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CORPORATE IMAGE BASED ON “XIAOMI”

The problem of creating the image of a national business organization cannot compete with companies operating on the global market, which raises the question of forming and improving the company's image because the company's success depends on it. However, many aspects of image management remain problematic, especially regarding the company's internal image, which is an important motivating factor. The importance of image in the smartphone industry today cannot be underestimated as the industry is constantly evolving. Due to intense competition in the technology sector, smartphone manufacturers are forced to produce high-quality products and actively work on attracting attention to their brands. Marketing strategies are critical in increasing sales volumes, forming a positive company image, and maintaining leading positions in the market. In this paper, we analyzed the various marketing approaches implemented by smartphone companies, from “Apple” to “Xiaomi”, analyzing their strategies to attract consumers, their impact on their perception, and how they stand out in the market. This paper explores the various marketing approaches implemented by smartphone companies, from “Apple” to “Xiaomi”, analyzing their consumer engagement strategies, impact on consumer perception, and ways to differentiate themselves in the market. Moreover, it defines the essence of the image and the elements of its formation, considers the methods and toolkit of company image management, characterizes the activities of “Xiaomi”, analyzes the company image and factors affecting its reputation, identifies the problems of the development of “Xiaomi” image and directions of its improving based on the experience of its main competitors.

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1. STATEMENT OF THE PROBLEM IN A GENERAL APPEARANCE AND ITS CONNECTION WITH IMPORTANT SCIENTIFIC OR PRACTICAL TASKS

As competition intensifies in all markets for goods and services, it is becoming more difficult for retailers to create and maintain a competitive advantage by improving quality or lowering prices. In this case, building a loyal customer base becomes crucial. It is essential for retailers facing intensified competition. Some strategies can help create and maintain customer loyalty: exceptional

customer service, loyalty programs, engaging customer experience, consistent branding and communication, personalized marketing, high-quality products and reliability, community building, transparency, and ethical practices. These strategies can help retailers survive and thrive in a competitive market by building a loyal customer base. In many industries, organizations with loyal customers hold the leading positions. Hence, loyalty is an important factor in creating a good image. Retailers must engage in segmentation and positioning to understand

consumers better and conduct more targeted activities based on consumer needs. The concept of relationship marketing is to achieve and strengthen consumer loyalty. Scientists point out that having many loyal, solvent customers can provide many significant short-and long-term benefits.

2. ANALYSIS OF LATEST RESEARCH AND PUBLICATIONS

The results of the systematic study and generalization of the approaches of domestic and foreign scientists to define the image of the organization. Approaches to defining the concept of “organizational image”. T. Semenchuk [11]: “The factor that plays an important role in the evaluation of the enterprise is a consequence of the managerial actions of the management, which is expressed through the perception of customers, employees, and the manager himself” L. Orban-Lembryk [7]: “Image is the impression that the organization and its employees make on people and that is fixed in their minds in the form of certain emotionally colored stereotypes”. E. Romat [10]: “The image of the organization, the unity of views, and the emotional perception of the target audience are related to the firm”. I. Pshenyshnyuk [8]: “A clear idea about some object, enterprise, a set of associations and impressions about them, which are formed in the minds of buyers and determine their position on the market. Image is the general impression created about a person, organization, or company”. O. Bulhakova [2]: “A set of features that characterize or identify a certain enterprise, which is recorded in certain symbols or forms of information that the company creates, are purposefully transmitted to the audience in the process of communications, are fixed, perceived, recognized and evaluated by the entity that belongs to one or another target audience, and also, taking the form of a stereotype, occupy a certain place in the subject’s consciousness and value system, determine his further actions to this company and its products”. O. Lozovsky [4]: “Image is one of the most important components of an enterprise’s competitiveness, a basic prerequisite for its successful activity”.

Therefore, the image of the organization is not only a means, a management toolkit but also an object of management [3]. The formation of the company’s image is based on the organization’s development strategy. The main

tools for forming the image of the organization are, as a rule, integrated marketing communications: public relations, advertising, marketing, sales promotion; and each of which has its advantages and disadvantages. The structure of the company’s image can be divided into groups:

1) The internal image of the enterprise is the perception of employees about the company in which they work.

2) The image of the product consumer is an idea of the buyer’s social status and lifestyle.

3) The image of the founders is an idea of the goals, motives, and abilities of the management team.

4) The image of the staff is the buyer’s perception of the company’s employees.

5) Social image is society’s perception of the company’s importance in the economic and cultural spheres.

6) Visual image of the company – the client’s ideas are based on the visual perception of the external image of the offices, corporate symbols, and companies.

7) Business image is the perception of partners and consumers about the enterprise [8], which is formed based on such factors as the activity of the organization, the indicator of which is sales volumes, compliance with ethical standards of business, honesty/dishonesty in the performance of its activities, use of advanced technologies in production and business, flexible pricing policy and others.

3. SELECTION OF PREVIOUSLY UNSOLVED PARTS OF THE GENERAL PROBLEM TO WHICH THIS ARTICLE IS DEDICATED

“Xiaomi”, despite its impressive growth and global reach, faces several unsolved problems related to its corporate image: patent issues, cross-cultural management, building sales channels, output capacity, and brand perception. These challenges highlight the complexities of “Xiaomi’s” global strategy and the need for continuous adaptation and innovation to maintain and improve its corporate image.

