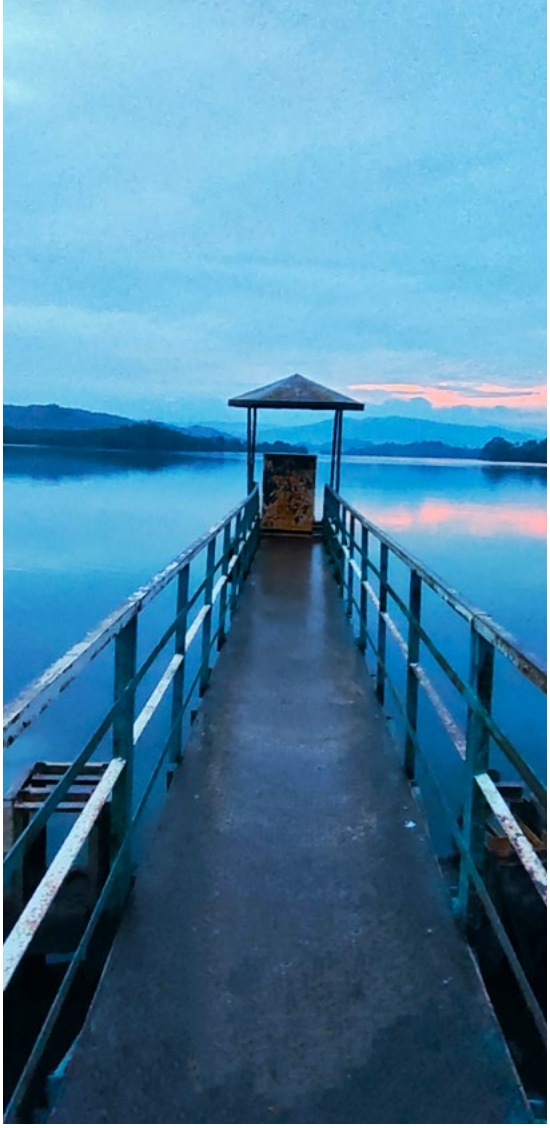
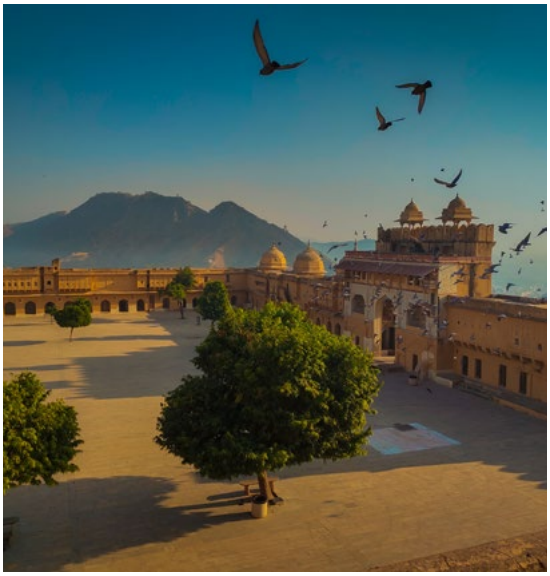
vivo

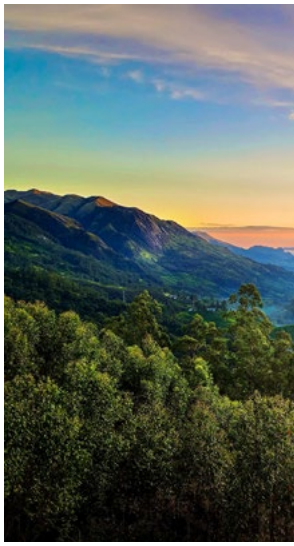
INDIA IMPACT REPORT 2022

vivo X90 Pro

Shot by Gaurav







Shot On vivo

vivo India Impact Report represents our unwavering focus on the Indian market and passionate commitment to the people of India.

In this year's Impact Report, you will see vibrant powerful photographs taken by vivographers. Through the vivid and captivating photographs, the report highlights the brand's deep-rooted connection with the country and its people.

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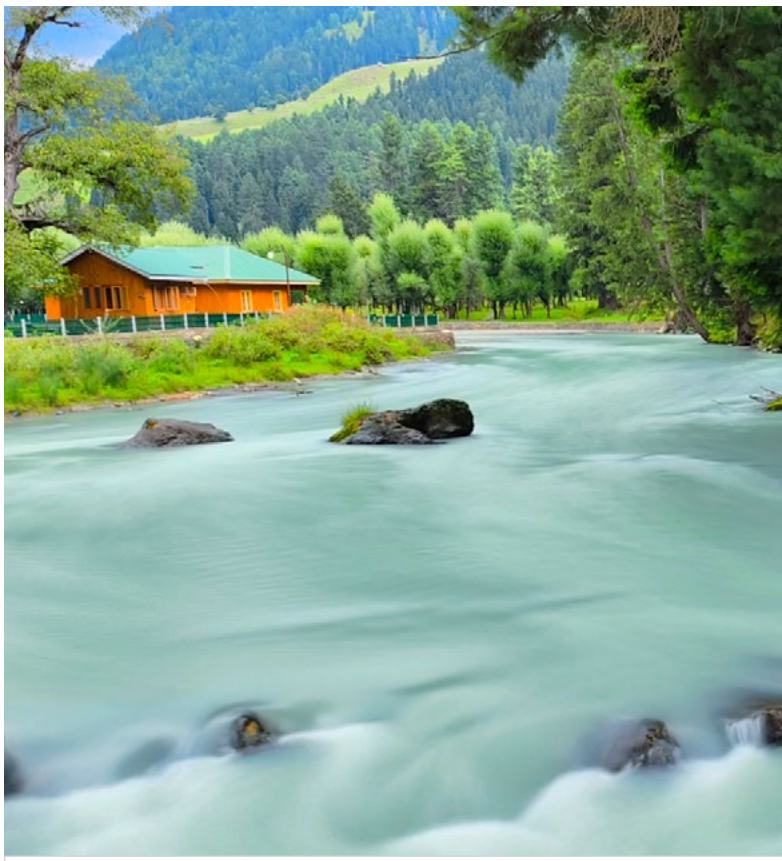


vivo X80 Pro

vivo India - Our Presence

28 States
8 Union Territories

70,000 retail touch points

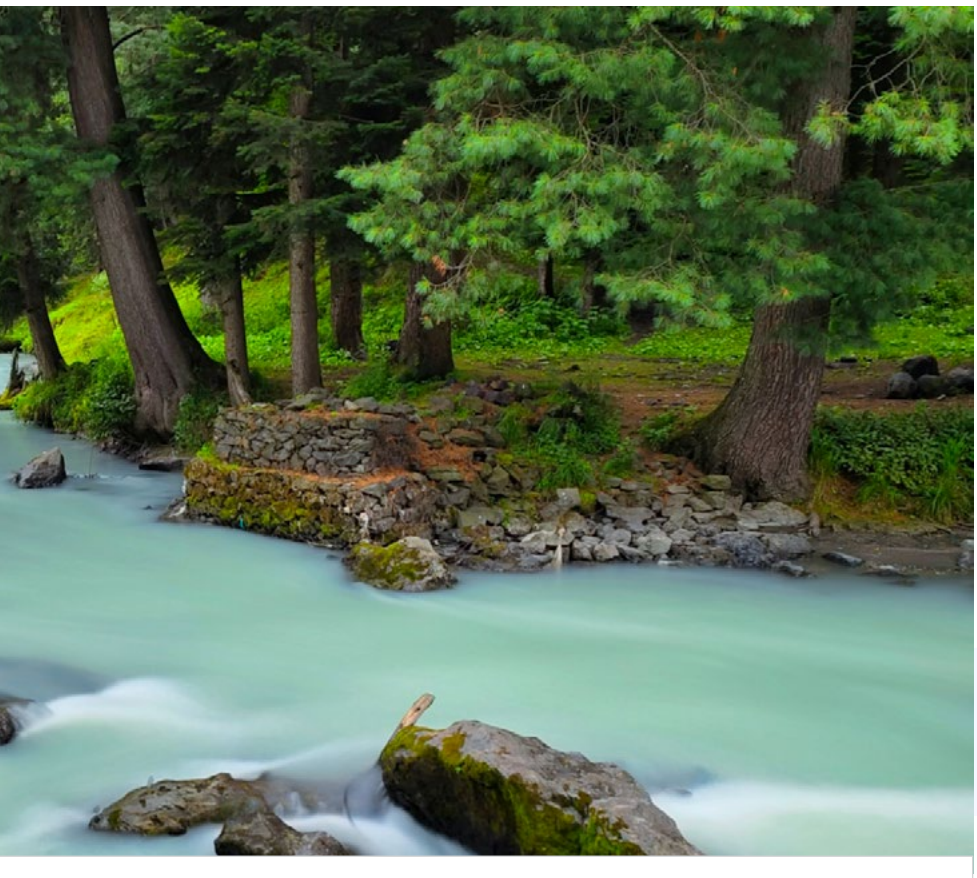
650+ vivo exclusive stores

650+ wholly owned service centres*

Over **100 million** proud owners of vivo smartphones

1+ million beneficiaries of social initiatives

Around **10,000** Indian workforce at the manufacturing facility



Shot by Hari Menon

* Service centres are wholly managed by state distributors

vivo V20 Pro

Shot by Ajay Menon

Overview
of the Report

At vivo India, we have a dream - to bring joy to all Indians. We remain committed to doing everything in our ability to fuel economic and social progress in India. Today, our aspiration to create a more inclusive and empowered India is more important than ever.

The second edition of the vivo India Impact Report is significant as vivo completed eight years in the fiercely competitive Indian market in 2022. The vivo India Impact Report 2022 entails three sections:

A
vivo for India - An Unwavering Commitment

Highlights how vivo is creating value for the Indian mobile ecosystem and how it is impacting the lives of Indians

Read more on page 10

B
vivo's Retailer Impact and Partner Commitment

Is an in-depth showcase of how vivo nurtures the retailer community in India

Read more on page 44

C
Economic Value of a Smartphone

A study on the economic value that users derive through their smartphones

Read more on page 60

How the Report was Prepared

Facts and observations in Sections B and C of the India Impact Report 2022 are the result of an in-depth study among vivo partners as well as external stakeholders including retailers and smartphone buyers. A mixed research approach was used, in which both qualitative and quantitative research methodologies were applied, to obtain structured insights and data to validate the facts mentioned in the study. The survey was conducted by research partner - Techarc.

In section B, a mixed methodology of research was implemented where 50 in-depth interviews were conducted with retailers across 12 cities. These interactions were done as per the established code of ethics for market research. The interactions garnered in-depth perspectives that were shared and validated by the retailers interviewed. The conversations were recorded and the material was analysed to draw conclusions. In parallel, 100 retailers from 12 locations were subjected to a field-driven quantitative survey. The quantitative survey resulted in structured findings and data around various trends and patterns that were identified in the retail segment.

In section C, the economic value of a smartphone is determined using data from a survey administered among 1,000 smartphone users across the country. A structured questionnaire was given to these users to gather the information needed to calculate the total cost of ownership of a smartphone as well as the savings that users can realise, thanks to their smartphones' access to a variety of digital services. To determine the economic value of a smartphone for users, a cost-benefit analysis was conducted to determine the overall effect of a smartphone on users. The analysis was conducted on a national, metro, and non-metro scale for all of India.

All the information and data points gathered through primary and secondary research have been validated as per the standard code of ethics and practices adopted in market research. This has ensured the findings are derived and established using scientifically adopted market research tools and techniques and later presented in a structured report format adopting a proper flow. The entire process of research, data collection, validation, analysis and interpretation was completed in 3 months.

Acknowledgement

vivo India Impact Report 2022 was possible due to the sincere efforts of various teams across the organisation. Our Brand Strategy and Consumer Research and Insights teams, Legal, Finance, Operational and Manufacturing functions, Government Affairs, Strategy Insights (Industry), subject matter experts and Sales, Communications, Corporate Social Responsibility (CSR), Human Resources and all cross-functional teams and partners have contributed to the creation of this report. We would like to thank our research and design partners, Techarc and Report Yak respectively.

Disclaimer:

Facts and figures mentioned in this report are based on internal derivations, and may vary at different sources at different times. Figures mentioned are approximate derivations and may vary as per actual market conditions.

CEO's Message

The vivo India Impact Report 2022 reflects our steadfast commitment to India and its people, and the measures we are taking to strengthen the mobile ecosystem in India. It is an elaborate description of our endeavours, our commitment towards stakeholders and our long-term vision to remain a vital contributor to India's growth story.

In 2022, we marked another milestone: eight years of thriving in the fiercely competitive Indian market. Looking back, it's not just a matter of survival. Our relentless commitment to our users, our unquenchable passion to serve, and our drive to bring joy to people's lives have not only propelled us forward but established us as a major player in the Indian smartphone market.

We consider ourselves fortunate to be part of the digital revolution that India has witnessed in the past decade. Whether it is 3G, 4G or now, the revolutionary 5G, we are delighted to have made significant contributions by becoming a trustworthy partner to millions of Indians who are living a digital lifestyle powered by vivo smartphones.

Over the past year, we have faced challenges of various magnitudes, but we have emerged as one of the frontrunners in the market. This feat has been accomplished through our unwavering dedication to do the right things and do things right.

We believe that responsible business practices are essential for the long-term success of our company and our ability to create value for our stakeholders.

We believe that the Indian market holds tremendous potential for growth, and we are committed to investing the necessary resources, time and capital to realise this potential.

Our commitment to India is total. We believe that we can create a meaningful impact on the Indian economy while delivering value to our stakeholders. For the first time since we commenced operations in India, we started exports of vivo 'Made in India' smartphones in 2022. We are very proud to contribute, in a small way, towards the Honourable Prime Minister's vision to establish India as a primary export hub. We consider it a landmark achievement that we will be exporting over 1 million 'Made in India' vivo smartphones to the world in 2023.

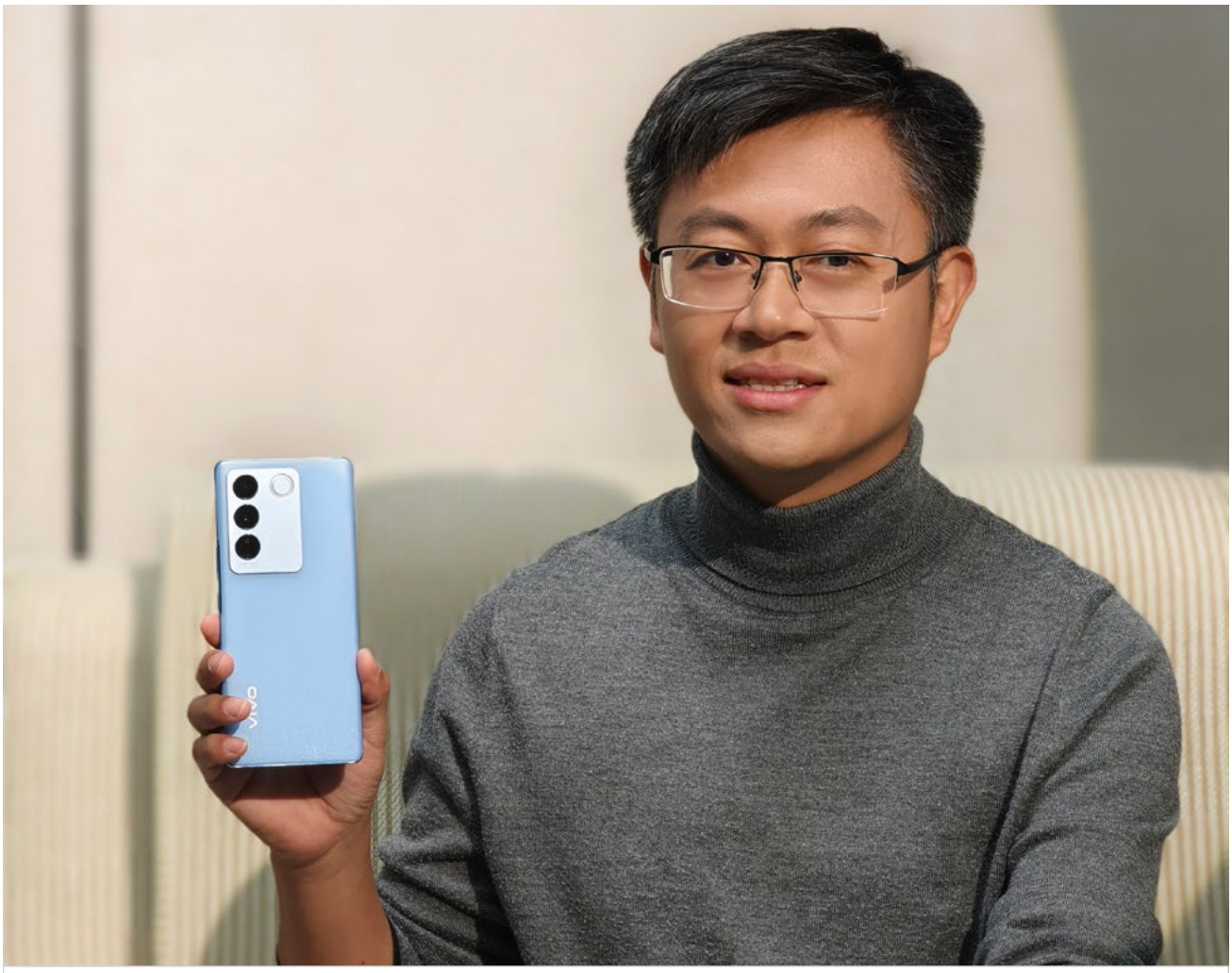
As part of this investment, our new manufacturing facility that is under construction will also become operational.

vivo's first phase of investment of ₹3,500 crore is continuing as planned and will conclude by the end of 2023 tentatively, subject to necessary clearance from state authorities

We have officially set foot on a design-driven journey. We are relentless in our efforts to understand the needs and preferences of our users in India. 'Design in India' will be a significant component of our next phase of strategy in India. Industrial design, software and camera will be key pillars of this. I am proud to say that vivo smartphones will not only be made in India but also designed in India.

