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## MANAGEMENT METHODS OF THE OPPO COMPANY AND ITS ACTIVITIES IN THE CIS MARKET

**Abstract.** This article focuses on the management methods employed by OPPO, a global technology company, to navigate and conduct its activities in the CIS market. The CIS market, comprising former Soviet Union countries, presents unique challenges and opportunities for international companies due to its diverse cultural, political, and economic landscapes. The purpose of the study is to analyze the management methods of OPPO and its activities in the CIS market in order to identify the main strategic approaches and their effectiveness. The purpose of this study is to study the history of OPPO and its entry into the CIS market, analyze marketing strategies and positioning of OPPO products in the CIS market and explore methods of brand management and product distribution channels in the region.

OPPO, renowned for its innovative smartphones and consumer electronics, has adopted several management approaches to effectively operate in the CIS market. Firstly, the company emphasizes market research and analysis to gain insights into local consumer preferences, market dynamics, and competitors. Secondly, OPPO adopts a decentralized management structure that empowers local managers and staff to effectively respond to regional challenges and opportunities. Thirdly, OPPO places significant importance on building and maintaining strategic alliances with local partners in the CIS market.

**Key words:** Management methods, OPPO Company, CIS Market, China, international companies.

### Introduction

The OPPO Company is a well-known multinational technology manufacturer that has gained significant popularity in the global market, particularly in the CIS region. With its headquarters in China, the company specializes in the production of smartphones, electronic devices, and other technological innovations. This essay aims to explore the management methods employed by OPPO and shed light on its activities within the CIS market.

In recent years, OPPO has successfully carved a niche for itself in the highly competitive and dynamic CIS market. By understanding the unique needs and preferences of consumers in this region, the company has been able to cater to their demands effectively. OPPO's management approach involves the implementation of a strategic blend of marketing, innovation, and customer-centric initiatives.

### Materials and research methods

The following materials and research methods have been considered to explore the management methods of the OPPO company and its activities in the CIS market:

1. Literature Review: Reviewing academic journals, books, and industry publications that discuss management methods and international market expansion strategies. Looking for sources that specifically focus on the OPPO company and its activities in the CIS market. This provided a theoretical framework and industry insights.

2. Case Studies: Analyzing case studies on OPPO's market entry and expansion strategies in the CIS market. Identifying key success factors, challenges faced, and the management methods applied. This offered practical examples and valuable lessons for the research.

3. Company Reports and Financial Statements: Examining OPPO's annual reports, financial statements, and corporate documents to understand their corporate governance structure, strategic objectives, and performance indicators. Comparing the company's financial and operational data in different CIS countries to assess the effectiveness of their management methods.

4. Market Analysis: Analyzing market research reports and data on the CIS market, including consumer preferences, competitive landscape, and regulatory frameworks. This information helped to evaluate OPPO's management methods in adapting to the local market conditions and competition.

5. Comparative Analysis: Comparing OPPO's management methods with those of other companies operating in the CIS market. Analyze their strengths, weaknesses, and unique approaches to management.

### **History of the study of the problem**

The study of management methods of the OPPO company and its activities in the CIS market has evolved over time, reflecting the dynamics of the company's growth and the changes in the market environment.

OPPO is a telecommunications company registered in China in 2001, officially founded in 2004 and operating in Dongguan, Guangdong Province. The brand is a subsidiary of BBK Electronics Corporation, one of the largest manufacturers of technological products in China. The company started its activity and began its activity with the release of popular MP3 players at that time, currently the company is developing in three directions: smartphones, products for Internet services and high-end AV equipment. The company also owns other well-known smartphone manufacturers, such as One plus and Vivo [1]. In 2005, the company launched the first MP3 player of its production in the Chinese market and the first Hi-End DVD player model in the USA, and in 2006, the categories of portable video players were released, and in 2008, the first mobile phone of the brand was launched, and in 2009, the OPPO brand came to Thailand. In 2011-2012, a smartphone was released based on the Android operating system, and OPPO Finder, the thinnest smartphone in the world, was also produced. In 2013, the company entered the smartphone markets in the USA, England, Hong Kong, Taiwan, Australia, Russia, Vietnam, Indonesia [2]. Since its foundation, the company has expanded its presence in more than 50 countries and regions, including the CIS countries [3]. By mid-2013, the company was already among the top 10 largest smartphone manufacturers in China, ahead of Apple and the young Xiaomi brand. OPPO itself developed, manufactured and sold smartphones through branded stores, and it also changed its strategy from players and phones to smartphones – it began experimenting and producing different models [4].