4. FORMULATION OF THE PURPOSES OF THE ARTICLE

The purpose of the research is to determine directions for improving the image of “Xiaomi” based on the experience of its main competitors.

5. PRESENTATION OF THE MAIN MATERIAL OF THE RESEARCH WITH FULL JUSTIFICATION OF THE OBTAINED SCIENTIFIC RESULTS

The image is created differently depending on the group of the public it targets because the desired behavior of the groups towards the enterprise will most likely differ, that is, the same enterprise can be perceived differently by consumers, government structures, investors, and the public.

Thus, the image of the company is an idea about the organization that it forms to create the desired impression about itself among customers, partners, and competitors. Therefore a positive image of the organization is an important component of success [1].

The identity of the trade organization is the message that the retail network declares about itself. Everything that a retail chain says and does creates its identity: products and services, formal and informal communications, company policy, and sales staff behavior [3].

Achieving a favorable image of the retail network and the loyalty of its consumers are the main tasks of managing the individuality of a trade organization. Image formation is based on a strategic approach using a variety of marketing communication tools. Building an image in the world is considered one of the main strategic goals of management, at the level of innovation, selection of highly qualified personnel, or expansion of the sales market.

In world practice, there are four main stages of creating an image [14]:

- foundation creation;
- external image;
- internal image;
- integral image.

A highly qualified manager will not only pay attention to the external image but also the appearance of the employees and the interior of the office, as well as establish the right concepts for the development of relations with the public.

Problem areas when creating a positive image can be called such basic criteria as location, polite, attentive staff, bonus system, prestige, honest attitude to the consumer, appearance, decent design, etc.

Creating and maintaining a company's image through a variety of communication tools, such as PR, advertising, viral marketing, and word of mouth, are key to building brand

awareness among consumers. These tools contribute not only to the dissemination of information about products and services but also to the creation of the necessary image, which can include both real and created characteristics to achieve the company's goals [13]. At the same time, some believe that investment in image is less important compared to direct sales promotion through advertising and promotion. However, underestimating the importance of image can lead to missed opportunities, as a strong image supports long-term customer engagement and positively impacts sales.

The effectiveness of image strategies is supported by the use of various factors, which include the history of the company, its social mission, the personality of the leader, the quality of goods and services, etc. Identifying and emphasizing these aspects can help a company stand out from the competition, create deep connections with consumers, and increase brand awareness.

Storytelling and conveying the company's values through a unique story and social responsibility are becoming important elements in the fight for customer attention and loyalty. Personalizing the brand and building the personal brand of leaders can also have a positive impact on the company's perception. At the same time, it is important to ensure that the promises of the brand correspond to the real experience of consumers to avoid disappointments and negative reviews.

Collectively, these strategies help build a positive image of the company, which, in turn, can increase brand awareness, attract new customers, and strengthen the loyalty of existing ones. Investing in image and reputation in the long term can bring much greater benefits compared to a short-term focus solely on increasing sales.

Managing a company's image is a complex and multifaceted activity that requires the use of various methods and tools to create, maintain and, if necessary, adjust brand perception among the target audience. Effective image management includes strategic planning and active use of communication channels to achieve set goals.

The basis of image management is the development of a clear strategy that defines the key messages of the brand, the company's values, and its promises to customers. The strategy should be based on a deep understanding of the

target audience, its needs, and expectations, as well as take into account the competitive environment.

The communication strategy includes the selection of the most effective channels for interaction with the audience. It can be a corporate website, social networks, blogs, press releases, and other types of media. An active presence in social networks allows not only to inform the audience about the company's news but also to enter into a dialogue with customers and collect their feedback and suggestions [12].

One of the key image management tools is PR (public relations), which involves working with the public, organizing events, creating and distributing press materials that create a positive image of the company. PR helps to build long-term relations with the public and increases trust and loyalty to the brand.

Viral marketing and word of mouth are also important tools. They rely on the creation and distribution of content that users will share with others, thereby ensuring a wide spread of information about the company.

Equally important is the monitoring and analysis of mentions of the company on the Internet and in the mass media. This allows you to quickly respond to negative information, adjust the image management strategy, and improve interaction with the target audience.

Image management also involves working with the internal audience – the company's employees. Internal communications, corporate culture, and internal branding contribute to the attraction and retention of talent, as well as the formation of brand ambassadors among employees [11].

The use of these tools allows companies to create a strong and positive image that helps attract new customers, increase sales, and maintain the loyalty of existing consumers. At the same time, image management is an ongoing process that requires constant attention, evaluation, and adjustment to match changes in consumer sentiment and the market environment.

The company "Xiaomi" is an outstanding example of a successful Chinese company that has taken its place in the world arena of smartphone manufacturers, holding the third position after such giants as "Samsung" and "Apple". At the same time, the company has expanded its product range to include electric brushes, watches, headphones, TVs, and smart

home products, demonstrating its ability to innovate and expand in the market. Its products, characterized by affordability, quality, and modern design, compete with leading brands and offer features that make it attractive to a wide range of consumers [16].

The company is successfully developing in the markets of Central and Eastern Europe, which testifies to the effectiveness of its global strategy and ability to adapt to various market conditions. Its tagline: "We relentlessly create amazing products at fair prices to enable everyone in the world to enjoy a better life through innovative technology", underscores the company's commitment to democratizing access to modern technology.