'Design in India' will be a significant component of our next phase of strategy in India

We are staunchly committed to long-term investment in technology and innovation, especially in areas such as industrial design, image systems, operating systems and



vivo X90 Series

vivo Internal

performance that users care so deeply about. To enrich our growth, we brought in incredible talent and teamed up with great partners from across the globe.

vivo, as a brand, has embodied a 'More Local, More Global' thinking by growing the company in international markets including Europe, Africa, the Middle East and Latin America to meet the demands of our global users through our products and services.

vivo as a brand serves over 400 million users with its mobile products and services in over 60 countries and regions

Looking ahead, we are optimistic about the future and the opportunities that lie ahead. We will continue to focus on innovation, sustainability, and our users as we strive to meet their needs and exceed their expectations.

Our goal is, and always will be, for vivo's people and purpose to come together for good. At vivo, we'll never stop striving for better. We will continue to focus on the long-term benefits of happiness, satisfaction, contentment and development of our users, partners, shareholders and employees. Our purpose will always guide us, and our values will always push us forward - toward that better future, we believe in.

Jerome Chen

Executive Summary

At vivo, we see ourselves as a dedicated partner to the dynamic Indian smartphone market. We are committed to creating real value in the Indian mobile ecosystem.

The Indian smartphone industry has seen tremendous growth over the past decade. The widespread adoption of smartphones, along with the latest generations of cellular technology such as 3G, 4G, and 5G, has put India at the forefront of the mobile industry. A decade ago, the annual smartphone sales in the country were around 15 million, but today, the industry averages monthly sales of over 12 million smartphones. With a value of over $35 billion, the industry directly employs hundreds of thousands of people and supports the livelihood of more than half a million Indians.

The smartphone industry in India has come a long way in the past decade and has made a massive impact. It has not only become the poster boy of the electronics industry but also has developed into a complete ecosystem within the country. Today, smartphones are not only designed and developed in India but they are also manufactured here for both domestic and international consumption. The industry has successfully created a robust trade network that ensures easy access to smartphones for users. With both offline and online channels available, users can purchase the smartphone of their choice in any major city or town with ease.

At vivo, we acknowledge the significance of the Indian smartphone market and have aligned ourselves with the evolving landscape of the industry in India. Our brand purpose is to bring joy to the world through simple yet superior technology and experiences. We see ourselves as a dedicated partner in this dynamic journey and are committed to a holistic approach that takes into account all aspects of the ecosystem.

In vivo, we understand the significance of bringing the smartphone industry closer to the users. We believe in our role as a partner in India's economic growth and were one of the early investors in the Indian smartphone manufacturing ecosystem.

on track to export over

1 million

smartphones in 2023

Strong presence in

over 90%

of the retail outlets by sales volume

Our phased investment plan is progressing as planned, and we are on track to complete the investment of ₹3500 crores in manufacturing by the end of 2023. Our new manufacturing facility is expected to become operational in early 2024, creating more jobs and supporting the growth of the surrounding component industry.This aligns with the government's vision and reiterates our commitment to being a worthy partner in India's economic development.

At vivo, we take quality control seriously, and our processes ensure the highest level of reliability throughout the entire supply chain. From procurement to the moment our devices reach users, we maintain strict standards. Additionally, we have established wholly managed service centres* to offer a comprehensive hassle-free experience to our users. We are also actively supporting our component partners in establishing themselves in India, which allows us to increase our domestic value addition through local procurement and opens up new opportunities for collaboration within the local smartphone industry.

* Service centres are wholly managed by state distributors

vivo X70 Series 5G

Shot by Bobby Joshi

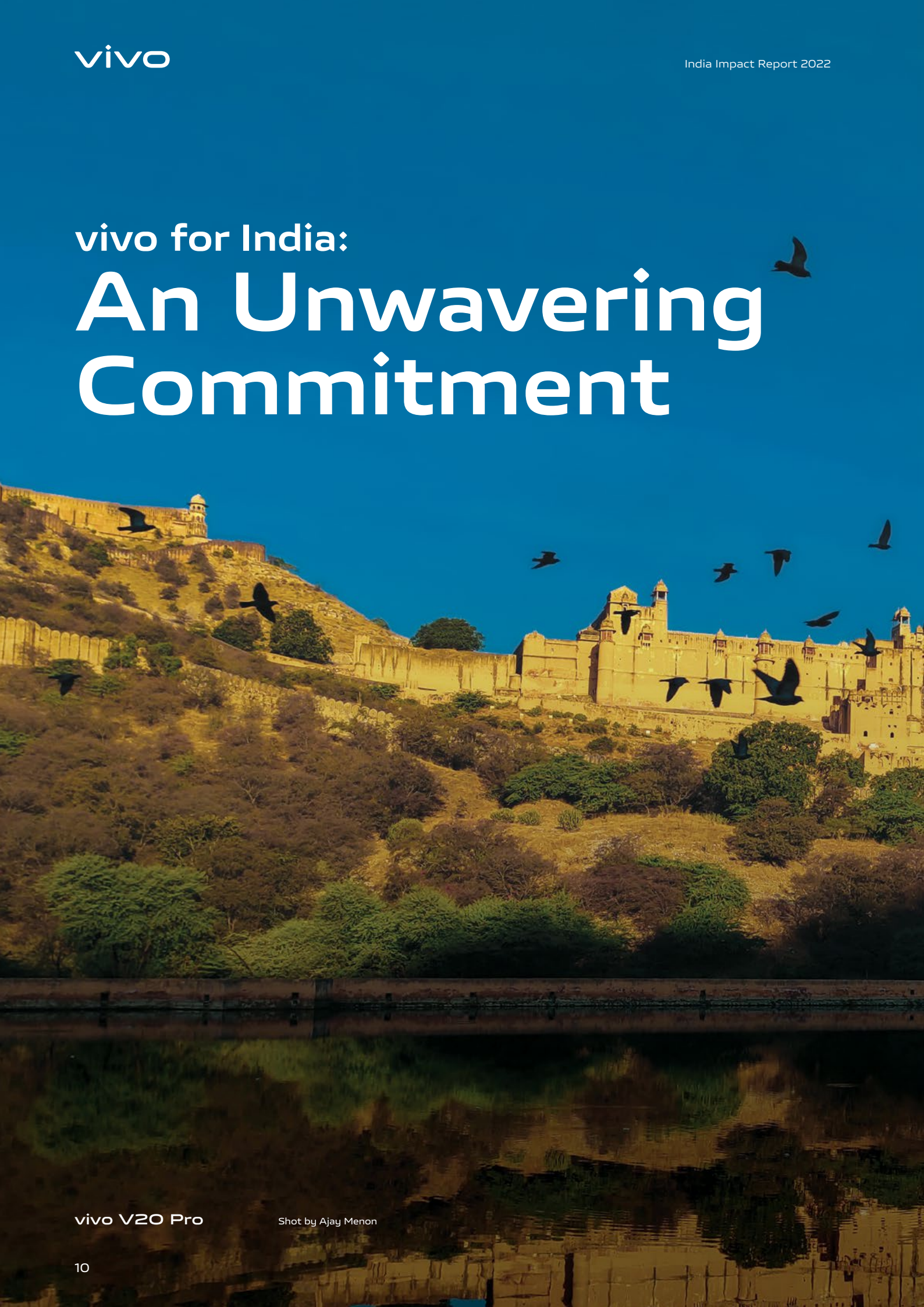
In vivo, we appreciate the significance of 5G technology in shaping the future of the nation. In 2023 and beyond, we anticipate 5G to be a priority for everyone. To stay ahead of the curve, we have built a robust lineup of 5G smartphones that will play a key role in popularising the latest cellular technology, which is poised to bring about transformative changes in the social and economic arena. To offer a seamless 5G experience for our users we have collaborated closely with major 5G operators in India to guarantee that users enjoy a future-proof experience.

Our retail partners are eager for the upcoming wave of smartphone upgrades, as millions of users are expected to purchase 5G devices.

Our top priority is to support our valued retail partners by offering a comprehensive portfolio of innovative 5G smartphones, allowing them to sell with confidence and credibility.

The year 2023 holds great promise for the smartphone industry in India. As users eagerly anticipate the transition to 5G technology, our years of hard work and commitment to the Indian market are reaching fruition. We are committed to continuing our efforts to make a positive impact on the lives of every Indian through a holistic vision for the future.

vivo for India: An Unwavering Commitment



vivo V20 Pro

Shot by Ajay Menon

vivo is playing a crucial role in shaping the country's mobile ecosystem through cutting-edge technology and a deep understanding of Indian users. We have consistently pushed the boundaries of what's possible with mobile technology while democratising mobile access for millions. From investing in local manufacturing and R&D, to building a robust network of retail touchpoints and after-sales service centres - vivo's commitment to India remains unwavering.

Creating Value for the Indian Mobile Ecosystem

At vivo, we prioritise creating a thriving ecosystem over merely selling products. In line with our values, we have established a comprehensive development strategy to support our goal of becoming a healthier, more sustainable world-class corporation.

As government initiatives progress, such as 'Atmanirbhar Bharat', we have been actively supporting the growth of the self-reliant smartphone industry in India. Our focus has been on implementing a long-term vision and commitment to the country, taking a holistic, comprehensive and integrated approach that has a direct and indirect impact on millions of lives.

Phase 1 plan on track to complete investment of ₹3,500 crore

All vivo phones sold in India are made in India

Local sourcing -

100% motherboard assembly is done in India

95% battery sourced locally

'Made in India' smartphones to the world -

Began export of Made in India smartphones in 2022

World class infrastructure & capable workforce at the factory

Focus on Design in India - Taken definitive steps in this direction by establishing a core industrial design centre team in India which is playing a decisive role in understanding user needs and local trends

vivo X70 Series

Shot by Surbhi

Consolidating Investments, Developing Locally

In vivo, we understand that investment is a crucial aspect of our commitment to the country. Our goal is to create a holistic ecosystem.

vivo X70 Series

Inside the assembly section, Greater Noida

₹7,500 crore phase-wise investment plan for India

As part of the ₹3,500 crore phase-I of the investment plan announced in 2022, ₹2,400 crore has already been invested and a further ₹1,100 crore is expected to be invested by the end of 2023. This will help increase our production capacity and support the government's vision of making India a global export hub. Furthermore, the phase I investment will make vivo's upcoming factory operational by early 2024, subject to necessary clearance from the state authorities. Covering an area of 169 acres, it will have the capacity to produce 120 million smartphones per year in the future, when fully operational.

Around 10,000 employees at our existing manufacturing facility

Enhancing Local Sourcing

At vivo, we are dedicated to creating a vibrant and empowered India. As part of our ongoing support for the 'Atmanirbhar Bharat' initiative, we plan to increase our local sourcing by a significant percentage of the total cost of materials.

We have signed a MoU with Vedanta Group to locally source smartphone displays as soon as they become available in India

As we move forward, we anticipate making further investments to strengthen our commitment to India as part of phase II of our investment plan.

vivo X80 Pro

Our Greater Noida Factory

World-class Manufacturing Facility

vivo has consistently demonstrated its commitment to the Prime Minister's 'Make in India' initiative by being one of the earliest smartphone manufacturers to set up its own manufacturing facility in the country. Additionally, vivo was the second OEM to introduce Surface Mounting Technology (SMT) lines, allowing for greater domestic value addition in smartphone production. Our manufacturing plant in India has a monthly capacity of around 5 million smartphones. This was accomplished in 2022 by consolidating 20% of the plant's existing capacity.

Every vivo phone sold in India is made in India

As a reliable and trustworthy smartphone manufacturer in India, vivo has a world-class manufacturing unit and continually strives to improve its manufacturing efficiency.

Steadfast Focus On Quality

In vivo, quality is a non-negotiable priority throughout the entire manufacturing process. Our factory in India is equipped to handle even the most complex manufacturing tasks.

Every product undergoes over 40 stringent tests before being approved for the next stage

Our focus on quality is driven by a commitment to our users, and we believe that the key to achieving high standards and user satisfaction lies in utilising the latest technology in manufacturing and providing the best possible training for our workforce.

This demonstrates our capability for world-class manufacturing, which will only increase with the operation of our new factory in early 2024.

vivo X80 Pro

Shot by Hari Menon

Exporting 'Made In India' Smartphones to the World

Exports play a crucial role in advancing economies like India, promoting growth and development. The Indian government, under the visionary leadership of the Prime Minister, is taking proactive steps to spur electronics manufacturing and make smartphone exports a key contributor to the country's economy.

At vivo, we are proud to do our part in supporting the government's efforts. In 2022, vivo made its first foray into exporting Made in India smartphones, sending its first shipments to Thailand and Saudi Arabia.

Our plan is on track to export over 1 million Made in India smartphones in the year 2023

This further demonstrates our commitment to being a responsible and valuable partner to the Government of India.

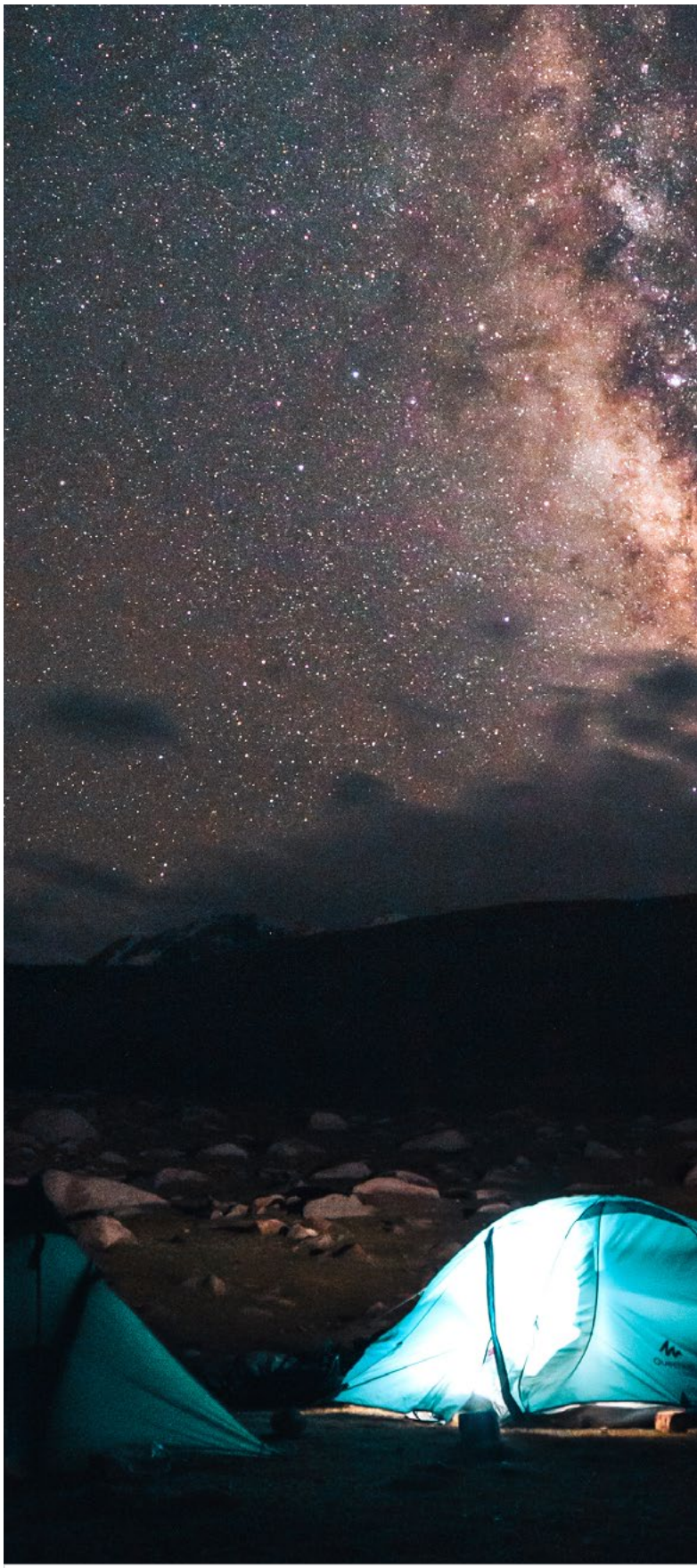
We remain steadfast in our commitment to the Indian market, taking various measures to strengthen the ecosystem and meet the needs of the country and its people.

