



The Status Quo of the Development of Mobile Phone Industry in China

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Abstract— *With the slow recovery of the world economy, the global consumer electronics market continues to grow, mobile phone market situation better than in previous years. As of June 2014, the Internet usage of Internet users reached 83.4%, the first time beyond the traditional PC usage, mobile phone as the first internet terminal equipment status is more stable. This paper first analyzes the status quo of China's mobile phone market development, based on this basis to find out the problems of China's mobile phone industry, and finally to the further development of China's mobile phone industry and countermeasures.*

Keywords — *Mobile phone industry; domestic mobile phone; core competitiveness*

I .BASIC STATUS OF CHINA MOBILE PHONE INDUSTRY

A. Mobile phone production to maintain rapid growth

In the era of mobile Internet, intelligent terminal market opportunities, all of the world's leading manufacturers of competition has become intense, have to strong stance inroads into the market. Market research firm IDC said the global mobile phone shipments in 2013 reached 1800000000, an increase of 7.3%, the speed ratio increased significantly in 2012. At present, China's mobile phone industry is based on the rapid development of the market, the domestic mobile phone market momentum is also quite strong, the market share has been greatly improved. 2013 full year, China's mobile phone production reached 1460000000, an increase of 18.9, an increase of 23.2% percentage points over the previous year. According to IDC released the 2013 global mobile phone 18 million shipment volume calculation, production in China accounts for the share of global shipments reached 81.1%, compared with 2012 increased by more than 10 percentage points, China global mobile phone production manufacturing base have been further consolidated. Domestic brand mobile phone has also made a group breakthrough, breaking the domestic monopoly of foreign enterprises in the domestic market, and become a new growth point of the national economy..

B. Mobile phone export volume boost industrial development

The sustained and rapid development of China's mobile phone industry vigorously promote the development of foreign trade of mobile, the Chinese mobile phone export has exceeded the demand of more than 10% of the global, mobile phones have become the largest export products for China's exports of electronic information products. The rapid growth of mobile phone exports has become the main force driving the development of industry, and promote the expansion of the scale of China's mobile phone industry. Since 2013, the size of the global mobile phone market continued expansion and structural changes to accelerate the rapid growth of China's mobile phone exports showed rapid growth. According to customs statistics, in 2013 China mobile phone export 11.9 billion, an increase of 16.9%, growth increased by 1.0 percentage points higher than the previous year; exports of \$951 million, an increase of 17.4%, the growth rate is higher than the average level of electronic information products of 5.5 percentage points. With China mobile phone export commodity structure further optimized, mobile phone export added value of export scale of sustained growth, the export of Chinese mobile phone products will increasingly become one of the major growth point of China high-tech industry export development of foreign trade.

C. The domestic mobile phone market structure further adjustment

With the fierce market competition, most enterprises are actively taking measures to deal with, and constantly adjust the enterprise marketing strategy, so that China's mobile phone market a new round of pattern changes. In 2013, the domestic brand mobile phone shipments 4.61 billion, an increase of 24.9%, accounted for total handset shipments of 79.7%; listed new models 2691 paragraph, down 27.2%, for mobile phones listed new models of the total 94.1%. Domestic mobile phone manufacturers to further improve the domestic market share. Domestic brand mobile phone production enterprises in the full grasp of domestic market demand, on the one hand to speed up the high price of new products introduced in the low-end, seize the market, on the other hand in key product lines launched flagship product, increase in high-end products with foreign enterprise competition.

II . THE PROBLEM OF THE DEVELOPMENT OF CHINA'S MOBILE PHONE INDUSTRY IS WORTHY OF ATTENTION

A.Domestic mobile phone companies lack of independent innovation ability

At present, the Chinese mobile phone industry in the global industry chain division of labor is still at the end, core technology and key equipment also depends on the introduction from foreign countries.



The international division of labor position determines the mode of mobile phone exports, processing trade way to become the dominant mode of Chinese mobile phone exports. 90% of China's mobile phone exports are created by way of processing trade. In recent years, the rapid rise of domestic mobile phone enterprises, from OEM production entered the core technology research and development level and in technology development and the world's advanced level of distance is shortened, the proportion of processing trade is a downward trend year by year, show that China mobile phone export product technology and node structure has improved, in the international industrial chain division of labor structure status gradually improved. But because of the domestic mobile phone production enterprises lack of technology accumulation, and many foreign mobile phone enterprises compared to overall technical level is still far behind in the foreign investment enterprises, the core technology almost all of the master in the foreign mobile phone manufacturers.