Founded by Lei Jun in 2010, "Xiaomi" has quickly become one of the leading economic forces in China, witnessing the significant achievements of its founder and team. The significant increase in annual revenue and net profit in 2020, compared to the previous year, underlines its sustainable financial development and increased profitability in the global market.

"Xiaomi's" manufacturing facilities located in India indicate the company's strategic decision to focus production in a region with high growth potential and economic benefits. At the same time, the company actively invests in marketing and research, which reflects its commitment to innovation and improvement of its product offering.

"Xiaomi" shows an exemplary example of a company that not only successfully competes in the global smartphone market, but also effectively expands its range of products, which includes not only smartphones but also a wide range of technical devices, reflecting its ability to innovate and open new markets (Table 1).

In 2020, "Xiaomi" reported a significant increase in annual revenue, reaching approximately \$38.6 billion, a 19.4% increase over 2019. Adjusted net income also showed an increase of 12.8%, amounting to \$2 billion [20]. This trend of increasing profitability is a positive signal for the company in the global market. In the first half of 2021, the company's revenue reached \$28.6 billion and its adjusted net income was \$1.9 billion, up \$100 million from 2019, demonstrating strong profitability and growth for "Xiaomi". This only confirms the positive trend of the company's development. However, these figures for 2021 are still lower compared to the

previous year, as only interim results have been released so far, and a full report for the year is expected.

Marketing and research costs are increasing in line with demand, while administrative costs have decreased, likely due to the shift to telecommuting during the COVID-19 pandemic, which has allowed funds to be reallocated to marketing and advertising. It is also important to note the increase in the index of changes in the value of investments in 2020, which may indicate an increase in the price of investments caused by the pandemic and the introduction of tariffs and quotas by the United States.

From an investor perspective, “Xiaomi” is of interest, especially given its Q2 2021 ROCE of 9.9%. This ratio reflects a company’s efficiency

in using all its capital to generate profit, highlighting its profitability after taking into account total equity and liabilities.

Figure 1 shows condensed consolidated statements of comprehensive income during 2019-2023.

“Xiaomi” is marked by significant success in the market thanks to its unique pricing strategy. The brand is known for its high-quality smartphones available at comparatively low prices, which makes it competitive in the international market. One of “Xiaomi’s” key pricing strategies is the “price-quality” approach, aimed at providing high-quality products at an acceptable price. This attracts the attention of consumers who are looking for more profitable alternatives without losing quality.

Table 1

The dynamics of changes in income from the main groups of products of the company “Xiaomi”

Indicator	2018		2019		2020		2021	
	Quantity	% from income	Quantity	% from income	Quantity	% from income	Quantity	% from income
Smartphones	17890,33	65,06	19194,29	59,32	23925,62	61,90	17384,06	67,15
Internet of things and lifestyle products	6888,37	25,05	9760,73	30,16	10597,47	27,42	6127,65	23,67
Internet services	2508,35	9,12	3119,26	9,64	3734,52	9,66	2138,70	8,26
Other	211,05	0,77	285,21	0,88	394,42	1,02	237,21	0,92
Total revenue	27498,09	100	32359,48	100	38652,03	100	25887,62	100

Source: compiled by the authors based on [20].

	2023 RMB'000	2022 RMB'000	2021 RMB'000	2020 RMB'000	2019 RMB'000
Revenue	270,970,141	280,044,016	328,309,145	245,865,633	205,838,682
Gross profit	57,476,239	47,577,190	58,260,941	36,751,862	28,554,033
Operating profit	20,008,670	2,816,498	26,028,664	24,034,729	11,760,217
Profit before income tax	22,011,047	3,933,956	24,417,033	21,633,432	12,162,646
Profit for the year	17,474,196	2,502,568	19,283,235	20,312,710	10,102,950
Profit attributable to owners of the company	17,475,173	2,474,030	19,339,321	20,355,504	10,044,164
Total comprehensive income for the year	18,510,061	6,247,923	17,879,021	17,949,889	10,543,383
Total comprehensive income attributable to owners of the Company	18,507,548	6,201,669	17,940,990	17,986,452	10,472,914
Non-IFRS Measure:					
Adjusted net profit	19,272,754	8,518,007	22,039,474	13,006,363	11,532,296

Figure 1. Condensed consolidated statements of comprehensive income, 2019-2023

Source: [15].

