

In Price and Value, Chinese Phone Makers Outpace Apple in Much of the World

1. To most Americans, the names are unfamiliar, maybe a little hard to pronounce: Huawei, Xiaomi, Oppo, Vivo.
2. They are China's biggest smartphone brands. Around the world — although not in the United States — they are making the handset business brutally competitive. This week, ex) after Apple warned of disappointing iPhone sales 1) _____ China, industry observers said that devices from 2) _____ Chinese brands were a major culprit.
3. As the 3) _____ market in China reaches saturation and sales 4) _____ over all, the country's hardware makers 5) _____ pushing hard, and increasingly winning fans, in 6) _____ like France, Germany, India and Southeast Asia, 7) _____ consumers find that the phones can do 8) _____ about everything an iPhone can do at 9) _____ fraction of the 10) _____.
4. Apple sits comfortably atop the market in many countries, including China, for the highest-end handsets. But companies like Huawei have started to do elsewhere what they have done in China, competing with the iPhone on experience and value and luring customers with price comparisons that make them rethink buying Apple's signature product.
5. The cost difference is notable: In China, an iPhone XR starts at around \$950, while Huawei's top-end handsets start at about \$600, and Xiaomi's comparable models start at even less. The iPhone XS starts at around \$1,250.
6. Companies like Huawei and Oppo have made improvements in features and overall quality that are enticing many wealthy Chinese people, said Mo Jia, an analyst in Shanghai for the technology research firm Canalys. Chinese brands' aggressive marketing and sales campaigns in Europe indicate that the companies believe consumers there, who have traditionally used iPhones, will do the same thing. "Maybe it won't happen this year or next year," Mr. Jia said. "But Huawei is going in that direction."
7. In its pursuit of the European market, Huawei (pronounced "HWA-way"), which has its headquarters in Shenzhen and is now the world's No. 2 seller of smartphones, has gone far beyond the phone store. It has sponsored summer concerts in Greece, teamed up with Lithuania's basketball federation and backed a "China Festival" in Cologne, Germany. Vivo sponsored last year's World Cup in Russia.
8. Xiaomi (pronounced "SHAO-mee"), which is based in Beijing and was founded in 2010, seemingly came out of nowhere to become the No. 4 mobile brand in Europe early last year, according to Canalys. The gadget maker has also become the top seller of phones in India, in part by opening hundreds of stores in rural areas.
9. Apple still has a hold on consumers in many places. Announcing the sales slump in China this week, the company's chief executive, Timothy D. Cook, said Apple expected to set revenue records in wealthier countries like Germany, Italy, the Netherlands, South Korea and Spain and in some emerging markets like Malaysia, Mexico, Poland and Vietnam.
10. In China, though, Apple's market share has been declining, and the company is clinging to the No. 5 spot in smartphone shipments, according to the market research firm Counterpoint. An Apple spokeswoman declined to comment. China became the world's largest smartphone market over the past decade as rising incomes coincided with an explosion in mobile technology. Chinese phone makers have not made similar inroads in the United States. The American government has worked for years to stymie the sale of Huawei's smartphones and telecom-network equipment, after a congressional inquiry in 2012 deemed Huawei a potential vehicle for cyberspying by the Chinese government. The Trump administration has urged Western allies to do the same.

Instructions: you have one hour to answer all of the questions below and on the back as requested, using a black or blue pen. You may correct your work by crossing out mistakes and writing your final intended answers clearly. Points will be given for correct answers but not subtracted for errors. Any talking or copying will result in disqualification.

I. VOCABULARY (1 point each)

Complete the text with the best words from the box below.

- Example after
1. _____
 2. _____
 3. _____
 4. _____
 5. _____
 6. _____
 7. _____
 8. _____
 9. _____
 10. _____

a	in	shrink
<u>after</u>	just	the
are	phone	where
cost	places	

II. HEADINGS (1 point each)

Choose the best heading from the box below for each of the numbered paragraphs from the text.

- Example. Paragraph 4 A
11. Paragraph 5 _____
 12. Paragraph 6 _____
 13. Paragraph 7 _____
 14. Paragraph 8 _____

A. Starting to Compete Globally
B. Other Makers Move to Global Markets
C. Chinese companies appealing to high-end market
D. Big Difference in Price
E. Creative Marketing Strategies

V. (write answer here)

III. REFERENCE (1 point each)

What do the underlined words in the sentence refer to?

- Example: “started to do elsewhere what they have done in China” (par. 4)
companies like Huawei
15. “price comparisons that make them rethink buying Apple’s signature product” (par. 4) _____
 16. “sales campaigns in Europe indicate that the companies believe consumers there” (par. 6) _____
 17. “It has sponsored summer concerts in Greece” (par. 7) _____

IV. GENERAL COMPREHENSION (1 point each)

Indicate if the following statements are true (T), false (F) or if there is not enough information (N) based only on the information in the text.

- Example: Apple still dominates the market for the highest-end handsets T
18. The 4th biggest mobile brand in Europe has existed more than ten years _____
 19. More cell phones are now sold in China than in any other country..... _____
 20. Chinese brands face no political obstacles in the US _____

V. COMMUNICATION (10 points)

In the space below, write a short (2-3 sentence) comment on the website of this article in which you present yourself as a former iphone user who has chosen to switch to Huawei. Give two reasons why.