### **Research results**

The company employs 41,000 employees, the number of OPPO engineers totals 1,400 people (40% of engineers are responsible for software), and 6,000 people work on assembly lines. Chinese companies have one notable difference from most European companies – they have posters at the entrance with various information that gives instructions to employees. These are, in a way, ways of influencing individual employees and the working team as a whole, which are necessary to achieve the company's goal, called the management method. Management methods are aimed at motivating the work behavior of the team, directly influencing, or indirectly, the company encourages them to act as it is necessary to solve the tasks. Management methods, in a word, are ways of managing a

company, they are divided into several groups: command-administrative, economic and socio-psychological.

Command and administrative management methods are management methods that achieve their goal by following direct instructions from management. The method provides for strict discipline. There are 5 ways to influence the implementation of the method: organizational impact is the company's charter, internal labor regulations, administrative impact is orders, orders, instructions, financial responsibility is the obligation to compensate for damage caused to the company, also disciplinary responsibility is the employee's inaction, violation of established rules and regulations, administrative responsibility is a violation of administrative legislation.

Economic management methods are the methods of managing a company that affects the team with the help of such economic instruments as wages, bonuses, fines, benefits, etc. This method allows you to combine state, corporate and personal interests with the help of a system of norms of relationships, prices and pricing, incentive systems for personnel, etc. As a result, there is a mutual economic interest in improving management efficiency [5].

In accordance with the desires of the subject of management, there is one method that affects the psychology of the team, encourages them to act in order to realize the desires and goals of the company. This is a socio-psychological method that uses knowledge of human psychology and his behavior in a social environment, in accordance with this, it affects the workforce. With the help of this method, primary collectives are formed, the moral and psychological climate is maintained, interpersonal relations in the team are regulated, professional selection and professional diagnostics are carried out, and the development of labor democracy is ensured. The socio-psychological method of managing a company is very effective, it bases loyalty to the company, high moral and moral qualities in employees.

Professionally skillful application of economic, socio-psychological and command-administrative management methods in most cases provides fairly effective management of the company.

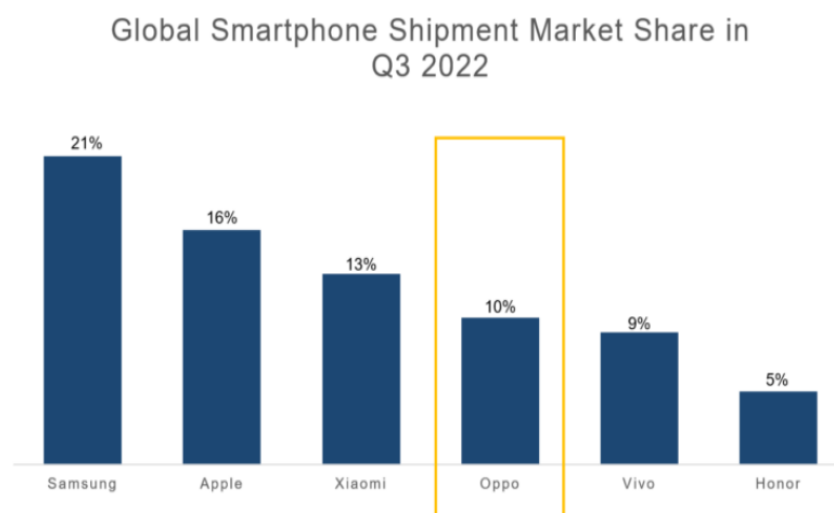
OPPO company has been covering more than 50 countries and regions around the world since 2004, 6 research centers operate in different countries, which means that the company's team is very numerous, analyzing information from various websites about OPPO, it should be noted that the company uses all three of the above methods. The rationale for this opinion is the materials of journalist Eldar Murtazin from the OPPO plant [6], data from the company's websites in different countries, including the CIS, branded pages on social networks, information from Wikipedia.