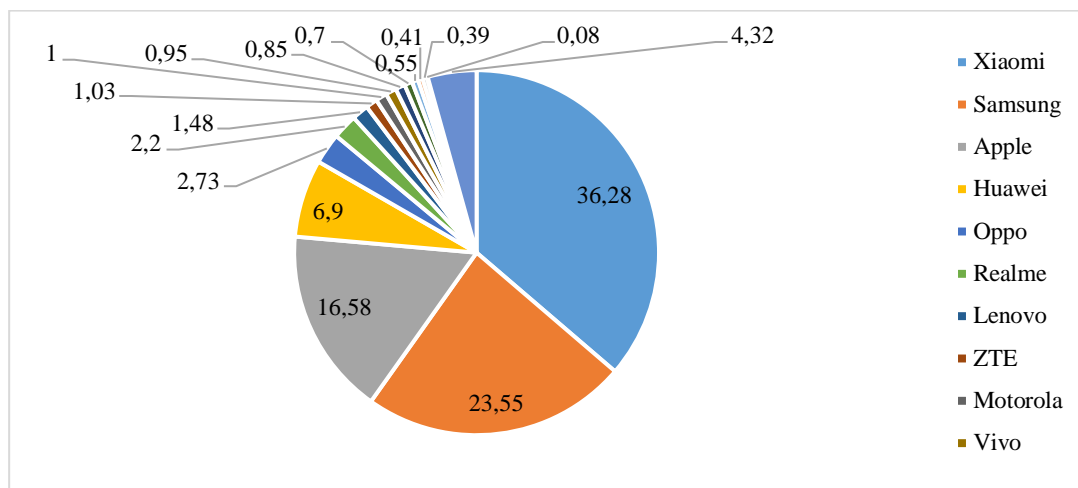


Figure 2. Market shares of smartphone manufacturers in 2022, Ukraine

Source: built by the authors based on [9].

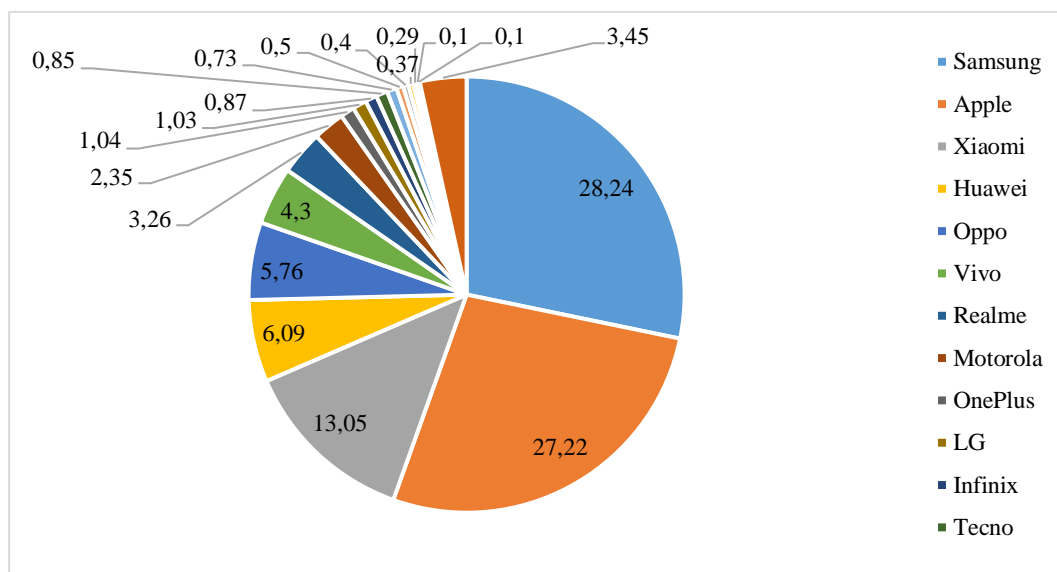


Figure 3. Market shares of smartphone manufacturers, global indicator

Source: compiled by the authors based on [19].

In addition, “Xiaomi” actively uses direct sales and online distribution channels, which helps to reduce the cost of middlemen and ensures competitive prices. With the help of marketing campaigns and social networks, they attract the attention of consumers, emphasizing the uniqueness and advantages of their devices.

Another important strategy of “Xiaomi” is the constant updating of the product line, which takes into account the needs and requirements of the market. The company quickly responds to new technologies and trends, which allows it to maintain a competitive position and attract the attention of consumers who are looking for the latest functionality in affordable devices.

The Ukrainian smartphone market in 2022 by market share has the following brand ratings: “Apple”, “Samsung”, “Huawei”, “Vivo”, “Oppo”, “Xiaomi”, as well as “Realme” and “Motorola” (Fig. 2.). The world’s top

mobile brands include players with a strong global presence and a wide selection of phones for consumers.

In the current year, “Samsung Electronics”, the South Korean giant, successfully took first place in the global ranking of the sale of its smartphones, gaining a market share of 28.24%. This impressive success of “Samsung” is connected with the active renewal of its model range of devices in 2022.

The American company “Apple” was in second place in terms of sales of its smartphones in the world, gaining a market share of 27.22%. The success of “Apple” is mainly related to the high demand for the “iPhone 13” model, which contributed to an increase in its market share (Fig. 3).

2022 turned out to be a difficult year for many electronics manufacturers. “Huawei” decided to implement its sub-brand “Honor”, thus

avoiding the sanctions that applied to the subsidiary company from the US side. “Samsung” received a significant amount of criticism for using its own Exynos processors, and “Apple” spent a lot of time explaining the lack of charging and headphones included with the “iPhone” 12. In addition, the smartphone market was marked by the lowest level of sales during the period of the coronavirus pandemic.

Despite these difficulties, the final data for the entire year 2021 indicate a market growth of

3.4%. Such a positive trend does not guarantee that in future will be as successful in the end.

In Figure 4 the image strategies of “Xiaomi” are presented. In general, “Xiaomi” uses a comprehensive approach in its strategies for entering international markets, combining assortment expansion, innovation, differentiation, market segmentation, and brand strategies to strengthen its position and expand its global presence.