Innovating for India

At vivo, we constantly strive to democratise innovation by developing smartphones designed for Indian users. We do this by engaging with our users meaningfully to understand their needs and preferences. As a global brand, vivo does not design products specifically for one country, but the feedback we receive from users helps inform our innovations. We have been able to take the needs, wants, and desires of Indian users and turn them into useful products. Moving forward, incorporating design elements from India will be a key part of our strategy as we continue to engage with our users.

Our strong user-focused approach involves everyone at the company, including senior management, engaging with users to understand their needs and map them into innovative technology.

We set high standards for smartphone innovation, always with Indian users in mind. Our focus on photography and smartphone design reflect the specific desires of Indian users, allowing us to meet their expectations in a meaningful way. (Read more on page 34)



vivo X60 Series

Shot by Nitish

Enabling Immaculate Smartphone Experiences with Professional Imaging V1+ Chip

At vivo, we are passionate about camera innovation. We have made significant strides in this area and have many industry firsts to our credit. To enhance the camera experience for our users we introduced the custom-built V1 and V1+ chips for professional imaging.

The V1 chip is known for its high efficiency and low latency. By exchanging data with the main chip, it helps the main chip ISP run faster than ever. The V1+ chip was made to work in a wider range of scenarios.

V1+ chip makes images more vibrant in night scenes, and helps the ISP algorithms reach their maximum potential

To meet the specific needs of users, including those in India, we created a professional imaging chip customised exclusively for vivo - the V1 chip.

Our strategic partnership with ZEISS has enabled us to bring features and functions that align with the expectations of our users

As a result, vivo users in India can effortlessly capture cherished memories while enjoying advanced and professional camera features.

Design for India - Designing in India, by Indians, for Indians

As a user-oriented brand, we constantly strive to understand the needs, preferences and choices of Indian users. As a result, vivo has multiple initiatives at different times to offer delightful experiences to users.

With an aim to continue raising the benchmark, we have set our focus on 'Design for India'. vivo's strategy will place a strong emphasis on product industrial design, software, and camera as key components.

We have already taken definitive steps in this direction by establishing a core industrial design team in India which is playing a decisive role in understanding user needs and local trends.

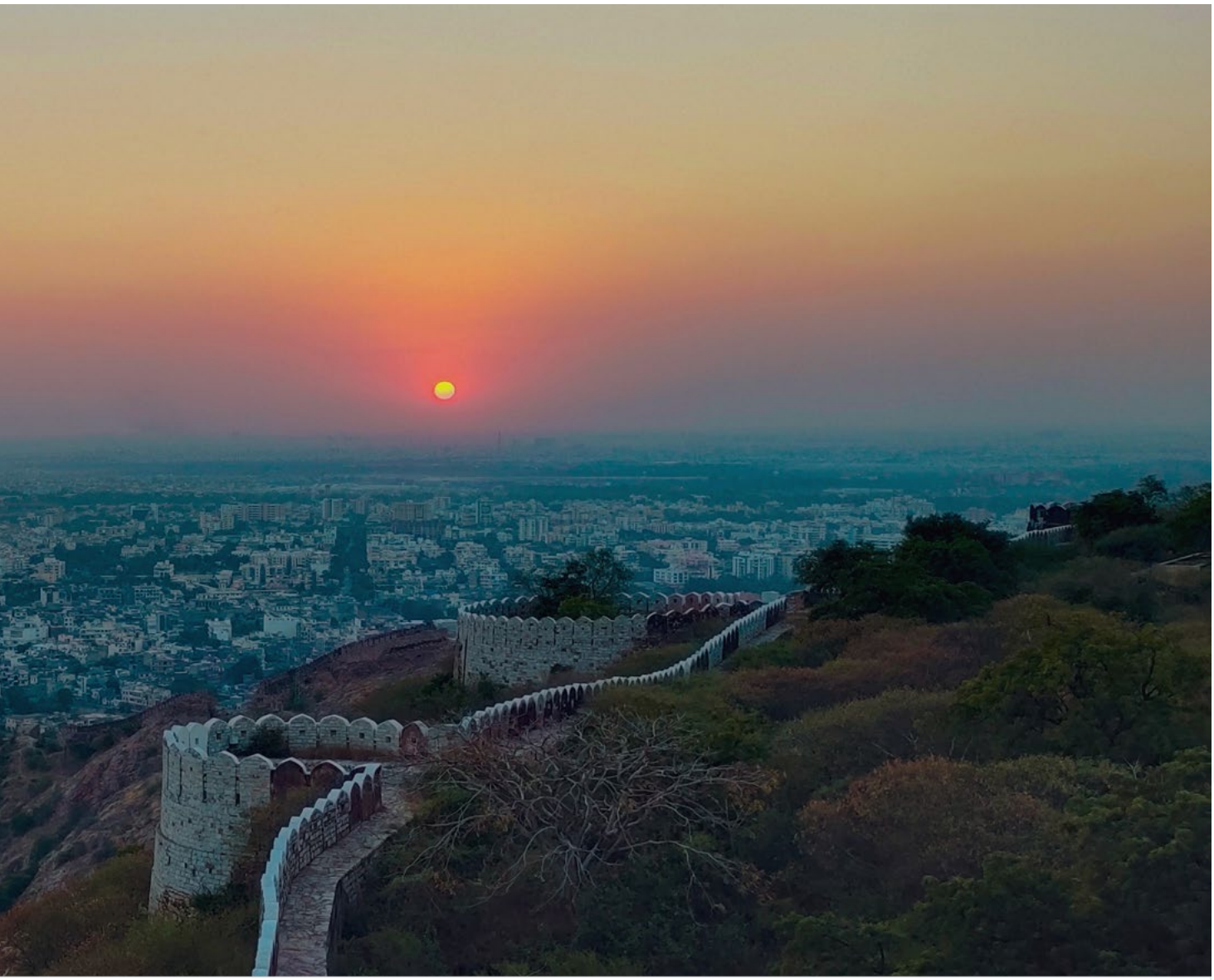
In addition to the core industrial design team, we have also set up a camera imaging team that is tasked with understanding and identifying the local camera needs so the camera can be optimised according to users' needs.

vivo V20 Pro

A smartphone camera is the most crucial part of the user's smartphone usage. Hence, we work relentlessly to understand the challenges and expectations that users have.

'Design for India' resulted in our new camera mode for the V27 series - Wedding Style Portrait Mode

As we continue to grow, this approach will not only benefit Indian users but also users worldwide where vivo operates. We aim to expand and enhance our design capabilities to better serve the needs of our diverse user base.



Shot by Ajay Menon

vivo X80 Pro

Shot by Bobby Joshi

Fostering an Ecosystem

Bringing Global Partners

As a significant player in the ecosystem, vivo is dedicated to building a robust and self-sufficient smartphone ecosystem in India. Our goal is to develop and cultivate a smartphone ecosystem that will drive increased domestic value and contribute to the Indian government's 'Make in India' initiative. By partnering with and supporting ecosystem players, we are enhancing the capabilities of India.

Procuring from Local Suppliers

At vivo, we prioritise procuring components and supplies from local partners wherever possible. This depends on their ability to provide the required raw materials in both the desired quantity and quality. For instance, our motherboard assembly is fully done in India while 90% of our chargers and 95% of our batteries are sourced locally. Additionally, materials like EP foam and packaging are exclusively procured from domestic suppliers.

We are continuously working on strengthening domestic value addition. As a result, at the end of 2022,

100% of our mother board assembly is done in India

Approximately 70% of our chargers and earphones are sourced through local partners

95% of the battery components are procured locally

Collaboration with the Indian Ecosystem

As a responsible organisation, we recognise the significance of our role in the Indian smartphone ecosystem. Our goal is to continue to strengthen the domestic smartphone value chain by increasing domestic value addition and partnering with more local suppliers.

We remain committed to the 'Make in India' initiative and will continue to work towards a thriving and growing smartphone ecosystem in the country

vivo values its relationships with both mainstream retail and online trade channels. We actively engage with the retail community to keep them motivated and help them identify opportunities for growth, benefiting the industry as a whole.

Widening
Digital India's Horizons

The Government of India has created a huge opportunity through its 'Digital India' initiative

By adding >1million smartphone users, vivo is helping rural India join 'Digital India' through microfinancing

vivo V20 Pro

Shot by Ajay Menon

Digital India - Impacting a Billion Indians[1]

For years, India has had a dream of becoming a digitally empowered society and a knowledge economy. This dream was built upon three key objectives:

- Providing digital infrastructure as a core utility for every citizen
- Empowering them with governance and on-demand services
- Enhancing digital literacy

With the government of India and state governments working together, numerous initiatives were launched under the Digital India program to bring this vision to life. Thanks to these proactive initiatives and the combined efforts of all stakeholders - India now boasts one of the most robust digital infrastructures in the world, bridging gaps in government-to-citizens (G2C) services, improving efficiency, and promoting transparency.

[1] Data Sources - PIB, Government of India; COWIN dashboard; IBEF

The Digital India initiative has brought about numerous benefits to the country.

Under the 'Digital India' vision, the payment system was revolutionised through the JAM Trinity - Jan Dhan, Aadhaar and Mobile

The gross GST collection shows government's proactive stance on digital technology adoption

The Indian government's leadership in setting up the COWIN platform to administer vaccines was acknowledged worldwide as an effective solution

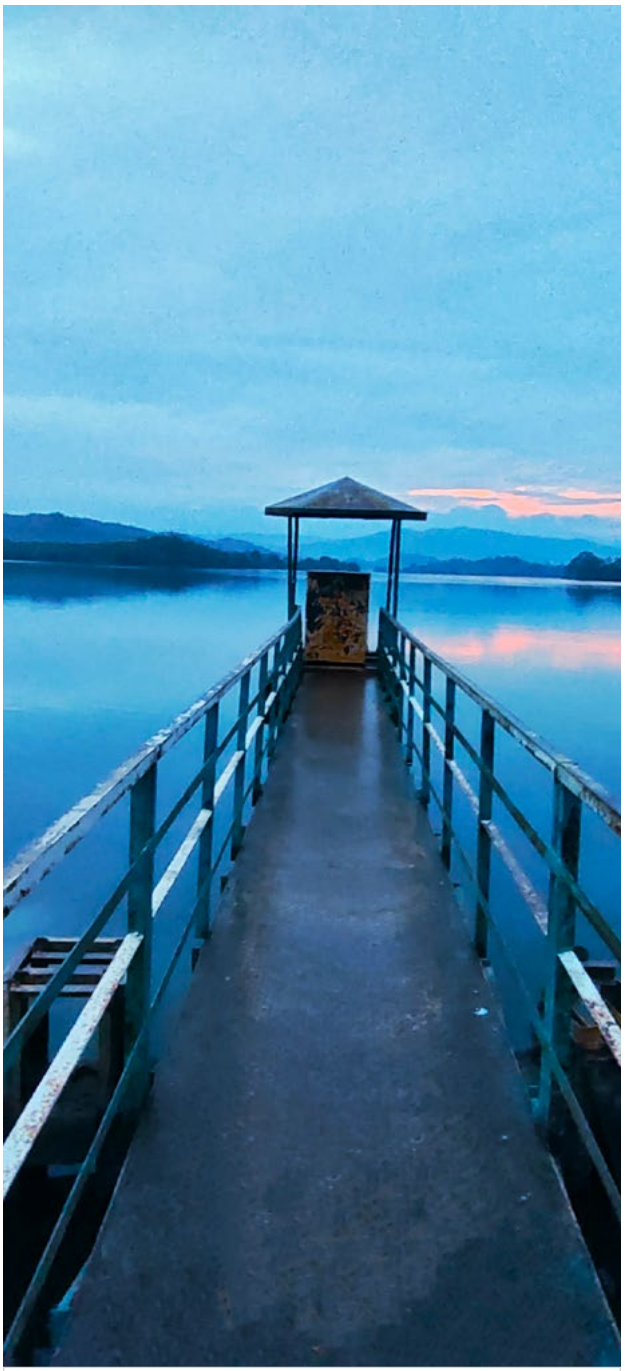
Digital India has also made railway travel easier with the IRCTC platform, which booked over 1.1 million tickets daily in FY22 through its mobile application and web interface

The government of India has created a huge opportunity through its 'Digital India' initiative. Without a doubt, the smartphone is a key enabler and central to the government's pathbreaking interventions that have impacted the lives of hundreds of millions of Indian citizens. However, smartphone affordability remains a challenge that hinders Digital India from reaching its full potential.

As a responsible smartphone brand, vivo is committed to the vision of Digital India and works towards making smartphones accessible to all, especially in rural India.

vivo X60 Series

Shot by Surbhi



vivo V20 Pro

Shot by Hari Menon

Smartphone Affordability - A Roadblock for Digital India[2]

In India, a smartphone is not just a luxury or an aspirational item for the over 250 million citizens who currently use feature phones but instead, it is an important tool that allows them access to the digital world and therefore benefit from the government's 'Digital India' programme.

However, for these citizens, the cost of switching from a feature phone to a smartphone can be substantial.

Cost of feature phone
₹800 - ₹1,200

Cost of reliable smartphone
₹6,000

vivo's solution
Y-series

To address this entry barrier, and to be true to our commitment to a Digital India, vivo introduced its Y-series of smartphones, thereby helping millions of users join the digital revolution.

Pointedly, the growth of the smartphone industry has slowed in recent years, and expanding the user base has become one of the biggest challenges.

[2] Data Sources - Techarc

vivo X80 Pro

Shot by Bobby Joshi

With 600+ million smartphone users and a total population of 1.4 billion, the pace of new users being added to the smartphone base of around 5 million per year which means - the goal of every Indian owning a smartphone is still far off. To truly benefit the bottom of the socio-economic pyramid, it is crucial to transition feature phone users to smartphones.

vivo is committed to finding ways to maintain the affordability and accessibility of smartphones in India, ensuring that people can access Digital India initiatives

Expanding Digital India Reach[3]

We are committed and aligned with the vision of Digital India which recognises digital infrastructure as a core utility that every citizen should have access to. This cannot be achieved without considering smartphones which form an essential element of the digital infrastructure.