OPPO's command and administrative management method is characterized by its discipline. Since employees live in dormitories near the organization, this is the most economically advantageous option, it does not take time to travel. On the territory of the dormitory buildings there is a playground, sleeping buildings, computer or Internet classes, a library, sports grounds and other entertainment. Some employees live here with their families, work there, and the children go to the nearest school. And they even took into account the rainy season by building canopies under which you can walk from the dormitory to the work building and back in the worst downpour and not get wet. OPPO has one difference from most Western European companies – Western companies have posters at the entrance with various information that gives direction to employees. These are slogans either advertising their own products or comparing their own products with competitors. This direction was borrowed from Western companies, but replaced, rethought and introduced into all areas of the life of Chinese employees. According to the materials of journalist Eldar Murtazin[6], inside the premises of the OPPO company, posters are everywhere in the corridors between dormitories, in the dining room and in the rest rooms, and they are diverse. For example, one of them describes a boat in which the OPPO team is located, and there are sharks around the boat that are ready to devour those on board. The scariest shark has the name of the competitors' company. This is a kind of necessary direction of propaganda that affects people's consciousness,

putting the idea that they produce good products and compete in the market with large companies. The company promotes to its employees a big goal that the work performed by the workers, the entire team affects the overall result, the existence, the development of the entire company. For example, another poster with images of vegetables and fruits is explained by the fact that on the way to the results it can be unpleasant (sour), and in the end it will be delicious and sweet. To achieve any result, you will try unpleasant (sour) and including pleasant (sweet) surprises of the workflow, not only his, but also life. Such methods describe the socio-psychological method of company management.

The slogan "We strive to be a sustainable company to make the world a better place" is considered the mission of OPPO. Sustainability in the economy means a long-term balance between the exploitation of resources and the development of human society. The stability of the company lies in its versatility, it is constant development, better conditions for employees, high taxes to the treasury, the well-known branding of the company - the perception of the country on the international market, employment of the population, etc. The company has really created various convenient conditions for employees, this is a salary of 800-1000 dollars, according to statistics from Wikipedia, the company employs about forty thousand employees, in recent years OPPO has shown the Chinese market that it has no reason to envy the largest manufacturers of phones. Indeed, in the second quarter of 2022, the brand held 18% of the market share, just behind Vivo and Honor. However, the global situation is slightly different: technology giants Apple and Samsung still dominate the market. In the third quarter of 2022, Oppo ranked 4th (Fig. 1) among the world's largest smartphone suppliers with a market share of 10% [7]. According to the above information, it should be noted that this describes the unification of state, corporate and personal interests with the help of a system of norms of relationships, prices and pricing, incentive systems for personnel, this association will characterize the economic method of management of the company.

Figure 1. Smartphone market share



Note: counterpointresearch.com, developed by DaxueConsulting, smartphone market share in the third quarter of 2022

According to an American analytical company specializing in information technology market research, in 2018 OPPO was recognized as the No. 5 smartphone brand in the world. The Chinese phone brand exercised a lot of control, especially in India, holding 71% of the entire Indian phone market in 2021. ORRO's products are also expanding in Europe, where the share of devices shipped by the company jumped from 3% in 2019 to 7% in 2021, which almost doubled its market share. In

the CIS countries, the OPPO brand is also in great demand, in 2016 a representative office of the company was opened in the Republic of Kazakhstan and began selling in 2017. In Kazakhstan, the company is in the TOP-3 by market share[8]. In Russia, the launch of the Oppo brand took place in September 2017.

### **Conclusion**

The partners of the OPPO brand are the largest chains of electronics stores in Kyrgyzstan, Kazakhstan, Russia, Belarus, Azerbaijan and other countries, and their own service centers have been opened in these countries. To be a successful partner, large chains of electronics stores use various methods of sale, for example, an online store Kivano.kg [9] offers to purchase OPPO mobile phones in Kyrgyzstan, and delivers them around the city of Bishkek for free, and it is delivered quickly and at the best price outside the city or country. In such cities of Kyrgyzstan as Osh, Talas, Naryn, Cholpon-Ata, Batken and other cities, the goods are sent in a convenient way, and the store also offers international delivery to Russia and Kazakhstan. This means that the brand is in demand, and its pricing policy also changes depending on the country. Many chain stores in the CIS countries offer to purchase equipment in installments or take an online loan without leaving home and pay for the order in any convenient way. Thanks to such opportunities, consumers choose this brand among various products of electronics stores. Brand awareness is growing, OPPO is rapidly gaining popularity. Oppo is a company owned by BBK Group, which has experienced significant growth in recent years, taking 4th place among the world's largest smartphone suppliers. OPPO's management methods made it possible to glorify the brand all over the world with its flagships, unique smartphone design, and successful marketing.

The management methods employed by OPPO Company in its activities in the CIS market can be considered effective and successful. The company has utilized various strategies to establish a strong presence in the region.