Strategy regarding product nomenclature	<ul style="list-style-type: none"> •Xiaomi focuses on increasing the saturation of products in already existing categories, adding new products and functionalities to deepen the assortment. This emphasizes the company's wide range and its ability to innovate already existing product lines.
Diversification strategies	<ul style="list-style-type: none"> •The company practices horizontal diversification by selling the same phone models in different international markets and launching the same new models with possible variations in release time in different markets.
Strategy relative to the growth vector matrix	<ul style="list-style-type: none"> •Xiaomi combines the strategies of market processing and market development, ranking third in the world after Samsung and Apple, focusing on increasing its share in existing markets and expanding into new markets to increase sales.
Innovative factor	<ul style="list-style-type: none"> •Xiaomi is actively innovating, for example, by releasing smartphones with its own Surging processors and other technological innovations, which shows their focus on product modification and meeting consumer needs.
Competitive strategies according to Porter	<ul style="list-style-type: none"> •Xiaomi uses a differentiation strategy by offering a wide range of products, including phones, watches, kitchen appliances, vacuum cleaners, TVs, speakers, headphones and other products, standing out from the competition.
Based on the theory of market segmentation	<ul style="list-style-type: none"> •The company initially concentrates on the middle segment of the market, but plans to expand its presence in other segments as well, using a combined strategy.
Product strategies of modern international marketing	<ul style="list-style-type: none"> •Xiaomi uses a simple expansion strategy, adapting its products to local requirements (e.g. language settings) but maintaining the main characteristics of the products.
Vintage strategies	<ul style="list-style-type: none"> •By abandoning the MI brand, Xiaomi is moving to a single-brand strategy, unifying its products under one brand, which simplifies brand perception in international markets.

Figure 4. Image strategies of “Xiaomi”

Source: built by the authors based on [17].

Table 3

SWOT analysis of “Xiaomi”

<p>Strengths</p> <p>It has a sufficiently large audience of consumers who are loyal to its products. Penetration pricing – a low price in a new market combined with marketing to attract as many consumers as possible. Quality products. Transports products to the largest world markets of China India and other Asian countries, compared to America. It should especially continue to use 3 main tricks - low price, high quality, and competitive technologies, users especially positively note the good camera on “Xiaomi” phones. Devices receive frequent notifications about program and system updates, which is very comforting and inspiring.</p>	<p>Opportunities</p> <p>The recognition of the company in the market of smartphones and other technological products is increasing. “Xiaomi” adds to the production policy in transportation digests of the company, because China produces the largest share of equipment. It is worth opening service centers for direct contact with consumers in more countries than there are now. This will provide additional opportunities for teams that specialize in development and marketing. You can conduct various focus groups, research, and surveys, and based on this, change products and advertising. It needs to enter new markets where e-commerce is well developed because “Xiaomi” products are mostly sold online.</p>
<p>Weaknesses</p> <p>Marketing costs are not enough for such several products and a scale of distribution. Relatively narrow product line. Weak offline distribution. It does not occupy the first place in the world market of smartphones and has a big difference with the share of “Samsung” and “Apple”. It is worth working more on the company’s brand, namely on sales and trade promotion, ATL, and BTL campaigns.</p>	<p>Threats</p> <p>A lot of technology companies are exiting the Chinese market to other markets, which increases the competition for Xiaomi as one of these companies (for example, “Oppo” and “Vivo” have their main offices located in China). Offline distribution will significantly increase marketing costs. Among “Samsung” and “Apple”, it is worth working more on strengthening the company’s features, those qualities distinguish it from others, in order to remain visible on the market.</p>

Source: systematized by the authors.

Table 4

PEST analysis of the company “Xiaomi”

<i>Factor</i>	<i>Influence</i>
Political	This is a Chinese company, and therefore subject to the latest tough sanctions from America, which greatly worsens its position in the world and reduces profits. In addition, there are too close relations with the leadership of one’s own country.
Economic	The COVID-19 pandemic has affected China’s position in the world as this country has become a spreader of this disease. This is an economic crisis because all industries have been forced to reconfigure the process to either online or hybrid, and some have not been able to. However, since people have become more dependent on the Internet and technology spending time at home, the interest in technology has increased significantly, and gadgets have become much more frequently updated.
Social	“Xiaomi” like any other Chinese company, is struggling with the “Made in China” narrative that everything Chinese does not immediately mean something low-quality, and Redmi smartphones are proof of that.
Technological	Nowadays, there is a technological boom in the world. Having a minimal understanding of technology is not a hobby but a necessity, which is why the requirements for gadgets are growing, and the field of action for their creators is expanding (5G for example).

Source: systematized by the authors.

Table 5

Analysis of the “Xiaomi” competitors

Indicator	“Xiaomi”	“Samsung”	“Apple”
Date of establishment	2010	1938	1976
Number of employees	22074 (increased by 21%)	267937 (decreased by 7%)	161000
Revenue, billion \$	38,65	197,8	119
Total profit, billion \$	5,77	77,1	97
Net profit, billion \$	2,04	22	34,6
Dominance markets	Asia (19%), Europe (27%)	Europe (27%), South America (37%), Africa (20%)	North America, Europe
Chain	5G and lower	4G and lower	5G and LTE

Source: compiled by the authors based on [19].

The analysis of strengths and weaknesses is an integral part of the company's analysis, and the qualitative analysis will be even more qualitative if these qualities are divided into the quadrants of opportunities and threats, that is, all four factors are combined. You can immediately see what needs to be worked on what to focus your strategy on, and what qualities to build promotion on (Table 3).