Enabling Rural India to Join Digital India

vivo is working to bring smartphones to the doorsteps of rural users through its microfinancing partners.

vivo has achieved the milestone of adding over 1 million users to the smartphone base

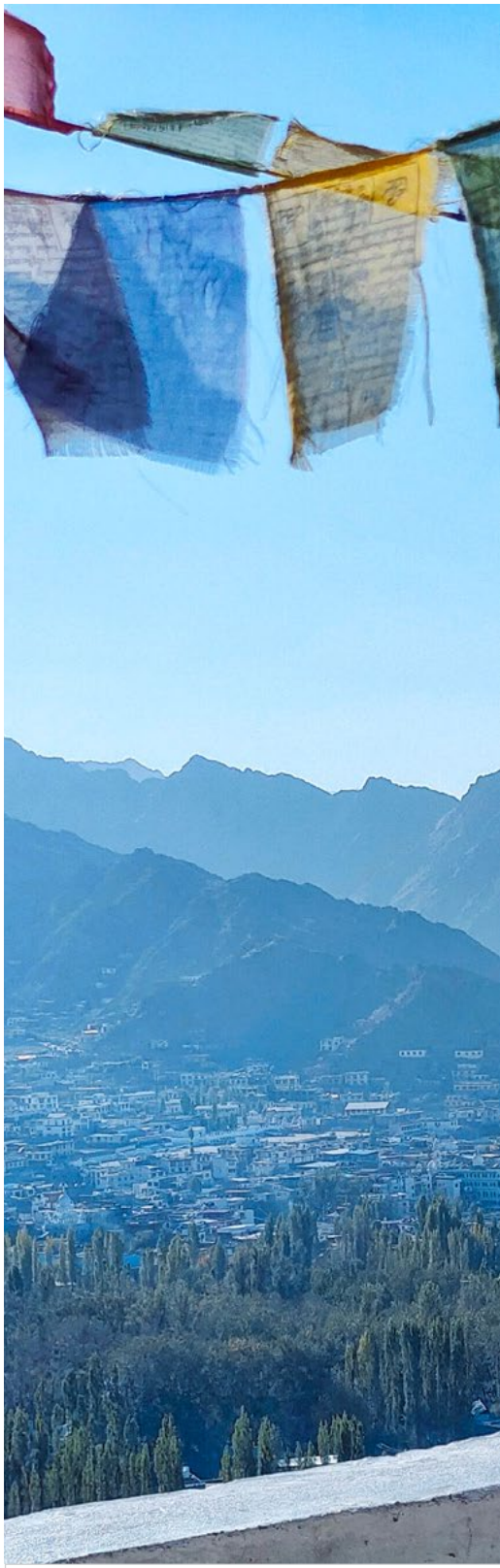
These new smartphone users are now able to benefit from the government's Digital India initiatives. vivo and its microfinancing partners have expanded access to smartphones in 17 states and union territories, some of which have low overall teledensity. The arrival of 5G in rural areas is expected to bring a significant transformation to the agriculture sector and rural economy, bridging the gap between rural and urban areas.

The new smartphone users now have access to various services previously not available to them. For example, their children can access world-class educational content on apps like YouTube and receive material information, such as weather updates, that are crucial to farmers, fishermen and others in rural areas.

Fusion Microfinance

Due to their lack of business experience, education, access to smartphones, etc., rural women entrepreneurs are frequently confronted with varied challenges. With smartphones, rural women entrepreneurs now have a way to express themselves, become independent, and earn money. Moreover, smartphones have provided a platform to their children where they can learn about new technologies and act as a source of knowledge.

We are happy that Fusion has been able to offer its users high-quality, dependable devices equipped with cutting-edge technology at a reasonable price thanks to vivo's assistance.



vivo X80 Pro

[3] Data Sources - vivo Internal estimates; Techarc

Shot by Hari Menon

India's Long-term
5G Partner

vivo V17 Shot by Nitish

All vivo 5G devices were compatible with the stand-alone (SA) and non-standalone (NSA) network since November 2022

All vivo 5G smartphones launched in India were made in India at our facility in Greater Noida

We have approximately 5,000 patents for 5G inventions and made about 10,300 submissions to the 3GPP for developing technical specifications of 5G technology

vivo works extensively with all the major network operators in the country

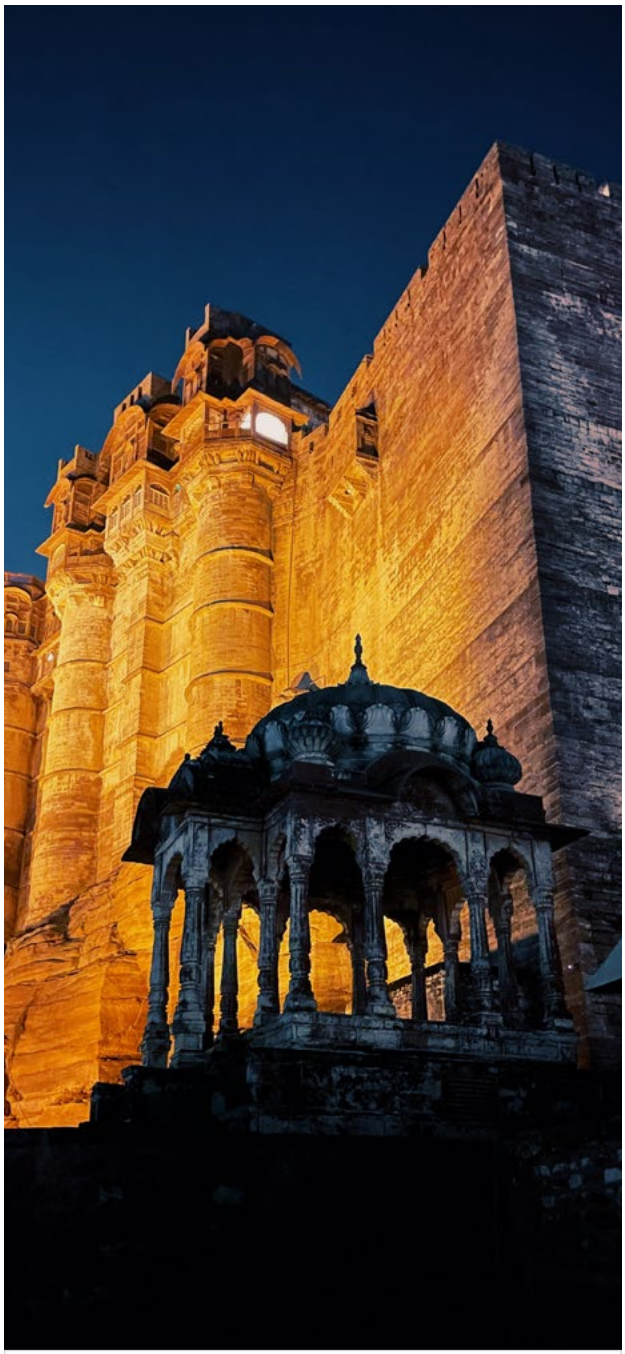
Preparing India for 5G[4]

India officially became a 5G nation when the Honourable Prime Minister Narendra Modi inaugurated it at the 2022 India Mobile Congress held in October 2022, creating excitement among millions of Indians eager to experience this latest technology. As a major player in the 5G ecosystem, we have been working behind the scenes to make 5G accessible to users. We were one of the few OEMs to launch 5G smartphones in India as early as 2020, despite the unclear commercial availability of services and the shifting priorities due to the COVID-19 pandemic. Despite these challenges, our commitment as a key smartphone maker in the country led us to continue launching 5G smartphone products for innovation-seeking Indians.

As a user-focused smartphone maker, we wanted to ensure a seamless 5G experience for our users. To accomplish this, we have been working extensively with major 5G operators and other ecosystem partners in India to deliver a future-ready experience to users.

That is the reason why all the vivo 5G devices were compatible with SA and NSA networks as early as November 2022. This is a testament to our readiness and commitment to our users.

vivo has been able to add more than 10 million users to over 100 million users owning a 5G smartphone



vivo X70 Series Shot by Vimal

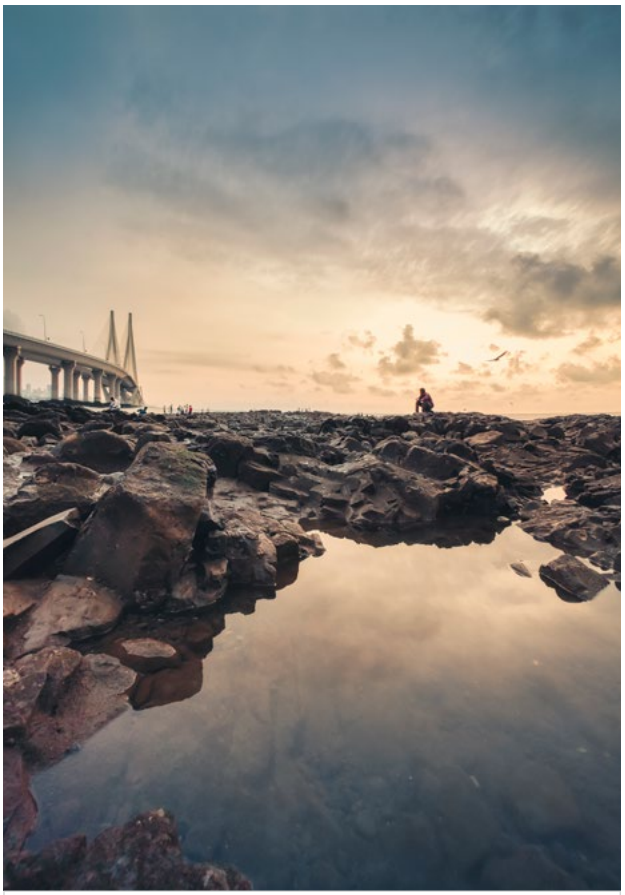
[4] Data Sources - vivo Internal estimates; Techarc

Geared Up for NOW[5]

In 2022, when 5G was first introduced in India, one of every three smartphones sold was a 5G device. Our users are eager to get their hands on the latest technology and were keen on 5G even before it became widely available. They want to future-proof their investments and be among the first to use new technologies.

To meet the rapidly growing demand for 5G smartphones, we have taken two key steps. Firstly, we have expanded our range of 5G smartphones, launching devices across multiple series, including X, V, Y, and T. Secondly, we have strengthened our production capabilities to ensure that we can keep up with the expected surge in demand. We can proudly say that every 5G smartphone that we have sold in the Indian market was manufactured by fellow Indians at our production facility in Greater Noida.

This ability gives us an edge in producing 5G smartphones at a pace that will meet the expected demand across all segments.



vivo X70 Series

Shot by Surbhi

Innovating for the Future of 5G[6]

The next few years in India will bring about innovation in the 5G smartphone industry as mass adoption becomes a reality. With the exploration of new use cases and application areas, 5G smartphones must be packed with innovations and empower further advancements with the powerful technologies they bring.

5G adoption will be driven by use cases, with each country and its communities having unique applications. India, with its rich diversity, has the potential to create one of the most diverse portfolios of 5G applications, tackling challenges in fields like agriculture, education, and healthcare.

Participating in 5G Standardisation at the Global Level

As an innovation-led company, our contributions to 5G have reflected this principle. In vivo, we recognise this evolution and expansion of 5G across the world. To be prepared for this, we have been actively engaged with the 5G ecosystem to contribute and develop the technology at a global level.

Among the generations of cellular technologies that have been made available so far, we have made significant contributions to the development of 5G worldwide.

We have over 5,000 patents for 5G inventions and made over 10,300 submissions to the 3GPP for developing technical specifications of 5G technology. With a user-first approach, we aim to bring these value additions to our Indian users

These innovations will not only benefit users globally but also have relevance for Indian smartphone users.

[5] Data Sources - vivo Internal estimates; Techarc
[6] Data Sources - vivo Internal

Hardware Proprietaries:

vivo constantly works on bringing benchmark innovation while also focussing on resolving challenges that innovation may bring with it. While tightening fast 5G technology brings endless opportunities, it also brings challenges related to additional 5G-related component placements and their power consumption.

To address these challenges, vivo has innovated in both these areas:

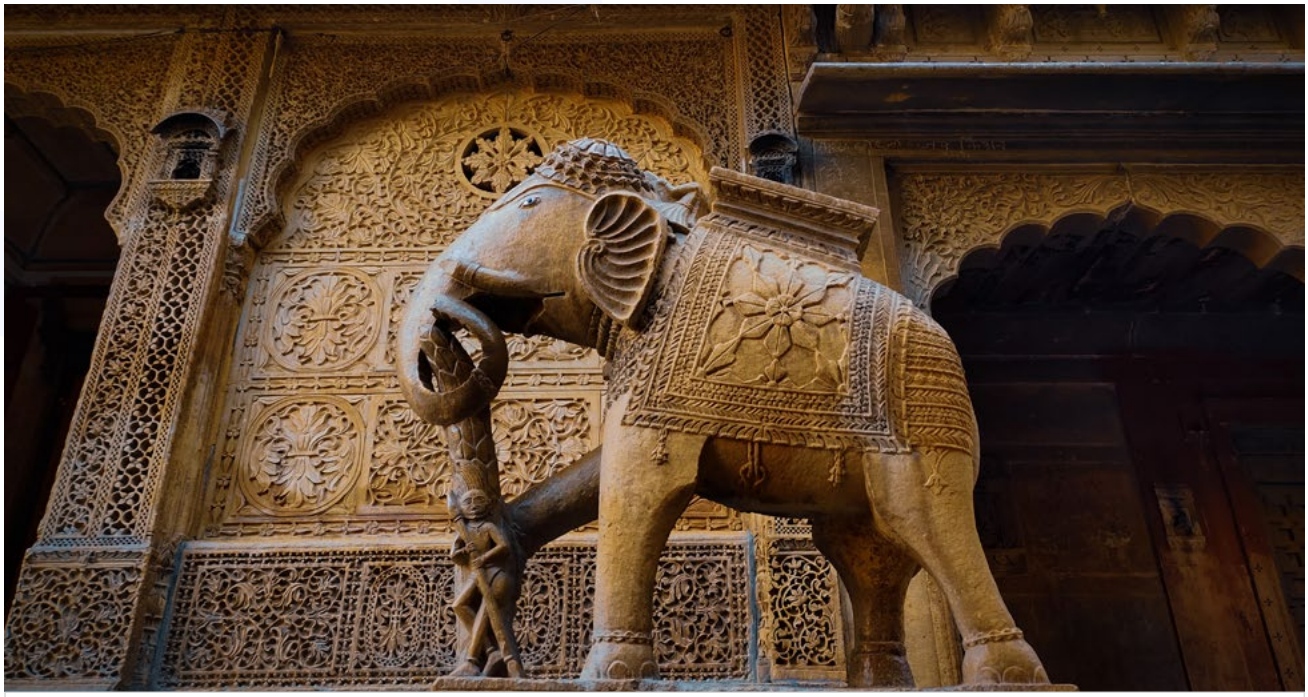
3D PCBA stacking

5G technology requires more components to be added to the device. The placement of these components can hamper the thickness of the device. To address this challenge, we have utilised the 3D stacked PCBA technology. Stacked PCBA technology is to increase the effective layout area of PCBA by expanding the layout space in the Z direction, thereby reducing the area of the PCBA in the XY direction and increasing the battery capacity of the whole machine. vivo's stacked PCBA technology has evolved to the third generation that results in more stable and reliable interconnection and quality.

Liquid vapour cooling chamber

Along with the placement of the components we have also worked heavily to minimise the temperature of the device, especially when the device is processing on a faster data network which is 5G. vivo led in the industry on novel application methods of vapour cooling chamber plates to minimise its impact on the thickness and interior space of the phone design. When multiple vivo products were launched into the market, their areas of the vapour cooling chamber plate were the largest in the phone industry helping to achieve superior thermal performance.

Our 5G credentials in India, along with our global contributions, uniquely position us as a key enabler in the country. As we have already begun our 5G journey to meet our users' expectations, we are committed to continuing as their preferred partner by contributing to building strong 5G credentials for India.



vivo V20 Pro

Shot by Ajay Menon

Genesis India

At vivo, our users are at the heart of everything we do. We strive to cultivate a strong and meaningful relationship with them. To this end, we conduct over 100 user studies, reaching over 1,00,000 people in major cities across the country.

There are already more than 30 innovations that were sparked through conversations with Indian users that vivo has worked upon

vivo X60 Pro+

Shot by Surbhi

Bringing Real Value to Indian Users by Engaging With Them, Meaningfully

At vivo, user centricity is of utmost importance, which involves understanding and engaging with users and keeping them at the focal point of all decisions. To do so, the company employs two approaches.

Firstly, a scientific market research approach that involves over 60,000 touchpoints each year to gather both emotional and practical insights from Indian users.

