talking about Xiaomi. It's opening stores and now rapidly expanding outside of China.

So what’s behind the growth of this Chinese tech company?

Xiaomi is the fourth-biggest smartphone player in the world.

It’s India’s top-selling smartphone brand and one of China’s top players.

But its breadth is much more than that.

It’s present in 74 markets around the globe, with nearly 15,000 employees

and more than 300 million people are using its products or services.

While Xiaomi may be a foe for Apple, it’s somewhat of a friend to Google and Microsoft.

Xiaomi smartphones run a version of Google’s Android operating system

and the Chinese tech company is partnering with Microsoft to collaborate on artificial intelligence.

The company makes up about 72 percent of its revenue from China, and 28 percent from the rest of the world.

Xiaomi generates most of its revenues from smartphones, but it’s also expanded into

other products like music and video streaming, too.

The Beijing-based company wants its smartphones to be just the start

of an entire device ecosystem for its users.

Which may explain why it’s sometimes referred to as the “Apple of China.”

When the company was first started, Xiaomi only sold its products online

in an effort to reduce overhead costs.

It avoided spending money on advertising and relied on brand loyal customers to spread the word.

Xiaomi’s selling point was simple.

Offer high-quality devices, but at lower prices than competitors.

And it worked.

Xiaomi became China’s number one smartphone in 2014.

But the success was short-lived.

Sales fell in 2016, pushing Xiaomi down several spots to number five in China.

New low-cost players were entering the market, and the company learned that by selling its

phones online directly to consumers, well, it made it difficult to reach new customers,

like those in China’s smaller cities.

So Xiaomi began to change up its strategy.

Recently it's been getting into the brick-and-mortar game,

opening a large number of stores like this one in Hong Kong.

It plans to open 2,000 stores worldwide by 2019 with just about half of them in China.

It’s expanding its footprint outside of China, opening retail stores in Spain and Italy

and forming retail partnerships here in the U.K.

And while Xiaomi isn’t in the U.S. yet,

Xiaomi’s head of its international business says they do have plans to enter the market.

It’s not just a smartphone business.

Xiaomi also makes things like smart watches, headphones, speakers, pillows,

VR headsets, air purifiers, rice cookers, kitchenware, luggage, hats and wallets.

That’s on top of selling online content, entertainment and financial services.

In 2017, Xiaomi’s sales grew more than 67 percent from the year prior, leading some to call it ‘China’s Phoenix.’

Product launch events for its new products can draw up to thousands of fans.

And while companies like Samsung have used Kanye West and Bruno Mars

to pump up fans for new products,

Xiaomi events are usually headlined by well, the company’s CEO Lei Jun.

As one of Xiaomi’s co-founders, he has a net worth of more than $12 billion.

He worked in technology and as an angel investor before starting the company in 2010.

So what’s next?

Smartphone shipments in China suffered their largest decline ever in the first quarter of 2018.

And global smartphone sales declined last year for the first time since 2009.

While the industry news is concerning for massive smartphone players,

Xiaomi actually had an 88 percent increase in the number of phones

they sold globally in the first quarter of this year.

That’s compared to a slight decrease by Samsung and slight increase by Apple.

Xiaomi’s growth was largely because of its previous ho-hum performance though.

So the question remains.

Will “China’s Phoenix,” so dependent on its hardware business, fly to new heights?

Or will it return to the ashes?

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