The SWOT analysis of the company "Xiaomi" reflects its strengths and weaknesses, as well as opportunities and threats that affect its activities. The company has significant recognition in the market and low pricing, which helps to attract a wide range of consumers. It also successfully transports its products to world markets, focusing on developed Asian countries. However, the company has faced increasing competition in the market, especially from other Chinese smartphone makers such as "Oppo" and "Vivo".

In terms of capabilities, "Xiaomi" can further develop its strengths such as low price and high product quality. In addition, the company can expand its presence into new markets and improve marketing efficiency by focusing on brand promotion and distribution development strategies.

The consequences of bad changes usually become threats, and for "Xiaomi", this includes a lack of marketing resources and limited offline distribution. In addition, the company has disadvantages compared to its main competitors in the smartphone market, such as "Samsung" and "Apple", which could lead to a loss of market share.

All these factors point to the need to accelerate the development of the brand, expand trade, and facilitate communication with customers. Additional actions, such as the opening of service centers and the expansion of sales markets, can help the company increase its competitiveness and maintain its leadership in the market.

The PEST analysis of the company "Xiaomi" shows various factors affecting its activities. Political aspects include falling under severe sanctions from the US due to its Chinese origin, which significantly complicates its position in the world market and limits profits. Close relations with the Chinese government are also important, which can have both positive and negative consequences (Table 4).

Economic factors include the impact of the COVID-19 pandemic, which forced the company to adapt to new conditions by moving online and changing business processes. However, increased interest in technology and increased time spent by users at home have led to increased demand for "Xiaomi" products.

Social aspects include the company's fight against the "Made in China" stereotype and the creation of a positive image in particular through the popularity of the "Redmi" series of smartphones. Technological factors indicate the increasing technological progress and demands for the latest gadgets, including the development of the 5G network. All these factors create both challenges and opportunities for "Xiaomi", forcing it to actively adapt to changes in the technological environment and meet consumer demand for innovation.

The development of sub-brands such as "Poco" and "Redmi" allowed "Xiaomi" not only to increase its presence in the market but also to reduce potential risks to the image of the main brand. This strategic decision proved to be effective in diversifying the product portfolio and appealing to a wider audience thanks to the different price ranges and specifics of the devices.

The main advantages of "Xiaomi" products, such as a powerful processor, an excellent battery, screen quality, and a simple interface, make it attractive to consumers who are looking for high performance at an affordable price. MIUI's shell expands the functionality of smartphones, offering additional options for users. Stylish design, high build quality, innovative technologies, and attention to detail are characteristic features of "Xiaomi" smartphones, which emphasizes their competitiveness in the market. The introduction of advanced technologies even in budget models, such as fingerprint sensors, new acoustic systems, and cameras capable of shooting in 4K, shows the company's desire to innovate and improve product quality.

Thus, "Xiaomi" embodies a successful combination of affordability, quality, and innovation, offering consumers products that satisfy a wide range of needs and desires. This makes "Xiaomi" smartphones and their sub-brands a profitable purchase for those who appreciate convenience, reliability, high performance, and attractive design.

At present, “Xiaomi” is overly dependent on the overseas markets of Southeast Asia, South Asia, and Western Europe, and has not developed significantly in Africa, America, Northern Europe, Australia, and other countries. Market conditions in different countries and regions of the world are radically different. Western Europe, North America, and Northern Europe are all developed regions. Southeast Asia and Latin America are predominantly developing countries and thus have relatively similar economic and market conditions.

When “Xiaomi” smartphone enters the international market, it can copy the previous experience and lessons accumulated in Western Europe and Southeast Asia, choose the target market and promotion objects according to the actual situation of the company and brand influence, and expand the market in America, Northern Europe, Australia, Africa, and other countries and regions [16].

For example, for underdeveloped countries and regions, it is more purposeful to initially promote a series of inexpensive smartphones “Redmi”. When entering a new market, “Xiaomi” smartphones should have a good understanding of the market rules of different countries and regions, actively establish good cooperative relations with local operators, and optimize the marketing model according to local conditions to reduce possible trade friction and increase the market share of its products.

For countries and regions, such as the USA, where operators are market leaders, it is necessary to establish contacts for cross-border cooperation. The brand influence of Chinese smartphones can be rapidly expanded, and smartphones can be integrated into the local market more quickly with the help of advertising and sales channels of local operators. In addition, “Xiaomi” may enter the local market through cross-border mergers and acquisitions to promote the internationalization of its smartphone brand.

The company’s main products are highly dependent on raw materials and components supplied by various manufacturers, especially in the field of high-end smartphones. Some key raw materials and components have limited sources of supply. Some of them come from the same region or even from the same supplier. Production is easily subject to delivery delays or the impact of restrictions on raw materials and components, and price risks also easily arise [18].

For example, components sometimes face industry-wide shortages or large price fluctuations, and production depends on partners in China. This involves multiple risks such as freight, pricing, and on-time delivery within the company’s global structure. In this regard, the company should comprehensively consider global and regional risks of various types, including global macroeconomic trends, national fiscal and tax policies, tariff policies, exchange rates, inflation, and other factors affecting the company’s supply chains, and actively expand support a global and diversified supply chain to deal with the uncertain risks caused by global supply in one region.