Secondly, the leadership team conducts sessions in various cities and towns to directly interact with users and capture their feedback. This second approach is intuitive in nature and involves vivo leadership holding sessions such as 'Voice of the Consumer (VOC)' and 'Moments of Truth (MOT)' through the 'V-Connect' programme which allows senior management to interact directly with users. In addition, vivo also holds 'V-Xperience' sessions where company leaders observe users' interactions with business partners at a store.

vivo's commitment to its users is reflected in its dedicated consumer research & insights department. This department is one of the largest in not just the smartphone industry, but also in sectors such as automobiles and FMCG. The team employs all kinds of research techniques to gather both quantitative and qualitative data to understand users in India.

vivo X60 Series Shot by Bobby Joshi

Innovations that Stemmed for India

2014

X5 Max - Slimmest device

The world's thinnest smartphone at a thickness of just 4.75mm, X5 Max was a feather-light device.

2016

V5+

The Moonlight Selfie of the V5+ creates the lighting effects of a professional photography studio, giving you the soft radiant complexion of a supermodel for a beautiful picture-perfect image every time.

2017

V7+

The V7+ continues vivo's tradition of revolutionising phone camera technology, by offering a new way to achieve the perfect selfie. The powerful 24MP camera, combined with vivo's exclusive Face Beauty algorithm, offers crystal-clear photos and natural facial enhancement.

2018

Made the phone unlocking a lot easier, smoother and quicker with an in-display fingerprint scanning sensor.

Nex - Ultra FullView Display

World's first smartphone with Ultra FullView Display. Nex took the selfie game to the next level, with a pop-up selfie camera thereby making sure that our users get unhindered ultra FullView display.

vivo X80 Pro

Shot by Hari Menon

vivo V20 Pro Shot by Bobby Joshi

V17 Pro - World's First 32MP Dual Pop-up Selfie Camera

The Dual 32MP and Super Wide-Angle Cameras add a new perspective to selfies for a more sensational experience.

Customised Imaging Chip

vivo V1 is a professional imaging chip, customised over 24 months by 300 members of company's R&D team and imaging lab specialists. This was done as part of the company's commitment to enabling users to capture the perfect shot and get the best camera experience specially in low light scenarios.

The V1 chip is a fully-customised and integrated circuit chip dedicated to imaging and video applications with cutting-edge visual quality.

2019 2021

2020 2022

V20 44MP Eye Autofocus Selfie

The 44MP primary front camera with AF can zoom out to infinity and focus sharply at 15 cm. By using a selfie stick, you can achieve unmatched focus and clarity whether you are shooting up close or at even greater distances.

vivo X60 Series Shot by Bobby Joshi

Colour Changing Technology

vivo addressed a peculiar desire of the target segment by bringing in a revolutionary and industry-first innovation- Colour Changing Fluorite AG Glass technology. This technology consists of photochromic molecular structures in the rear panel which enables the glass back panel of the device to change its colour when exposed to sunlight or UV light. By doing a lot of deep-dive studies, vivo can address particular elements or specifications of a smartphone. An example of this are the studies done around the camera and CMF (colour, material, finish) to understand very granular demands and expectations of Indian users around photography and design.

Trust by Quality

vivo X80 Pro

vivo internal

vivo is a technology company that aims to bring joy to the world through innovative and user-friendly technology. To do so, the user experience must meet the highest standards, be reliable, and consistently deliver on its promises. Even a single negative experience can undermine the entire user journey.

To provide an outstanding user experience, vivo focuses on product and process quality. The company has established a rigorous quality control process that begins at the sourcing of raw material and continues on the production line through every touchpoint, including retail and after-sales service, to ensure that users have confidence in the quality of their vivo smartphones. This process is designed to create a seamless and worry-free experience for the user.

vivo recognises the importance of quality and has made significant investments to ensure that its products meet the highest standards

vivo X80 Pro

Shot by Vimal

Testing of Raw Material

The quality of the raw materials directly relates to the quality of the end product. Because of this, vivo conducts stringent quality tests on the raw materials used in the manufacture of smartphones. When we perform our incoming quality check exercise, we put our raw materials through rigorous inspections before they are employed in production.

Rigorous Quality Standards - Top Quality Products to the Users at All Costs

Setting up our own manufacturing facility in India is part of a larger vision - to provide end-to-end experience to our users. We are not a contract manufacturer.

Every product undergoes over 40 stringent tests before being approved for the next stage

vivo has established a strict failure threshold to ensure that every product that leaves the production line is of the highest quality.

In comparison to industry norms, vivo has set a stringent production line failure rate to guarantee top-notch quality products. This emphasis on optimising production makes it a distinctive smartphone OEM that produces all its models, ranging from entry-level to flagship, in India. To sustain its focus on quality, vivo places a 100% emphasis on product quality and all manufacturing team members are dedicated to ensuring user satisfaction, which is unparalleled in the industry. This means that if quality standards are not met, even if a batch consists of millions of units, vivo will restart production.

vivo X60 Series

Shot by Bobby Joshi

Reliable After-sale Service

At vivo, we prioritise user satisfaction above all else. Customer service is part of a larger endeavour to provide a seamless experience to users. To ensure the best possible experience for our users, we have established a comprehensive network of 650 service centres across the country. These centres are wholly managed by vivo state distributors and offer consistent support to our valued users. Our dedication to after-sale service has helped us build a strong, long-lasting relationship with our users.

Our engineers use advanced technology, including over 25 System Diagnostic Assistant (SDA) quality checks, to guarantee that your smartphone is free of any technical issues

We understand the inconvenience of having to replace a phone part, so we make the process as easy and stress-free as possible by providing only high-quality, genuine spare parts.

Moreover, we are committed to providing a trusted experience to our users at every touchpoint. We work closely with our retail partners to understand and meet their expectations, making us one of the few brands that actively work to create a positive experience for users at the point of sale.

vivo X80 Pro

vivo internal

vivo X80 Pro

vivo internal

Giving Back to Communities

vivo X80 Pro

vivo internal

In vivo, our values drive us to do what is right. By doing so, we strive to bring happiness to the world through our responsible corporate social responsibility (CSR) initiatives. Our focus extends beyond simply making a profit and instead, we aim to spread joy and uplift communities, thereby promoting sustainable growth for our nation.

vivo for Education

Phone Donation Drive

To bridge the education gap for rural students in India, vivo initiated 'vivo for Education' program, a long term initiative by vivo to support less privileged and underserved students who have been impacted by the pandemic, by providing them with easy access to study material through technology.

We meticulously selected 100 students in their 11th grade, from across India, through a rigorous process of documentation, verification, and interviews. By providing these students with vivo phones, we hope to empower them and facilitate their learning journey.

Scholarship Programme

vivo's initiative 'vivo for Education' aligns with our corporate social responsibility mission to enhance education in India.

To support underprivileged, talented students we awarded scholarships worth ₹1.5 crore, across 5 states in India

The selection process was stringent, taking into account academic performance, family income, and personal interviews. The drive positively impacted over 370 students from various colleges in India, reflecting our commitment to creating a lasting impact on the lives of Indian youth and promoting the growth of our nation.

vivo Ignite

To foster a culture of innovation and create a positive impact on society, vivo, in partnership with Hindustan Times, introduced the vivo Ignite Science and Innovation Awards. Open to all Indian students from grades 8 to 12, the contest aimed to recognise and reward young talent with the potential to become changemakers in India.

The competition consisted of three stages: idea submission, concept/prototype submission, and a grand finale. Over 3,000 students registered, and more than 1,000 submissions were received in the first stage.

The top 10 national winners, 5 from the prototype category and 5 from the concept category, received cash prizes totalling more than ₹25 lakh

Through initiatives like vivo Ignite, we will continue to recognise and reward the best ideas and innovations from young talent across schools in India.

vivo X80 Pro

vivo internal

vivo's Retailer Impact and Partner Commitment

vivo X70 Series

Shot by Hari Menon

The retail industry and community in India is a critical pillar of the economy contributing to more than 10% of the country's GDP while employing 8% of the working population. As a leading player in the Indian smartphone industry, vivo India recognises the critical role that retailers and partners play in our success. We believe that our success is deeply rooted in the success of our partners and retailers, and we are committed to supporting them in any way we can.

We understand that our partners are the face of vivo in the market, and we are dedicated to working closely with them to ensure their growth and success. Our commitment to our partners is evident in our continuous efforts to improve our products, services, and overall retail experience. We believe in building strong, long-lasting relationships with our partners based on trust, transparency, and mutual growth.

Smartphone Industry -

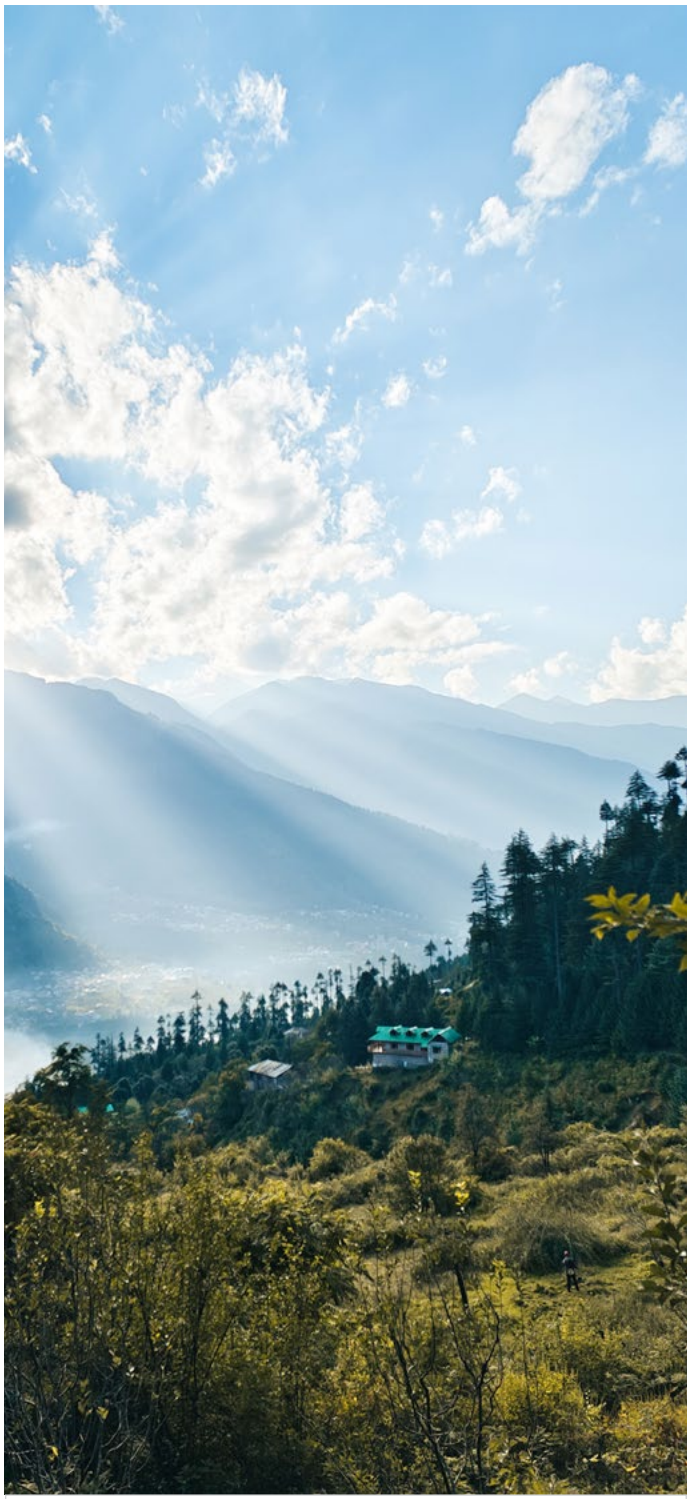
A Fillip to Indian Retail

91% of the retailers surveyed are chief wage earners for their families and depend on smartphone trade as their primary or sole source of income

60% of the respondents clock an annual turnover of **₹1 crore or above**, with 35% of them having an outlet space of 100-150 square feet

83% of the retailers want to continue being in smartphone retail

68% of the surveyed retailers started their business after 2010. **50%** of the respondents were salaried individuals before becoming 1st-time entrepreneurs

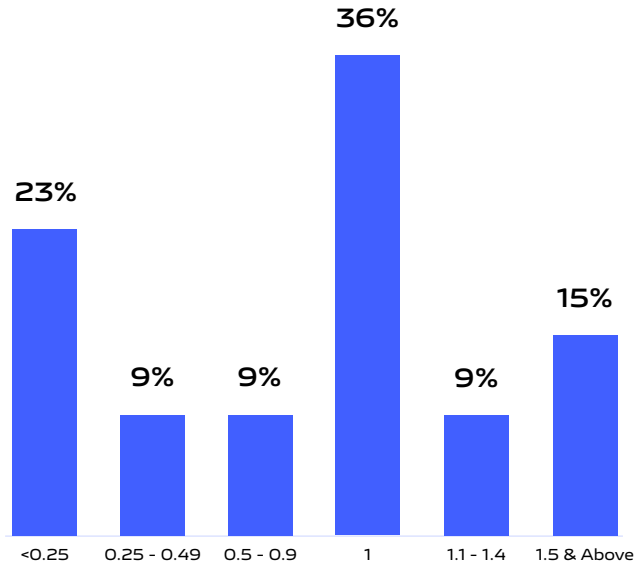


vivo X70 Pro

Shot by Nitish

Smartphone - A Promising Area of Indian Retail

The smartphone is considered a crown jewel in the Indian retail industry. This is why many aspiring entrepreneurs choose to open retail shops that sell smartphones, even in small towns and rural areas. Retailers view smartphones as a promising source of stable and growing income and therefore see it as a worthwhile economic opportunity. They are eager to partner with a brand like vivo, where they see the capability of supporting business continuity as they embark on their retail endeavours.The smartphone retail industry has attracted many first-time entrepreneurs and fledgling traders in cities and towns across India. Young entrepreneurs have embraced self-employment and see smartphone retail as the ideal business opportunity. They believe that selling smartphones is the best way to turn their entrepreneurial aspirations into a reality. Several factors cause this inclination for retailers towards smartphones.



Retailer business turnover (in crore)

Smartphone Retail Offers Tremendous Economic Opportunity

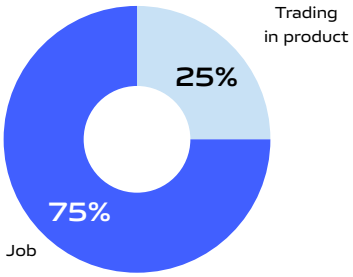
The Indian retail industry has witnessed the soaring growth of the smartphone sector, with many entrepreneurs viewing it as a promising economic opportunity. These new ventures, many of which started with vivo, are driven by a desire for self-employment and the government's push for entrepreneurship. These retailers have been able to turn their aspirations into successful businesses, with some even creating employment opportunities for others.

Many of these entrepreneurs have seen their careers take off with vivo, and the company has played a significant role in their journey from being job seekers to becoming job providers. By offering industry knowledge, credit lines, flexible business terms, just-in-time stock, and marketing and branding support, vivo has helped these retailers establish successful ventures. Many of these businesses have even achieved turnovers in the crores, enabling their owners to live the lifestyle they desire and fulfil their aspirations.

These stories of success are a testament to the potential of the smartphone industry in India, and the impact that vivo has had on the lives of these entrepreneurs. By providing the necessary support and resources, vivo has empowered these individuals to turn their dreams into reality and make a positive impact on the communities they serve.

Fuelling the Entrepreneurship Legacy

In the retail industry, new entrepreneurs are venturing into the business world for the first time and those who come from a long line of family traders. The latter group sought to carry on the family tradition of entrepreneurship, but with a different focus. They found an affinity for smartphones and saw it as a compelling business prospect. These individuals are keeping the spirit of entrepreneurship alive, but with a modern twist.



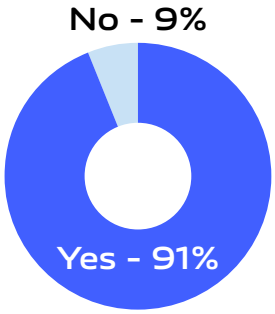
Previous Profession

83% of retailers find it trendy to sell smartphones

100% of retailers find it respectful to be in the smartphone business

Smartphone Retail Business - A Lifestyle Statement

The smartphone industry has become a popular choice for first-time entrepreneurs and retailers, especially among Generation Z. This aspiring generation is seeking fulfilment and desires to experience various aspects of life, such as travel, dining, entertainment, and more. In India, personal interests and habits are often reflective of one's social circle. For Gen Z traders, smartphones serve as a symbol of status, fashion, and personal image. They view a smartphone retail business as a source of respect and regard in society. As technology knowledge is often seen as a symbol of expertise, these entrepreneurs find it highly rewarding to be involved in the smartphone industry. In their social circles, they find themselves in a position of influence, where they are often sought after for advice and recommendations on technology products.



