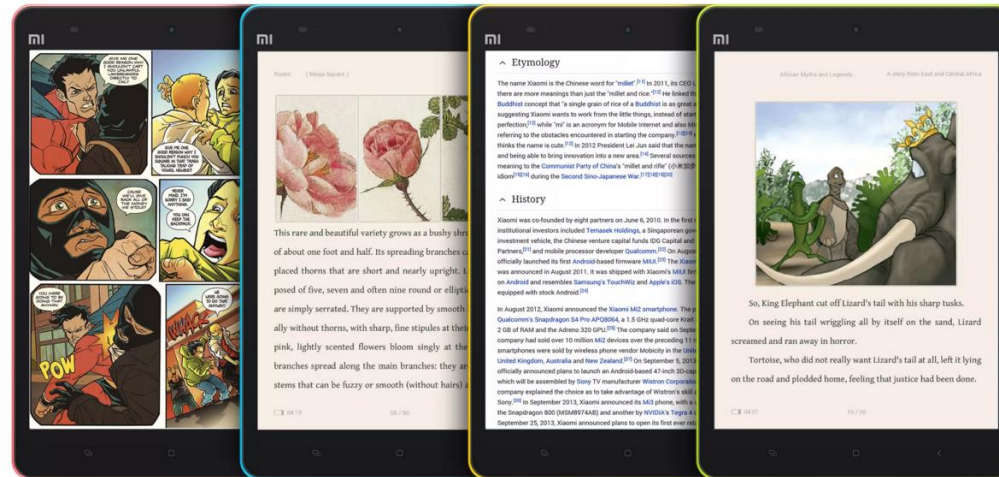




## Entrepreneurship Case Study

Yuzhuo Ren(yuzhuore@usc.edu)

# What is Xiaomi



# What is Xiaomi



# Xiaomi's timeline

- 2010: Founded in Beijing
- 2011: Released its first smartphone, Mi1 smartphone
- 2012: Announced the Mi2 smartphone
- 2013:
  - Announced the Mi3 smartphone
  - Sold over 18.7 million smartphones-5<sup>th</sup> most-used smartphone in China
- 2014:
  - In Q2, shipped 15 million devices, beat Samsung
  - Raised over \$1 billion proceeds with a valuation of more than \$45 billion
- 2015:
  - Enter India's market
  - Announced Mi 4i
  - Announced its foray into Brazil
- 2016: Xiaomi entered Israel

# Etymology

- Xiaomi is the Chinese word for "millet"
- "Mi" is an acronym for Mobile Internet and Mission Impossible

# Keys to Xiami

- The phone almost at bill-of-material prices.
- Does not own a hardware factory.
- Does not own a physical store.
- Spends very little on advertising.
- Profits by selling phone-related peripheral devices, online videos, themes, etc.

# Who is the person? Jun Lei-Founder & CEO



- Born in 1969.
- 1991: Joined Kingsoft.
- 1998, Became the president of Kingsoft.
- 2000, Founded Joyo.com, eventually sold for 75\$ million to Amazon.
- 2007, Resigned as President and CEO of Kingsoft.

# Who is the person? Jun Lei-Founder & CEO

- 2008 to 2010, Invested in Letao, Shangping, VANCL, Duowan, YY...





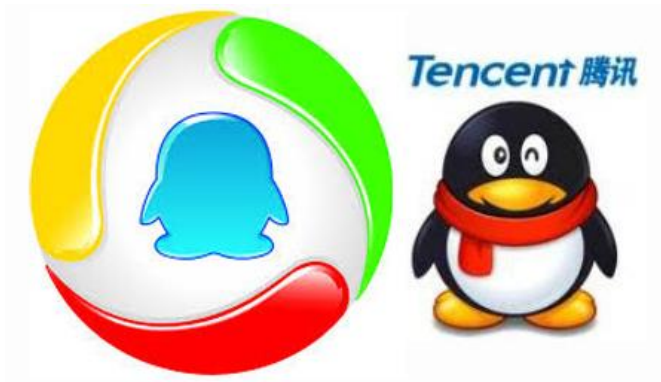
# Who is the person? Jun Lei-Founder & CEO

- 2010, Founded Xiaomi Inc.



# Team





# Secret to Success

- Jun Lei's experience and networking
- Grasp the opportunities in China's market

# Difficulties

- Attract investors
- Competitors: Apple, Samsung, Huawei
- The company was accused of copying Apple's philosophy and mindset

Thank you!