



'We believe in providing superb quality to ensure high customer satisfaction'

HTIL has made rapid strides in capturing ears and hearts for Haier Mobile in India, Indonesia and Africa. Consolidating an 8% presence in the Indian market, it is now eyeing other Asian and European markets. In a short span of time, Haier Mobile has become the 2nd largest player in the CDMA arena and overall 5th in India. Mr. Arun Khanna, Vice Chairman and Managing Director, HTIL in a candid interview with Managing Editor, Telecom Era speaks on his plans for India:

In a relatively short span of time, Haier Mobile has become the 2nd largest player in the CDMA arena and overall 5th in India. What had you envisioned when you began your Indian operations and how close you are to your goal?

Frankly, we had modest expectations considering the fact that we were the last entrant in an already crowded mobile market. Only after the unqualified success of the id's launched by us and absolutely stupendous market response to our product quality did we set our sights higher to capture 18% of CDMA market and 5% overall market share last year. Goals evolve and we have set our sights higher to capture 28% of CDMA market, 12% of overall market in India and 5% of Global Market this year. For a company that started operations only in December 2006, this is quite remarkable.

You have played an important role in positioning Haier Mobile in India, could you throw light on some of the key achievements by Haier in India under your leadership?

Haier Mobile is now in the consideration set of every CDMA subscriber. We expect to place around 10 million handsets by the close of this financial year in India and abroad. Also, a core team has been set-up for strategic direction for the company.

Indian Mobile market is attracting all the

major Mobile players, what distinguishes Haier Mobile from its competitors?

We believe in providing superb quality by stringent testing of newly launched products to ensure high customer satisfaction. That the mobiles are very affordable is a bonus to the customer.

Does Haier Mobile have some India specific strategy, how are you planning to meet Indian customers' expectations?

Haier Mobile has had resounding success in India. We are now going a step further to mark our presence in global markets. However, India continues to remain hot property at least for the next 5 years considering low penetration levels of mobile telephony in the Indian geographies. We are also developing upscale models indigenously to provide stylish phones for the consumer at extremely affordable prices.

Could you elaborate on the latest offerings by Haier Mobile for the Indian market?

These would be some breakthrough designs which the future will unfold in the short and long term.

How has been the market response so far and what is the present market share of Haier Mobile in India?

I have already addressed this question earlier. The response to Haier Mobile is gratifying leading us to believe that we can provide a better deal to the consumer and hope for increasingly higher market

shares.

How do you see the growth of India telecom market? In your view, which technology holds the future potential in the mobile market?

The market will grow at least for the next 5 years till it reaches 45-50% of Indian Populace. However, at that point in time, the replacement market would be substantial and at least 3 times of the existing numbers for handset sales. We will find success with technologies that offer more to the customer at affordable prices and enhance his lifestyle.

How important is maintaining 'low costs' along with your objective of 'making life more fashionable'?

Our success thus far has been built around providing high quality handsets at very competitive prices. Our in-house design team is now taking it one level higher by developing cutting edge designs that will not only appeal to the consumers but also make the world sit up and take notice. All this would be done without sacrificing our basic "Mantra" of 'superb quality, affordable prices'.

How is Haier Mobile ensuring 'satisfactory after sales services' to its customers in India?

We have more than 250 authorized service centers across India through our tie-up with TVS Electronics. These service centers ensure low turnaround time for completing the repairs.

How is Haier Telecom doing globally and which other countries you are targeting to spread wings?

Haier is a respected global brand and the 4th largest consumer durable brand with turnover of around \$ 15



Mr. Arun Khanna

billion. Even though our foray into mobile phones has started recently we aim to be amongst the Top 5 by year 2010 and amongst the Top 3 by year 2015.

What are your plans for FY 2008-09 to meet the burgeoning demand for mobile phones in the country? What is the progress with starting manufacturing operations in India?

We plan to enhance our manufacturing capacity by adding new production lines in China for the time being. I feel that the right time for us to start manufacturing in India would be after we reach an operation level of 50 million handsets for Indian and Global Markets as it would provide synergies and economies of scale.

"We expect to place around 10 million handsets by the close of this financial year in India and abroad"

ACHIEVER



Arun Khanna addressing a gathering.



Arun Khanna (Center) with HTIL Chairman

GROWTH PATH...

2005

HTIL operations started

2006

Single ID crosses 1 mln sales

Grab 18% market share and 2nd position in CDMA sales

Successful foray in SE Asia and African markets

2007

Preferred supplier to all 4 major service providers and nasdaq listed company in Indonesia as well as Orange in Africa.

In-house design cell set-up in 2007 to provide cutting edge designs to India and rest of the world.



Arun Khanna (center) in discussion with Brand Ambassador Kapil Dev



Arun Khanna (first from right) gifting a car to a distributor