'91% of smartphone retail business owners are first-time entrepreneurs'

Many young trade representatives see vivo India as having a profound impact on their personal growth. vivo offered a select group of retail partners the opportunity to receive education at the esteemed XLRI in Jamshedpur. Additionally, vivo regularly organises international trips, cruise vacations, and other activities that this generation views as enhancing their learning and helping them attain the lifestyle they aspire to. They take pride in their association with a brand like vivo, which has brought them not only financial prosperity and societal recognition but added layers of engagement that contribute to their overall personal development, aligning with their social, economic, and emotional needs.

Smartphones are seen as a common ground bringing the two generations together where elders are happy about their legacy of being a respected business family along with the Gen Z entrepreneur acquiring an aspirational lifestyle.

18-year-old Rishabh Jain from Bawal TV Centre, Mumbai decided to carry forward the trading legacy of the family. However, he switched to smartphones.

Highlighting his success in the smartphone business, Rishabh says, **"I have reached a milestone where people know and address my father by my name. This trade has given me my identity."**

A graduate, Rishabh, was not keen to continue his father's business of consumer electronics. Rather he saw smartphones as an interesting category, which was fast-moving and with huge demand.

Rishabh, now 23, has achieved great success in his business, which he started with an investment of less than ₹15 lakh. **Today, he boasts an annual turnover of ₹7-8 crore**. Rishabh is proud of his accomplishments in such a short time and attributes his success to his association with a reputable brand like vivo. He cites vivo's longevity in the market, along with its after-sale and service reputation and overall high product quality as major factors in his success. Rishabh also appreciates the guidance he received from vivo's brand advisors, who invested time in training him on how to effectively highlight product features to users and become a competent salesperson. This proper training, Rishabh believes, has had a positive impact on his business.

Rishabh feels there is no looking back as he expects smartphone retail to continue to grow on the back of emerging innovations that users will be eager to try out and flaunt.

vivo X80 Pro

Shot by Hari Menon

vivo India - Powering the Thriving Mainline Retail Sector

Brick and mortar retail - A relentless focus of vivo

Our dedication to India is evident in our comprehensive approach to the smartphone ecosystem, including retail.

India has attracted $4.11 billion in FDI[1] from April 2000 to June 2022, reaching over $35 billion[2] by the end of 2022

At vivo, we take pride in being a part of this growth in the smartphone industry. Our focus is on creating a strong retail support system that caters to the needs of millions of users who prefer traditional purchasing experiences and want to physically touch and feel the product before making a purchase.

According to the BCG report titled 'Racing towards the Next Wave of Retail in India', India's retail sector is projected to surpass $2 trillion by 2032, indicating its robustness and significant potential for economic growth and job creation.

Another report by Kearney Research predicts that the electronics retail sector, including smartphone retail, will more than double in growth from 2020 to 2026. The report projects that electronics retail will make up 6-6.5% of total retail between 2026 and 2030.

According to a 2022 report by Unicommerce-Wazir Advisors on retail in India, traditional brick-and-mortar retail still accounts for a significant portion of the total retail in the country, making up 81.5%. Despite the growing popularity of new retail formats such as e-commerce and direct-to-consumer, the significance of traditional retail remains.

At vivo, we remain dedicated to our retail partners, even as we invest in new retail formats like e-commerce and D2C. Our extensive retail network spans across India, with **over 70,000 touchpoints**, reaching from metropolitan cities to beyond, serving every potential smartphone user.

Sustaining User Engagement

Retail has been among our key priorities throughout our journey in India. Owing to our strong understanding of the Indian market, we have made significant investment in establishing this enormous retail presence in the country. Today, our products are made available to users across the country through 70,000 retail touchpoints.

Retailers view vivo as a brand that is keeping up with the times and driving user-focused innovations. As a result, retailers see growth in their businesses as well. For example, a common user inquiry when considering a smartphone is the quality and features of its camera. Retailers find that there is a lot to discuss regarding the camera capabilities of a vivo smartphone, allowing them to effectively engage with users. In physical retail, the design and aesthetics of a smartphone, including colours and patterns, play a crucial role in users' purchasing decisions. Retailers recognise an advantage in vivo's offerings in these areas, helping them improve user conversion rates.

Today's users often arrive at a shop with prior knowledge about smartphones and a clear preference in mind, making their visit brief. Our richly-featured and innovative smartphones, however, provide retailers with the opportunity to engage users in conversation, prolonging their visit and potentially even doubling their dwell time (time spent at the store), resulting in increased sales.

Source: [1] IBEF
[2] Techarc Report - India Smartphone Big Picture 2025 Report

Retailers see vivo as a brand that effectively responds to evolving user preferences and offers a wide range of products at various price points. Our product line, which ranges from the Y series to the X series, allows retailers to cater to users at all levels, from those seeking entry-level options to those looking for an ultra-premium experience. This breadth of choice enables retailers to establish and maintain user relationships for years to come.

The retailers view the next 2 to 3 years as a time of significant smartphone upgrades. Millions of smartphone users are expected to upgrade their devices to access the latest fast cellular data technology. Retailers believe that users across all price points will need to upgrade to 5G, and they see vivo as a key player in this opportunity. **As one of the few brands with a wide range of 5G smartphones, vivo can help retailers serve users of all types and aid in their 5G upgrades.**

vivo X60 Series

Shot by Bobby Joshi

How vivo helped Mukesh Kumar of Aadi Communications from Delhi to achieve his dreams?

At 32 years in 2015, with a meagre amount of ₹1.24 lakh Mukesh dreamt of becoming an entrepreneur to support his large family with 6 brothers and 2 sisters, as well as fulfil his dream of owning a house. Having some knowledge of the mobile industry he could only foray in feature phones with the limited resources he had. As feature phones were on the decline, Mukesh did not see the business going anywhere for 3-4 months.

It was only after vivo partnered with him to sell smartphones and gave him all the support as well as eased out terms and conditions for him that within a month he was able to sell 30 smartphones. Today, after 7 years, he can sell more than 5 times what he started with. Mukesh sees his association with vivo as a turning point in his business and gives all the credit to the promoters as well as the sales team of vivo for guiding him and giving him the right advice to grow.

Today, Mukesh has involved his brothers also in the business and is living a comfortable life. Not only did he own a house, but he also bought a bigger one in 2020, fulfilling his long-time dream. He feels he would have been earning a maximum of ₹50-60,000 a month if he had decided to pursue a job. Today, he has crossed an annual turnover of ₹4 crore.

In his words, Mukesh says, **"Whatever I am and whatever I have achieved is all because of vivo. Though I deal in multiple brands, I am known as a vivo store."**

Impact on Business - Empowering Smartphone Retail

vivo's contribution to their revenues is in the range of 20-22%, which means that 1 out of 5 rupees they earn is coming from selling vivo smartphones

For large retailers, having a turnover of ₹5 crore or more, we contribute one-third of their business

The small-size mainline trade partners value our association earning 1 out of every 5 rupees by selling vivo smartphones

Many retailers have seen their business grow 2x in their association with us for around 5 years. Some of them have expanded their shops in size while some have opened up a shop at another location

vivo V17

At vivo, we see our retail partners as a valuable extension of our family. This sentiment is reciprocated by the retail community, who see vivo as a valuable partner that offers opportunities for growth, stability, and sustainable business in response to changing user expectations.

In their 6-7 years of association with vivo, retailers have seen their businesses grow exponentially and they attribute this rise to vivo, as a brand playing an anchor role in driving their growth. Today, for many of them, vivo contributes more than 50% of the business they do annually in value terms.

Exponential Growth

Retailers view vivo as an indispensable partner in their business operations. Many retailers started small, with initial investments ranging from ₹50,000 to ₹2,00,000, only carrying a limited stock of 8 to 20 vivo smartphones. However, these companies have now experienced significant growth, with turnover reaching multiple crores. Some have expanded their storefronts, while others have expanded into multiple locations, creating chains with five or more branches throughout various markets in a single city or town.

Shot by Surbhi

Large merchants with annual sales of ₹5 crore or more typically attribute one-third of their profits to vivo. The value vivo brings to their business is manifold.

Firstly, the camera which continues to be the anchor specification for users is seen as a forte of ours. The retailers acknowledge that our smartphones have one of the best cameras in the industry across price segments allowing them to be able to give the users what they want.

Secondly, retailers see us as a brand that has a smartphone for all segments. The mainline trade is a channel for every type of user, where an ultra-premium user, as well as a value-conscious user, visit their premises. Among the 4 key smartphone partners, retailers find a wide range in vivo that has the capability of catering to the needs of all the segments. This way by associating with us they don't lose any potential users, irrespective of the segments they belong to.

Lastly, these retailers see us as a reliable brand which can deliver stocks on time. They don't see us falling short of supplies of key selling models. This is critical for them as many users check in for a specific model, which most of the time is a flagship or fast-selling model. The retailer community agrees that we can make all the important stocks available to them in the desired quantities to meet the demand. This facilitates their smooth user acquisition and service at all times.

Another encouraging fact is that we are perceived as an equally important trade partner by small retailers across the country.

vivo X80 Pro

Shot by Hari Menon

Sunny Sainani of Nishta - The Mobile Funda, Rajasthan saw his business exponentially growing to the point of having to call his brother from Europe to join him.

A very dynamic person, Sunny started his career as a promoter with a mobile brand. In 2010, he decided to start a small shop of his own to sell mobiles. In a gap of 7 years, he was on the expansion journey when in 2017, Sunny acquired additional space for his existing outlet doubling the real estate available.

To support his family, his elder brother had gone to Europe where he worked hard and braved very tough conditions in the beginning. When Sunny saw his smartphone business growing exponentially and got the confidence that he can take care of the family, he requested his brother to join in, who returned to India after a gap of 15 years and permanently joined Sunny. Now, both the brothers are running their retail business and **have touched a monthly turnover of ₹3 crore in 2022.**

Sunny sells all leading brands, however, vivo is his highest selling brand by volume and he credits the brand for his exponential rise.

"For me it was a moment of joy to be able to call my brother back where he could join the family who despite all the facilities at his dispersal was missing the family connect," Sunny explains in an emotional tone.

Sunny adds that it is perhaps possible only in few businesses like smartphone retail where one can achieve this success to confidently take very big steps in life.

Sunny claims that vivo is his highest selling brand by volume, and, without this partnership he wouldn't have been able to reach this stage where he could be confident about calling his brother back. That stability and assurance has come by partnering with vivo.

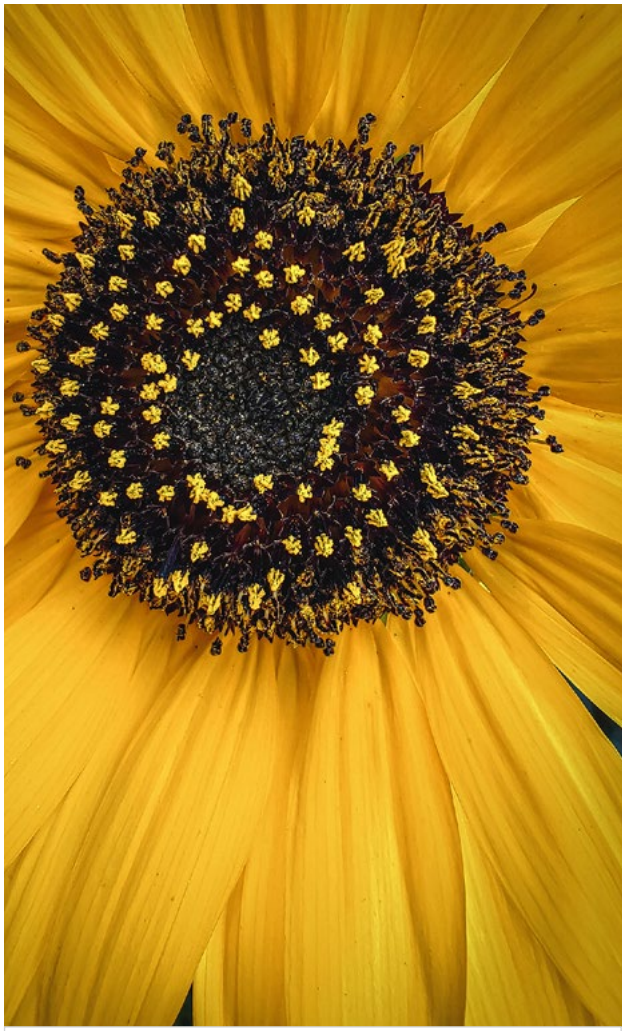
vivo - A Signature of Trust and Reliability for Retailers

70-80% of our vivo users repeat their purchase within the brand because of its unique features, overall quality and after-sale service reputation

Retailers recognise that selling a smartphone is just the beginning of a journey for their users. Not only will users need to upgrade their phone after a certain time, but they may also want to enhance their experience by purchasing accessories that either enhance the functionality of their smartphone or complement their tech-savvy lifestyle.

Retailers nationwide highly endorse vivo smartphones, driven by the trust in product quality, and in vivo's exceptional after-sales service infrastructure. This enables us to meticulously craft and manage the user experience, from offering quality spare parts at cost-effective prices to reducing the overall cost of device ownership for users.

Retailers recognise the critical role smartphones play in users' daily lives. Downtime can result in financial, emotional, and social losses, and the recommendation of a smartphone can reflect positively on their credibility and reliability while strengthening their reputational image in social circles. By recommending vivo smartphones, retailers enhance their trust and self-esteem among users and are perceived as knowledge experts in their field.vivo retail partners are a crucial component of the community they represent and serve. Users visiting these retailers can range from relatives, family members, college peers, neighbours, or even acquaintances. With the ever-changing landscape of the smartphone market, traditional catchment areas no longer exist. Retailers have a genuine interest in building lasting relationships with their users, which can only be achieved through their credibility and trustworthiness. Their trust equity is essential in fostering a long-term bond with their users, which is where the reputation of vivo smartphones comes into play. Retailers view vivo smartphones as the most reliable recommendation they can make to retain user loyalty over time. They have unwavering confidence in the quality and reliability of our smartphones.



vivo X60 Series

Shot by Bobby Joshi

vivo - Enabling and Empowering Modern Retail Transition

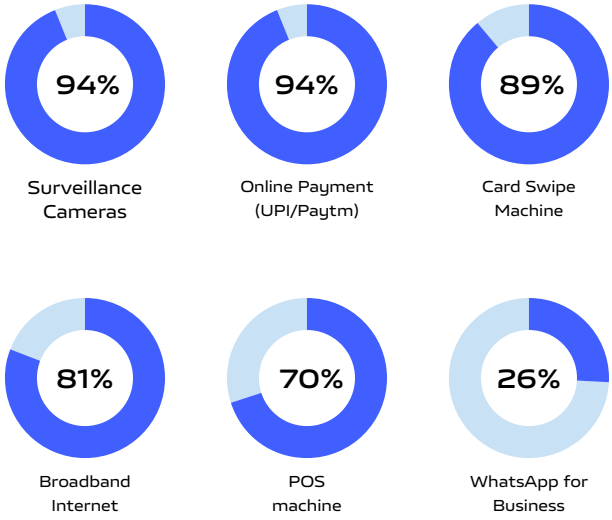
In the fast-paced smartphone industry, user expectations are constantly evolving. Just as with any other industry, users have expectations when it comes to retail. With a product like a smartphone, their expectations are heightened. The label of being 'smart' is expected, but it isn't enough to fully satisfy the discerning and deserving Indian user.

At vivo, the user is always at the forefront of our priorities. We recognise the crucial role of retail in creating meaningful engagement with users. To ensure our retail partners are equipped to provide the desired user experience, we place a strong emphasis on education and support.

Smartphone retailers understand the importance of upgrading their infrastructure and incorporating more technology to serve users in their preferred environment. However, they are limited in resources and lack a thorough understanding of the knowledge on how to proceed. In some cases, where users have requested specific amenities such as digital payment modes, retailers have already accommodated all possible digital payment modes currently available.