OPPO has focused on product differentiation and innovation. By continuously introducing new and technologically advanced products, the company has been able to attract the attention of consumers in the CIS market. This has enabled OPPO to gain a competitive edge over its rivals and position itself as a market leader. Secondly, OPPO has adopted a customer-centric approach in its management methods. The company has invested in market research to understand the needs and preferences of consumers in the CIS market. This has allowed OPPO to tailor its products and marketing strategies to better suit the local market, leading to increased customer satisfaction and loyalty. Furthermore, OPPO has forged strategic partnerships with local distributors and retailers in the CIS market. This has helped the company establish an extensive distribution network, ensuring that its products are easily accessible to consumers. By collaborating with local partners, OPPO has also gained valuable insights into the unique characteristics and dynamics of the CIS market, enabling it to make informed business decisions.

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## ОРРО КОМПАНИЯСЫН БАСҚАРУ ӘДІСТЕРІ ЖӘНЕ ОНЫҢ ТМД НАРЫҒЫНДАҒЫ ҚЫЗМЕТІ

**Аңдатпа.** Бұл мақалада ТМД нарығында өз қызметін жүргізу үшін ОРРО жаһандық технологиялық компаниясы қолданатын басқару әдістеріне назар аударылады. Бұрынғы Кеңес Одағы елдерін қамтитын ТМД нарығы өзінің алуан түрлі мәдени, саяси және экономикалық ландшафттарына байланысты халықаралық компаниялар үшін ерекше қиындықтар мен мүмкіндіктерді ұсынады. Зерттеудің мақсаты – негізгі стратегиялық тәсілдерді және олардың тиімділігін анықтау мақсатында ОРРО компаниясын басқару әдістерін және оның ТМД нарығындағы қызметін талдау. Бұл зерттеудің міндеті – ОРРО компаниясының тарихын және оның ТМД нарығына кіруін зерттеу, ОРРО өнімдерінің ТМД нарығындағы маркетингі мен орналасу стратегияларын талдау және аймақтағы бренд пен өнімді тарату арналарын басқару әдістерін зерттеу.

Өзінің инновациялық смартфондары мен тұрмыстық электроникасымен танымал ОРРО ТМД нарығында тиімді жұмыс істеу үшін бірнеше басқару тәсілдерін қабылдады. Біріншіден, компания жергілікті тұтынушылардың қалауы, нарық динамикасы және бәсекелестер туралы түсінік алу үшін нарықты зерттеу мен талдауға баса назар аударады. Екіншіден, ОРРО жергілікті менеджерлер мен қызметкерлерге аймақтық қиындықтар мен мүмкіндіктерге тиімді әрекет ету мүмкіндігін беретін орталықтандырылмаған басқару құрылымын қабылдайды. Үшіншіден, ОРРО ТМД нарығындағы жергілікті серіктестермен стратегиялық альянстарды құруға және қолдауға үлкен мән береді.

**Кілт сөздер:** Басқару әдістері, ОРРО компаниясы, ТМД нарығы, Қытай, халықаралық компаниялар.

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## МЕТОДЫ УПРАВЛЕНИЯ КОМПАНИЕЙ ОРРО И ЕЕ ДЕЯТЕЛЬНОСТЬ НА РЫНКЕ СНГ

**Аннотация.** В данной статье основное внимание уделяется методам управления, которые использует ОРРО, глобальная технологическая компания, для навигации и ведения

своей деятельности на рынке СНГ. Рынок СНГ, включающий страны бывшего Советского Союза, представляет уникальные проблемы и возможности для международных компаний из-за разнообразия культурных, политических и экономических ландшафтов.

Цель исследования - проанализировать методы управления компанией ОРРО и ее деятельность на рынке СНГ с целью выявления основных стратегических подходов и их эффективности. Задача данного исследования изучить историю компании ОРРО и ее вход на рынок СНГ, анализировать стратегии маркетинга и позиционирования продуктов ОРРО на рынке СНГ и исследовать методы управления брендом и каналами распространения продукции в регионе.

ОРРО, известная своими инновационными смартфонами и бытовой электроникой, приняла несколько подходов к управлению для эффективной работы на рынке СНГ. Во-первых, компания уделяет особое внимание исследованиям и анализу рынка, чтобы получить представление о предпочтениях местных потребителей, динамике рынка и конкурентах. Во-вторых, ОРРО использует децентрализованную структуру управления, которая позволяет местным менеджерам и персоналу эффективно реагировать на региональные проблемы и возможности. В-третьих, ОРРО придает большое значение построению и поддержанию стратегических альянсов с местными партнерами на рынке СНГ.

**Ключевые слова:** Методы управления, Компания ОРРО, Рынок СНГ, Китай, международные компании.

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