B. Lack of brand building strength

After entering the era of mobile Internet, smartphone market and the rapid development, the domestic mobile phone brought new development opportunity, to "the cool" as the representative of the domestic mobile phone began to grasp the initiative of the domestic mobile phone market, with thousands of intelligent machines to gain a firm foothold and win more huge market share. However, there is a common problem in the development of domestic mobile phone enterprises: the enterprise is lack of strong, long-term planning, and neglect the construction of enterprise brand. As many mobile phone consumers in the purchase of mobile phones more and more rational, mobile phone brand has a very large impact on the purchase of the phone brand. The reason why many domestic mobile phone consumers choose foreign brands, it is a fancy brand this key element. In addition, some of the domestic mobile phone manufacturers to meet the market demand of the new style of mobile phone, trying to shorten the phone from R & D and manufacturing to appear on the market time, resulting in instability in the quality of some products, repair rate is high, the user on constant improvement in the quality of mobile phone complaints. China's domestic mobile phone brand building the road is very long, the support of brand of homebred mobile phone without the disadvantages in international competition will be more exposed.

C. The international market is not strong

Although the size of China's mobile phone exports continued to grow, but the export target market is too concentrated. For a long time, China's mobile phone export market has been mainly concentrated in the United States, Japan, Europe and Hong Kong entrepot market part, but excessive reliance on exports, these countries and regions, lead to the whole anti risk ability is weak. In addition, the Chinese mobile phone product exports over reliance on the United States, the EU and other markets, but also to face Multi-National Corporation in the case of intellectual property litigation and other issues. In recent years, India, Vietnam and other developing countries take various preferential policies to vigorously support the development of their own industry. Because these countries have very rich in cheap labor, and industrial chain supporting facilities are maturing, mobile phones, electronic products, orders to the transfer trend in these countries is more and more obvious, is gradually to seize the international mobile phone market originally belonged to China's share of orders. Development of Chinese mobile phone industry is facing the fierce international competition, more developing countries to use the advantage of cheap labor resources, to join the mobile phone manufacturing industry, resulting in China's mobile phone industry international competitive advantage of shrinking.

III. THE COUNTERMEASURES FOR THE FURTHER DEVELOPMENT OF CHINA'S MOBILE PHONE INDUSTRY

A. The development of the core competitiveness of domestic mobile phone companies

In the hardware, the Chinese mobile phone companies lack the key core technology such as chip and RF components. Cause the formation of foreign hardware manufacturers monopoly, making China made mobile phone lack of high-end products, weak market competitiveness, less profit, directly restricts the healthy development of China's mobile phone industry. Thus Chinese mobile phone companies should increase the core hardware research and development efforts, as soon as possible to get rid of the excessive dependence on foreign hardware manufacturers.

In the software, there are three main mobile systems: Google's Android operating system, apple IOS operating system and Microsoft's phone Windows operating system. Due to the closed system of IOS and windows phone operating system, not open to the public, so the domestic mobile phone operating system mostly based on Android and customized service were market development, has formed a number of distinctive, in line with the Chinese people use the ROM, but there is no real independent operating system for smart phones. From the perspective of national security and sustainable development of the future, we should vigorously develop China's mobile operating system.

B. Firmly occupy the low-end market

The rapid development of the domestic smart phone market, largely thanks to the terminal manufacturers as well as operators to the low-end smart models and vigorously respected. Domestic manufacturers in China and foreign markets push low-end smartphones, which for the existence of the global market for a large part of the low-end users, relative to Apple's iPhone and other brands of high-end smart models undoubtedly has advantages to develop.



Future should will this advantage expand the victory, firmly occupy the low-end mobile phone market, to maximize the expansion of market share, and then slowly eroded high-end smartphone market.

C. Changing the development model

Smartphones now is no longer limited to communication and access to information such as basic functions, with the development of intelligent home and networking, mobile phones in the future will as a user and intelligent office and life control and communication tool, is the core of work life. The competition of the mobile phone industry from the original product competition evolved into the full range of the hardware, software and service competition.. Facing continuous change of the market and competition structure, Chinese mobile phone enterprises should be actively, pay attention to make the development strategy of the enterprise and mobile phone evolving role of coordination, so that enterprises in the future of the mobile phone market competition advantage.

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