Similarly, smartphone retailers have installed surveillance cameras in their stores to improve the security and safety of their establishments. However, retailers are not actively driving user-facing technologies and infrastructure upgrades. This is a gap where retailers see brands like vivo playing a critical role in helping them learn the new rules of business.

Percentage of stores with:



vivo X80 Pro

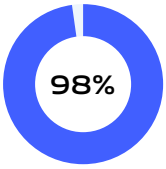
Shot by Rakesh Kiran

vivo X60 Series

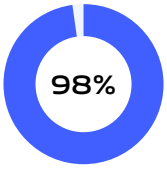
Shot by Nitish

At vivo, the user experience is at the forefront of everything we do. We understand that retail is a crucial touchpoint in user engagement and thus, it's essential to support and educate our retail partners. To this end, we provide them with not just the necessary branding and furniture to enhance their store ambience but also guide them through the transition to a modern retail experience.

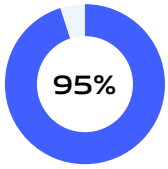
Why retailers like to work with vivo:



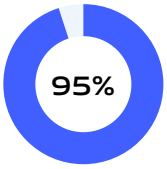
Provides adequate training



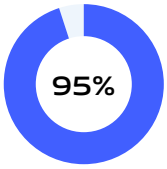
Provides adequate stock



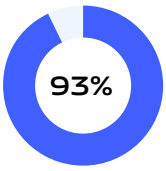
Brand respects overall association



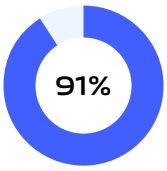
Brand ensures that we are always connected



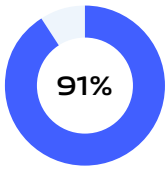
Good support in marketing and branding



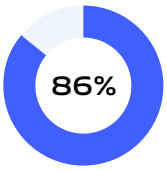
Brand is always popular in user demand



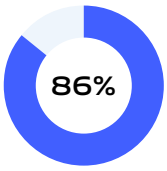
Trustworthy brand



Offers the best credit period facility



Brand gives sense of safety in doing business



Decent or Healthy Margins

Retailers are cognisant of the importance of modernising their trade for business sustainability. Our teams, especially the sales team, regularly engage with them, providing formal and informal education about the evolving retail trends. Retailers see us as a trusted ally, not just for conducting business but also for counsel and support in their growth and transformation to align with changing market trends.

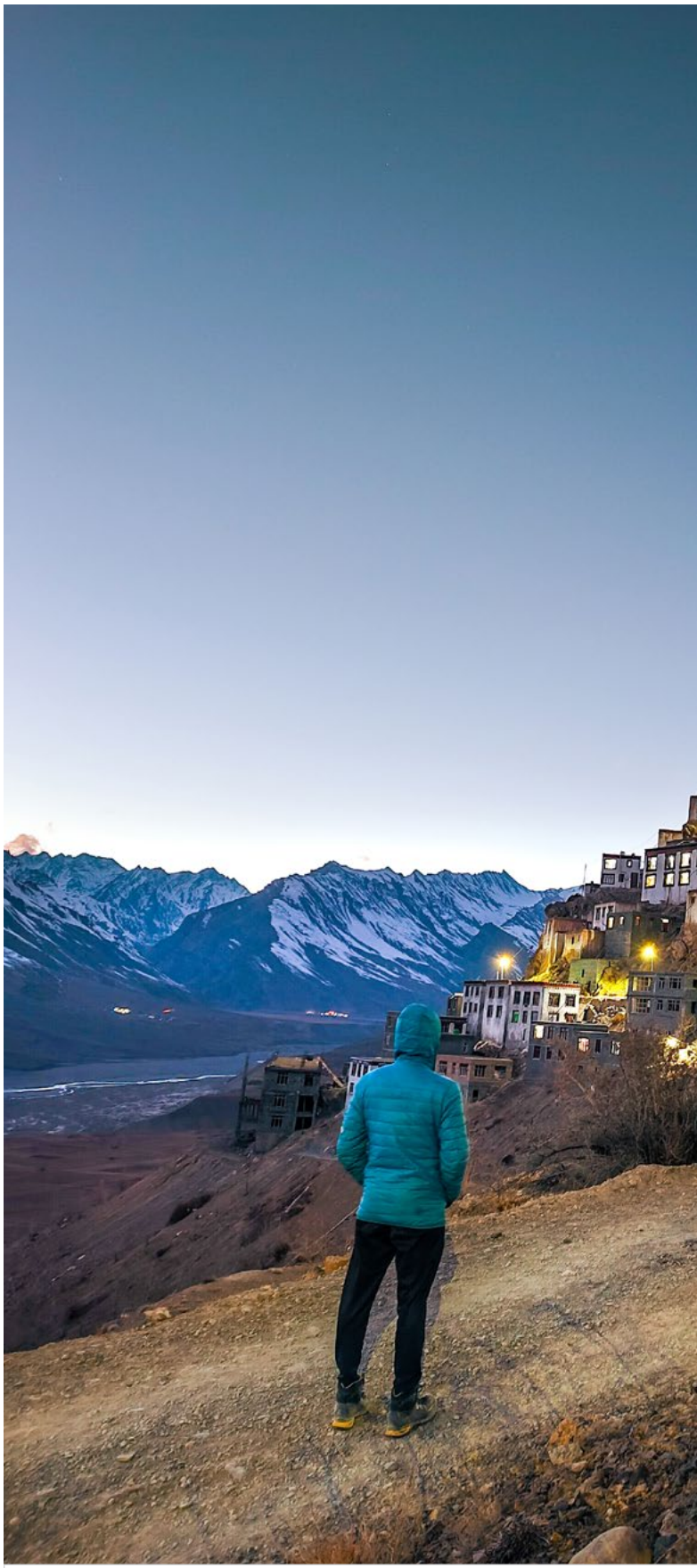
With our user-focused vision and global exposure, vivo helps the retail industry stay ahead of the curve.

vivo - Shaping Retailer's 'Influencer' Dream

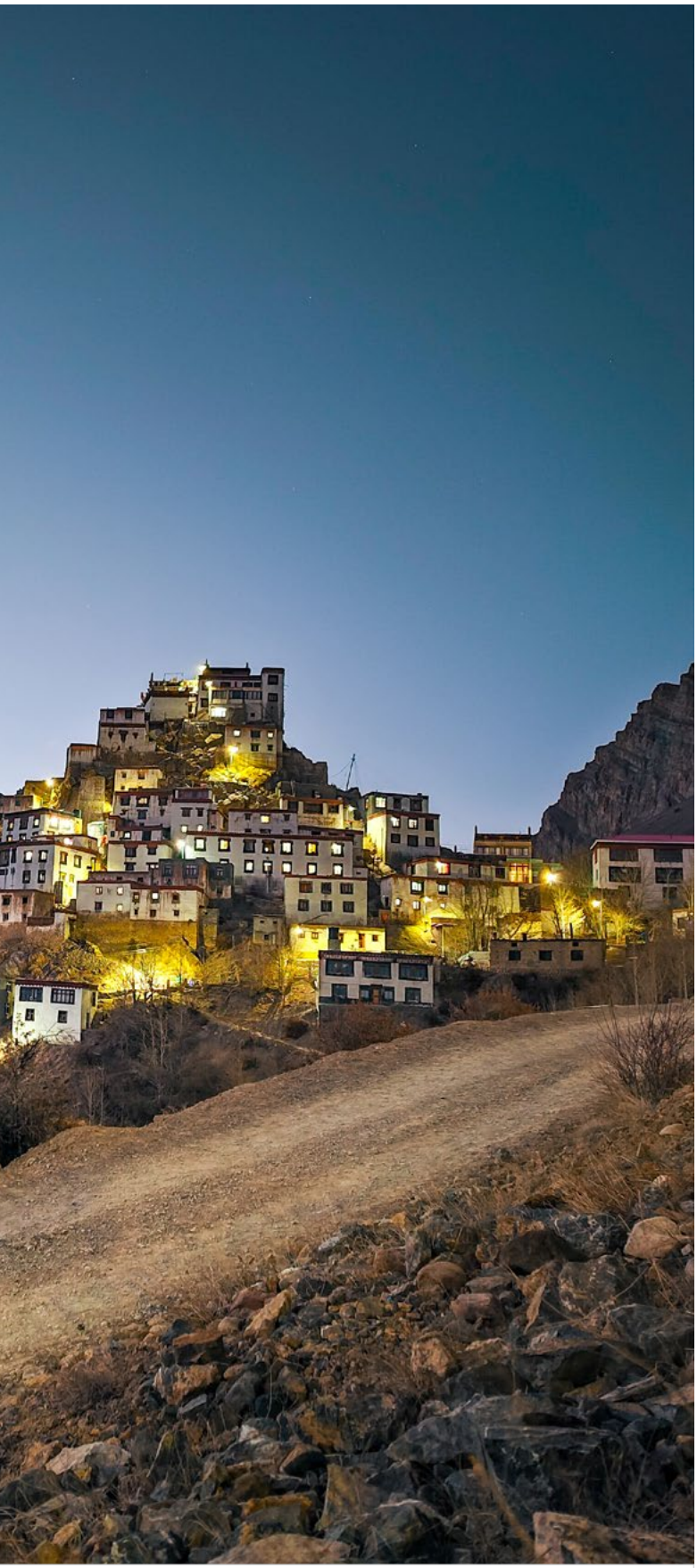
Smartphone retailers have begun to utilise social and digital platforms to connect with their users and audience. They have established their presence on platforms like Instagram, YouTube, Facebook, etc. and are creating content to showcase their products. Some of these retailers have even gained over 50,000 followers on specific social media platforms. This medium serves as an effective way for them to build an online-to-offline connection where users can discover their offerings and promotions on websites and social media platforms, and then make purchases in-store. As a result, these retailers view themselves as influencers and local celebrities within their communities.

Our user-centric innovations give them a lot of content to showcase features and functions to audiences via videos for social media engagement. Many of these influencers prefer using a vivo smartphone for creating such content. They also see vivo as regularly creating content that they can leverage on their platforms.

This has a direct bearing on their business as they can expand their reach effectively without incurring any direct spending on advertising and marketing. At the same time, they feel they have gained respect and credibility among online audiences who are keen to know more about topics related to smartphone technology, products, and brands. Further, this also gives them an extra source of earnings as an add-on and are happy that vivo facilitates it with their product line and features.



vivo X70 Pro



Shot by Nitish

"I am a celebrity within my locality and brands should engage me using my picture in promotions, etc.," suggests Kailash Haswani of SSD Mobile Gallery, Mumbai who has been in the trade since 2009 and has now 4 stores operating.

Kailash sees this recognition only because of him being in the smartphone business where everyone recognises and treats him differently. Everyone in his society, from a watchman to the chairman, consults and buys mobiles from him. Even on gifting smartphones to their children, parents in his society take his recommendations. He attributes all this fame to being in the mobile business. **"This treatment is given to celebrities in society,"** concludes Kailash who says that traders like him are the real influencers on the road who shape the opinion of the users.

Similarly, Durgesh Gupta of Shiv Vani Telecom, Delhi has become a social media sensation, who has over 127k followers on his Facebook page. He recalls, **"In a recent dealer meet of 350 participants, fellow retailers could recognise me and were greeting me saying that they follow me and watch my videos."**

This was a moment of pride as well as satisfaction for him that so many unknown people in his trade fraternity already know him. **"While others at the meet were introducing each other, I was already known to most of them,"** adds Durgesh.

Economic Value of a Smartphone

The smartphone has altered our way of life in ways that were unthinkable just a few years ago. Far from connecting us with people, it enables us to do everything, starting from flicking a light switch at home to paying utility bills. While they provide a sense of connection and belonging, allowing people to stay in touch with friends and family they also offer access to entertainment and information, helping to relieve stress and provide a sense of fulfilment. Financially, smartphones have become a valuable tool for budgeting and managing finances, with many apps available to help users track their spending and save money. They have indeed changed our everyday life - for good.

vivo X80 Pro Shot by Hari Menon

As a result, there is an undeniable emotional, social, and economic value that users derive from smartphones. To ascertain the 'Economic Value of a Smartphone', we conducted a study and found that in 2022,

the financial benefit to a smartphone user is a factor of 6.1 times every ₹1 spent on the possession of a smartphone.

Estimating the Economic Value of a Smartphone

Defining the Respondent Profile

We designed a fair sample representation of the smartphone universe in India to capture user profiles and define digital lifestyles. Therefore performing a 'cost-benefit analysis' of a smartphone in the Indian digital landscape will provide insight into the value of owning a smartphone in India.

1,000 smartphone users were randomly surveyed across 14 metro and non-metro cities of Ahmedabad, Bengaluru, Chandigarh, Chennai, Delhi NCR, Hyderabad, Jaipur, Kanpur, Kolkata, Lucknow, Mumbai, Nagpur, Pune, and Surat.

62% males **38% females**

Representing

Metro (58%) **Non-metro (42%)**

A structured questionnaire was administered reaching out to different user profiles to get rich and diverse views about their digital lifestyle to arrive at the economic value of a smartphone.

We surveyed 62% males and 38% females representing metro (58%) and non-metro (42%) cities. The respondents range from HNIs - earning over a crore annually and owning luxury vehicles to smartphone users - earning ₹1.5 Lakh annually and owning a two-wheeler. The survey was administered among individuals aged 18-60 years which included entrepreneurs, professionals, corporate employees, government employees, students as well as housewives among others.

vivo X70 Series

Shot by Hari Menon

Digital is Percolating
Across User Activities

Indians are Leveraging Smartphones for an Array of Activities

We looked at the possible activities that a smartphone user could perform that define a digital landscape. Through secondary research, observation and a quick poll among a closed group, we identified 6 major activity groups that smartphone users perform that form the digital landscape.

Activity Groups of Digital Landscape

Utilities
Bill payments of electricity, telephone, water, municipality and other services

Shopping
Clothes, household items, furniture, fixtures, electronics, stationary, etc.

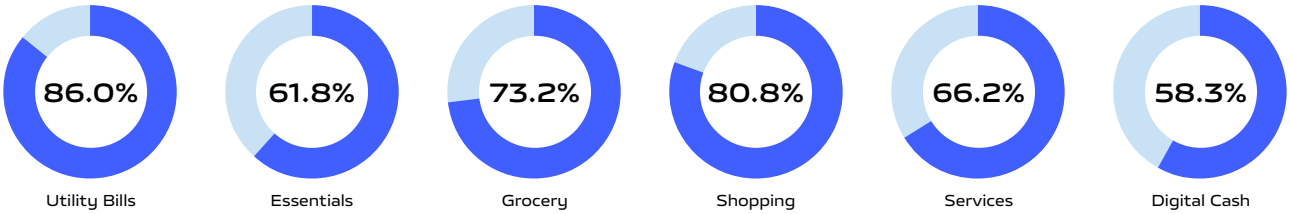
Essentials
Milk, medicines, bread and other essential provisions

Services
Booking/hiring/renting of travel tickets, railway booking, carpenters, plumbers, technicians, cab etc.

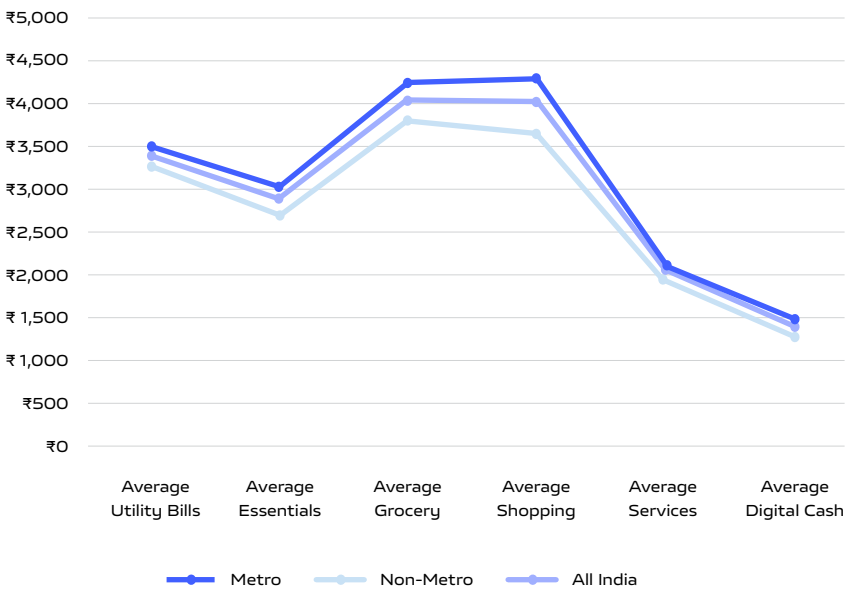
Grocery
Vegetables, fruits and other grocery provisions

Digital Cash
Payments through wallets, net banking for activities not included in previous groups

In the primary survey we conducted, the users were asked to identify the activities that define their digital landscape. Across the user groups, utility bills that include paying electricity bills, telephone and internet bills, and other utilities emerged as the topmost activity with 86% of the respondents using a smartphone to pay them. On average, users paid ₹3,387 for utilities.