At the same time, it is necessary to increase the location of factories abroad and improve the efficiency of the supply chain to balance the potential risks that can arise from manufacturing in one region. At the same time, it is necessary to create and improve an early warning system for force majeure factors and develop emergency action plans to reduce the impact of these events on the company’s supply chain.

In the global market of smartphones, the products of Chinese manufacturers are often concentrated in the segment of low-cost goods, which led to the formation of an impression among foreign consumers about the low level of Chinese smartphones [17]. Mid-range and lower-end smartphones offered in overseas markets by “Xiaomi”, “Oppo”, “Vivo”, and other Chinese manufacturers face problems such as appearance similarity, uniformity, and other serious shortcomings.

In the early stages of the development of the high-end smartphone market, the focus should not be on excessive sales growth, but on improving the image of one’s brand to increase market share and sales profit. Moreover, Chinese smartphone manufacturers can form patent alliances to improve their overall defense capabilities and initiate lawsuits against infringing companies that manufacture counterfeit products and infringing corporate trademarks and patents to ensure that the image of Chinese smartphone manufacturers is not damaged.

Only by improving independent research and development capabilities, mastering key smartphone technologies, and overcoming the problem of excessive dependence on low-cost smartphones can we improve the international

image and competitiveness of products, move to more profitable mid-range and high-end smartphones, increase the profit of each product, and then increase profitability enterprises.

The importance of marketing in the smartphone industry today cannot be understated as the industry is constantly evolving. Due to intense competition in the technology sector, smartphone manufacturers are forced not only to produce high-quality products but also to actively work on attracting attention to their brands. Marketing strategies play a critical role in increasing sales volumes, forming a positive image of the company, and maintaining leading positions in the market.

Modern image technologies are characterized by their complexity and creativity, as they are based on the analysis of big data, understanding consumer psychology, and implementation of innovative technologies. By uncovering the essence of these strategies, we gain a deeper understanding of the dynamics of the modern smartphone industry and its trends. For comparison, it is suggested to take the first three companies on the market and one of the most popular models from each (Table 5).

The analysis of the competitors of “Xiaomi”, “Samsung”, and “Apple” indicates various aspects of their activities and positions in the market. Although “Xiaomi” was founded in 2010, it has achieved significant growth, as evidenced by the increase in the number of employees and the company’s revenue. Despite this, “Samsung” and “Apple” are much older market participants, with a long history and extensive global presence. Compared to “Samsung” and “Apple”, “Xiaomi” has lower revenue and net profit but is in higher growth. Although “Samsung” and “Apple” remain the leaders in the network support market, “Xiaomi” is also working on the development of 5G networks and already has a certain presence in this area [6].

The markets dominated by different companies also vary. “Xiaomi” has a strong presence in Asia and Europe, while “Samsung” has a global presence, and “Apple” is more focused on North America and Europe. Overall, although “Xiaomi” is showing significant growth and competitiveness, it still faces significant competition from giants such as “Samsung” and “Apple”. Thus, for the future success of the company, it is necessary to continue to innovate,

develop new products, and compete effectively in the world market

Apple is a benchmark for innovation, setting industry standards with its marketing strategy and products. The company is focused on creating a unique brand image, emphasizing the elegance, ease of use, and high quality of its devices, which attracts customers who seek status and exclusivity. Innovative technologies such as Touch ID and Face ID not only provide additional convenience and security but also serve as a standard for the entire industry. Emotionally charged marketing campaigns such as “Think Different” and “Shot on iPhone” emphasize individuality and creativity, helping Apple to influence the technological world and the way we use smartphones [9].

“Samsung”, in turn, demonstrates an active struggle for leadership, offering a wide range of products and introducing innovative technologies. The integration of the S Pen function into the Galaxy S21 Ultra model is an example of their commitment to innovation. The use of stars in marketing campaigns and investments in research and development of new technologies, such as smartphones with foldable screens, support their competitiveness and market leadership.

Consequently, the smartphone industry is in a state of continuous evolution, facing countless opportunities and challenges [6]:

1) The introduction of 5G networks will significantly increase the speed of Internet connections, opening the door to faster data exchange. Smartphone manufacturers need to integrate 5G support into their devices to meet the growing demand for high-speed connectivity and data transfer.

2) AR and VR technologies expand the horizons for interactive user experience. Manufacturers will work to improve the cameras, sensors, and computing capabilities of their smartphones to provide users with immersive AR and VR experiences in areas such as gaming, education, and medicine. Artificial Intelligence and Smart Capabilities: embedding AI into smartphones makes them significantly smarter. From voice assistants to facial recognition and automated scene analysis, AI makes smartphone interactions more convenient and personalized.

3) Smartphones with foldable screens are growing in popularity because they combine the

benefits of a smartphone and a tablet, offering more space for work and entertainment.

4) In the context of growing attention to environmental issues, smartphone manufacturers are focusing efforts on developing more environmentally friendly and easily recyclable devices, using renewable materials, and offering trade-in programs.

Success in the smartphone segment largely depends on the effectiveness of marketing strategies.

Thus, to improve the image of “Xiaomi”, it is necessary to:

1) Constant innovation in design, functionality, and implementation of new technologies is key to attracting consumer attention.

2) Know and satisfy the needs of target audiences by offering products that meet their unique requirements and preferences.

3) Effective communication with potential buyers through carefully planned marketing campaigns that clearly demonstrate product benefits and positively shape the brand image.