Online activities performed by users



Grocery and the purchase of various items are the two digital activities where Indians are spending the most, owing to the convenience and early adoption. Post COVID-19, we saw a surge in the online purchase of groceries and essential items. However, while for essential items users have reduced their dependence on the digital mode, grocery has made an entry into modern Indian user behaviour.

Average digital spends on digital activities

Cost-Benefit Analysis

The economic value was calculated by comparing the total cost of ownership with the benefits accrued through smartphone ownership. The total cost of ownership was defined by two elements - the cost of the smartphone (ASV) and the cost of the service (APRU) paid by a user.

The benefits were calculated by combining the savings of three elements:

The total savings through online purchase/booking/ hiring of products and services that define a digital landscape

Savings through reduced need for market trips resulting in savings on fuel/cost of travel to market

The opportunity cost of the time saved through lesser market visits

The digital landscape was defined by identifying 6 key activities through secondary research and observation that a smartphone user performs resulting in such savings. Paying for various other services and products using digital payment methods like wallets includes paying utility, purchase of essentials and subscription of services like hiring a cab, booking travel tickets etc.

The total cost of ownership of a smartphone was compared with the total benefits accrued to arrive at the economic value of a smartphone.

How was Economic Value of a Smartphone Computed?

An economic value is a measurable monetary benefit that a user earns over a period by adopting a digital lifestyle against a cost paid for possessing a smartphone. It is a cost-benefit analysis of possession and ownership of a smartphone where a user pays a certain cost to obtain a smartphone and leverages benefits / savings by switching to digital lifestyle to perform several activities.

Computation of Economic Value of a Smartphone

Benefits
Total savings made through digital activities using a smartphone

÷

Costs
Total cost of ownership of a smartphone

Total Cost of Ownership

Capex
Cost of the smartphone

+

Opex
Cost of the telecom services

Total Savings/Benefits

Savings due to discounts, offers etc. available online

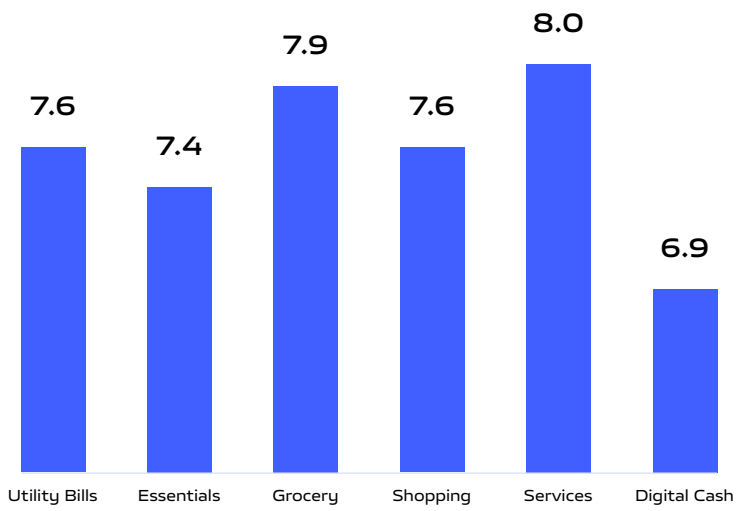
+

Savings due to reduction in need to travel to markets

+

Opportunity cost of the time saved due to less market visits

In terms of the average economic value derived across the digital landscape, service booking and hiring fetched a return of 8 times closely followed by grocery purchases at 7.9 times. The affluent segments contribute to most of the digital services purchased such as travel tickets, hiring of service professionals, booking cabs, etc. The adoption of digital services juxtaposed with the distance a user would otherwise have to travel to buy the same goods or services offline, contributes to these high returns. On the other hand, since the frequency of buying grocery items is usually higher, for which a user would make several trips in a month to the community market, it also results in a higher economic value.



Average economic value of a smartphone by digital activities

Comparing this, using digital cash for activities not included in the other 5 groups, such as paying monthly remuneration to domestic help or paying for a cup of tea at the local kiosk, etc., results in lesser economic value for a smartphone user.

Economic Value of Smartphone for Akshay

Smartphone Purchase cost:
₹27,000

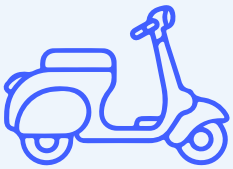
Fixed cost of Smartphone:
₹1,700

Akshay was one of the respondents who participated in our survey. A mid-level corporate official from Mumbai, he owns a vivo smartphone purchased for ₹27,000. Akshay is part of the 25-40 target age group, married and lives with his family. He typically uses a smartphone for 1 year and a half, which makes the per month fixed cost of the smartphone at ₹1,500 (₹27,000/18). A prepaid sim user, he spends ₹200 on mobile services. In this case, Akshay's total cost of ownership for a month is ₹1,700.

Digital activities expenditure:
₹14,000

Savings incured:
₹1,265.5 per month

In a typical month, Akshay spends around ₹14,000 on digital activities defining his digital landscape. This is 26% of his monthly income. Akshay spends this on paying utility bills, buying essentials, shopping online and using digital cash for other payments. He is able to make a saving of ₹1,265.5 every month by adopting this digital lifestyle powered by his vivo smartphone.



Essentials trips per month:
15 → 2

Travel distance saved:
75km

Savings in cost:
₹300 per month

Adopting this digital lifestyle, Akshay has also been able to save his travel cost of visiting the market to perform these activities. For instance, earlier he used to make 15 trips in a month for buying essentials, now he only visits 2 times a month for buying essentials. Similarly, he would make 5 visits in a month to withdraw cash from ATMs which has got reduced to just 2 visits in a month. This has helped him to save 75kms of travel distance in a month making a further saving of ₹300 in a month. He owns a two-wheeler; thus, he would spend ₹4 per every kilometre of travel.

Time saved by adopting digital lifestyle:

73.5 hours

Opportunity cost saving:

₹13,271 per month

Not only these savings, but Akshay is also able to make prudent use of his time which would otherwise get wasted on market visits. By adopting the digital lifestyle made possible by his vivo smartphone, he is able to save around 73.5 hours of his productive time which translates to ₹13,271 of opportunity cost at his level of career and experience.

Total monthly savings:

₹14,836.5 per month

Economic value gained:

8.7 times

This way Akshay saves ₹14,836.5 every month with the help of his smartphone by putting it to optimal use complementing his digital lifestyle. This saving he is able to make against a monthly cost of ₹1,700. This means the economic value of a smartphone is 8.7 times. In other words, for every ₹1 he spends on owning a smartphone, he is able to save close to ₹9.

CO_2 Emissions saved:

22.5 kgs

In addition, to be able to make savings Akshay has also become environment conscious by saving 22.5 kgs of CO_2 emission by reducing his travel for market needs.

vivo V20 Pro

Shot by Ajay Menon

Generating Economic Value

for Key User Cohorts Defining India

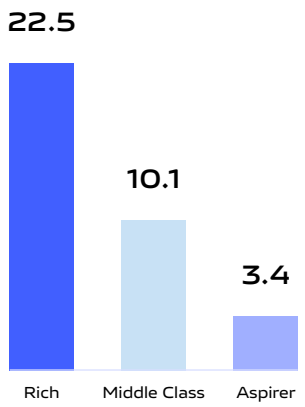
The Growing Middle Class of India - Backbone of Prosperity and Aspirations

As per a 2019 report based on a survey conducted by World Economic Forum and Bain, India will have 80% of its households in the middle-income group by 2030, up from 50%. The report further suggests 75% of consumer spending will be done by the middle class in 2030. The middle class is primarily represented by 'young and savvy,' 'middle India', and 'connected aspirants' archetypes as identified in this report that has unique intrinsic characteristics also factoring access to a smartphone with the presumption of it being a great enabler in the socio-economic activities the middle class will perform.

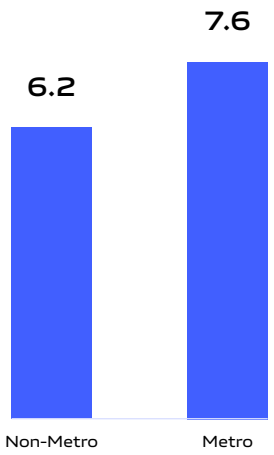
Consumer Archetype	Average Annual Household Income ($)	Average Age (Years)	Highest Level of Education And Current Occupation	Access to smartphones	Share of population 2018 → 2030
Poor Rural	2,800	43	- >70% below grade 10 - 70% informally/ non-employed	5%	**29% → 9%**
Poor Dreamers	5,200	41	- >70% below grade 10 70% informally/ non-employed	10%	**14% → 11%**
Young and Savvy	5,200	21 (all born post 1990)	- 50% till grade 10, 20% Bachelors/Masters - 25% employed, 40% students	65%	**11% → 15%**
Middle India	6,800	47	- 70% below grade 10 - 70% informally/ non-employed	10%	**19% → 21%**
Connected Aspirants	6,800	39	- 45% till grade 10, 25% Bachelors/Masters - 60% employed	95%	**15% → 19%**
Conservative Rich	40,000	49	- 65% below grade 10, 30% passed grade 10 - 70% informally/ non-employed	15%	**4% → 8%**
Sophisticated Rich	40,000	35 (35% born post 1990)	- 40% till grade 10, 45% Bachelors/Masters - 55% employed, 20% students	95%	**7% → 17%**

As per our survey, the economic value of a smartphone for the middle class (annual household income of ₹5-₹30 Lakh) is 10.1 times. Though it is less than half of the economic value of smartphones for the rich (22.5 times), its significance is enormous owing to its size along with the rate at which it is growing and fuelling the user market driven by aspirations. This sets the ground for a strong digital landscape for the country in which people will perform several economic activities as identified earlier.

As user spending increases along with the size of middle class in India, we expect the economic value of the smartphone for this socio-economic class to further increase and inch closer to that of the rich class.



Average Economic Value By Socio-Economic Groups



Average Economic Value By City Classification

Smartphone Adding to the Economic Value for People Across Cities

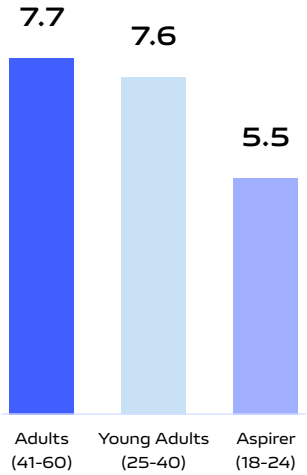
From the country of villages to the country of opportunities, we have come a long way. However, the availability of opportunities and quality of life standards are still skewed towards metro cities. A digital ecosystem is seen as one balancing factor that can create equal opportunities as well as an equitable lifestyle. This can fundamentally help in decelerating the pace of urban migration, a big social, economic and environmental concern of the decade.

In our survey, we found that the smartphone's economic value is in close range for both the metro and non-metro cities of the country. This implies that the digital landscape is building up evenly across the cities giving a slight edge to the metro cities. With the digital landscape and the activities that constitute it, the importance of smartphones from an economic value perspective is equally significant for metro cities as well as non-metro cities.

Being Digital is No Longer Only a Youth Affair

Economic value of a smartphone is determined by the volume of monetary transactions like purchases and payments one does in the digital landscape. Since, adults make the maximum purchases and payments, the economic value of smartphone for them is higher than for the youth.

However, the trend of going cashless is noticeable among the youth as well. Within digital activities that the youth perform, digital cash emerges as the top activity as they use their smartphones to make payments through digital wallets and other means.



Average Economic Value By Age Group

vivo X60 Series

Shot by Bobby Joshi

Smartphone Users See

Great Economic Value in Owning One

With scaling and maturing digital landscape smartphone users will only find the economic value increasing for them.

The primary survey conducted across the country starkly shows that the smartphone is the jewel of the digital landscape. Be it any cohort, there is an economic value of a smartphone for every user. With the robust and scaling digital ecosystem being envisioned, promoted and facilitated by governments at central as well as state levels, the economic value for Indian citizens is only going to increase further reinforcing the smartphone user's confidence to spend more on smartphones aligning with the current trend where users are buying pricier smartphones than what they used to buy a few years ago. For every incremental rupee they spend on smartphones, the users are getting power packed innovative technology that can be further leveraged by them increasing their economic value.

As the digital landscape of India shines further, the jewel of smartphone shall keep on glittering, shining its empowering value to every citizen of the country irrespective of the socio-economic class she or he represents.

The economic value of a smartphone establishes the strong foundation of the digital landscape that has been laid down by our visionary policy makers and forward looking entrepreneurs. It's now time to further build upon this for India to emerge as a digital superpower making a global impact.

vivo X80 Pro

Shot by Rakesh Kiran

vivo India - The Future is Now

vivo India's commitment to India remains steadfast and the driving force behind our vision of creating a smartphone ecosystem with our key focus areas being:

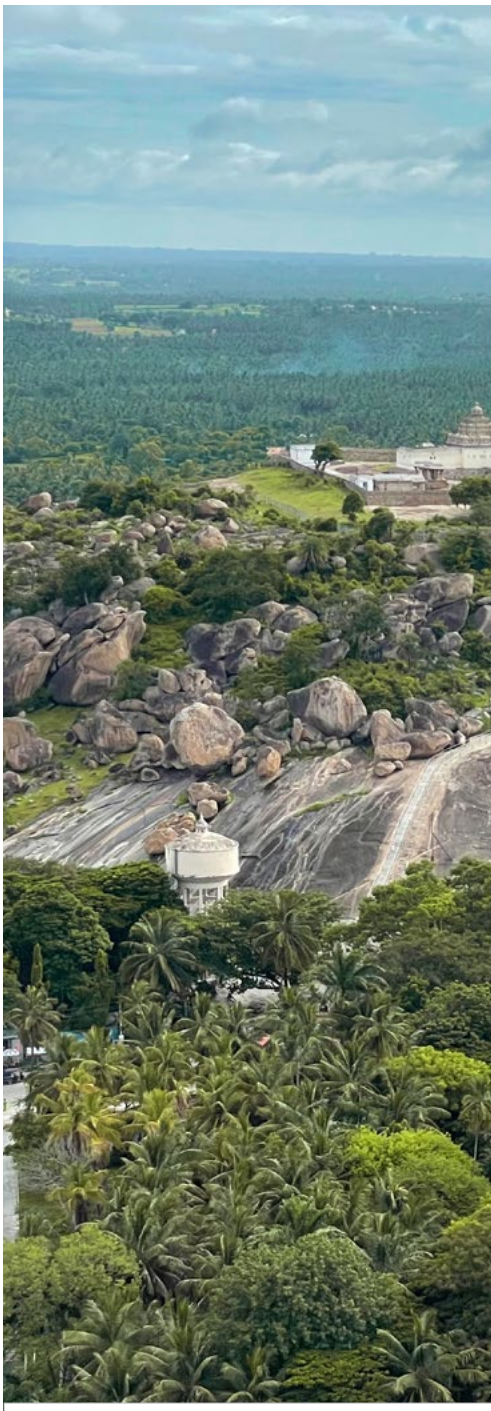
Our smartphones are 'Made in India' but also 'Made for the World' and we have begun exports and are on track to export more than 1 million smartphones which will be further enhanced with a new vivo manufacturing facility set to become operational in 2024

'Design in India' by focusing on local talent and leveraging vivo's expert design team

Uplift the local value chain by partnering with local suppliers and vendors

vivo India's journey has evolved by partnering with local suppliers and vendors to create a positive impact on the lives of many individuals in local communities. Our vision is reflected in our efforts to provide training and employment opportunities to local residents, thus empowering them to contribute to the growth of the company and the nation.

As vivo India moves forward, it remains committed to creating a positive impact on society, and to being a responsible corporate citizen that empowers individuals and uplifts the community.



vivo X80 Pro

Shot by Vimal

vivo X80 Pro

Shot by Nitish

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