4) Collaboration with partners can help expand market reach and make products available to a wider audience.

The application of these principles will allow the company “Xiaomi” to succeed in the competitive market, ensuring the satisfaction of user needs and strengthening its position.

6. CONCLUSIONS FROM THIS RESEARCH AND PROSPECTS FOR FURTHER EXPLORATION IN THIS DIRECTION

The smartphone market is highly competitive: in addition to technical characteristics, branding is one of the key reasons for purchase. The competition in this market is extremely fierce and the major players are engaged in the competition with equal intensity by rapidly introducing all the new inventions and technologies. Therefore, consumers in this market make demands not only for functional but also for non-functional (emotional) aspects related, in particular, to the image of the manufacturer and the Veblen effect, when the most expensive smartphone becomes the most desirable with the same consumer characteristics.

The global smartphone market is down 11% in 2022, with large Chinese brands down 20-30%. “Samsung” regained its lead, selling 73.7 million devices, which is 4% less than a year ago.

“Apple” showed an increase in shipments by 8%, sending 56.5 million smartphones. Big Chinese brands such as “Xiaomi”, “Oppo”, and “Vivo” saw their sales decline by 20% or more. New markets contribute to the growth of sales of leading brands, and by the end of 2022, more than 50% of phones will be ready to work on 5G networks.

The Ukrainian smartphone market in 2022 is defined by brands such as “Apple”, “Samsung”, “Huawei”, “Vivo”, “Oppo”, “Xiaomi”, “Realme”, and “Motorola”. “Samsung” and “Apple” remain the leading players in the global market, with “Samsung” in first place with a market share of 28.24% and “Apple” in second place with 27.22%. Despite the challenges of sanctions, criticism, and the pandemic, the smartphone market rose 3.4% in 2021, but the outlook for the future remains mixed.

“Apple” is famous for its innovative strategy, focusing on creating a unique brand image and introducing innovative technologies into its products. “Samsung” competes for leadership by combining innovation with stylish design and using marketing campaigns with famous personalities. “Huawei”, despite the challenges, focuses on the domestic market and the development of its technologies. “Xiaomi” has conquered the markets thanks to the price strategy of “price-quality” and rapid updating of the product line. Each brand uses its unique strategies to attract consumers and stay competitive.

Successfully combining innovation with affordability, “Xiaomi” is demonstrating quality growth and expansion in the global market. With a strategic focus on the democratization of modern technology, the company is noted for its achievements in the field of smartphones, holding third place in terms of sales after “Samsung” and “Apple”, as well as expanding its product portfolio, which includes a wide range of technological goods. “Xiaomi’s” success in the markets of Central and Eastern Europe testifies to the effectiveness of its global strategy and ability to adapt to different market conditions. The company has shown impressive financial growth in 2020 and has shown steady growth in revenue and profit despite the COVID-19 pandemic.

“Xiaomi’s” development highlights its innovative approach to manufacturing and marketing, focusing on creating products with high quality and affordable prices. However, to

further strengthen its position in the market and improve its image, “Xiaomi” can adopt the strategies of its main competitors, in particular, “Apple” and “Samsung”, with an emphasis on innovation, quality, uniqueness of products, and effective marketing communication.

The company should also pay attention to the development of 5G, AR/VR, and artificial intelligence technologies, as well as the

implementation of environmental initiatives in order to meet the growing demands of consumers for innovative and at the same time responsible products. Expanding the range of high-end smartphones and emphasizing their unique characteristics can help the company strengthen its image at the international level and ensure sustainable growth in the face of fierce competition.

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Анотація

ВІРКОВСЬКА Анастасія, КОШІЛЬ Вікторія
Формування іміджу компанії на основі «Xiaomi»

Проблема створення іміджу національної бізнес-організації, не в змозі конкурувати з компаніями, що працюють на глобальному ринку, через що виникає питання формування та покращення іміджу компанії, адже від цього залежить її успіх. Але велика кількість аспектів управління іміджем залишаються проблемними, особливо це стосується внутрішнього іміджу компанії, що є важливим мотивуючим фактором. Важливість

іміджу в індустрії смартфонів сьогодні не можна недооцінювати, оскільки ця галузь невпинно розвивається. Через посилену конкуренцію в секторі технологій, виробники смартфонів змушені не лише випускати продукцію високої якості, але й активно працювати над приверненням уваги до своїх брендів. Маркетингові стратегії відіграють критичну роль у збільшенні обсягів продажів, формуванні позитивного іміджу компанії та утриманні лідируючих позицій на ринку. У статті досліджені різноманітні маркетингові підходи, які впроваджуються компаніями-виробниками смартфонів, від «Apple» до «Xiaomi», проаналізовані їхні стратегії залучення споживачів, вплив на їхнє сприйняття та способи виокремлення на ринку. Визначено сутність іміджу та елементи його формування, розглянуто методи та інструментарій управління іміджем компанії, охарактеризовано діяльність «Xiaomi», проаналізовано імідж компанії та фактори, що впливають на її репутацію, виокремлено проблеми розвитку іміджу «Xiaomi» та напрямки його вдосконалення на основі досвіду основних конкурентів.

Ключові слова: імідж компанії, ринок смартфонів, компанії-виробники смартфонів, споживачі, конкуренти, SWOT аналіз, PEST аналіз, маркетингові стратегії.

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