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1.Objective

Provide standardized, professional and simplified operation standards for the service store location of the agent team, ensure the location of the store meets the service requirements, and improve the convenience for users to accept OPPO services.

2.Service Center Site Selection Methodology

The STP theory was originally applied to the sales industry, selecting target customers through market segmentation, and then using this as a basis to determine the target market, and finally positioning market. It also has reference significance when applying in the site selection of service center. It can classify local segments or business circles through market segmentation, and use this as a basis for determining target areas, and finally locate target stores.

2.1 Market Segmentation

In the early stage of site selection, market segmentation is carried out for business circles in different parts of the city, and different types of business circles will be classified. The common subdivision methods are: geographical factor, human factor, and consumer behavior.

2.2 Market Targeting

According to different types of business circles derived from market segmentation, combined with various factors such as target user needs, user types, consumption levels, cost budgets, etc., the business circle area of the target store can be determined.

2.3 Market Position

Within the target area, combining the various factors such as store layout, store type, store level, and operating cost to accurately locate the target store.

3.Selection Principle

3.1User-oriented

Customer service center location, store type, size, consumption level of business circle, and even service content should be based on target user needs as the starting point for location selection.

3.2 Visualization

The final location and type of the customer service center, whether it is a shopping mall, street side, or office building, must follow the principles of visualization, so that users can quickly perceive the location of the customer service center, and facilitate users to obtain external information of it.

3.3 Convenience

In terms of site selection, it should be as convenient as possible for users to visit. For example, there are convenient transportation stations (subway stations, bus stations, etc.) nearby, and there is a perfect humanized infrastructure, such as large parking lots.

3.4 Stability

The service center that can provide perfect customer service and long-term stable operation is conducive to reputation establishment and forms a regional service memory point, which is also able to provide users with friendly, convenient and professional service. Therefore, at an objective level, it is necessary to select as stable areas as possible in terms of economic, urban development, and urban public security, and focus on considering that the selected location will not be affected by urban demolition, reconstruction, and planning during the expected operating period; at the subjective level, it is also necessary to evaluate the stability of the landlord's property, and to avoid the risks of breach of contract, rent cut, and unreasonable rent increase in the rent contract as low as possible.

4.Selection Standards

Agent can determine whether there is new construction needs in local according to the reference index in Overseas Customer Service Center Construction Regulation V1.0.

4.1 Layout Standards

- a. Store available area must $\geq 40 \text{ m}^2$
- b. The height of the ceiling beam from the ground must be $\geq 2.8 \text{ m}$
- c. Store must be able to install wired network
- d. Store width must be $\geq 4.5 \text{ m}$
- e. In principle, no more than 2 pillars can appear in the middle of the store; the distance between the pillars is $\geq 3 \text{ m}$
- f. Cannot appear in the middle of the store: non-removable solid wall
- g. Cannot select stores shape such as triangles and polygons

4.2 Store Types

Shopping Mall

- a. In principle, the mall is the first choice for the location of the customer service center, which is the preferred solution.
- b. Stores that are crowded and easy to find, whose location should take into account the location of private repair shops.
- c. It is advisable that there are competitive brand stores on the same floor of the mall.

Street Side Stores

- a. The street side store should choose crowded clean and flat-floor areas, which is conducive to the later maintenance of the image of the customer service center.
- b. Avoid choosing low-lying road sections, the street side store located on the

steps is the preferred solution

c. It is advisable that there are competitive brands or smartphone related industries surrounding the location.

Office Building

a. Prefer office buildings with convenient public transportation and easy to find.

b. Store locations should be within the visible range of the elevator entrance.

4.3 Store Level

Divided into three levels according to service volume, the standards are as follows:

a. Service volume <200 units / month, 50 ~ 80 m²;

b. Service volume 200-400 units / month, 80 ~ 120 m²;

c. Service volume > 400 units / month, 120 m² or more;

5. Influencing Factors

5.1 Environmental Factor

Environmental factors do not refer to geographical and environmental factors such as air environment and water environment, but refer to whether the cultural background and consumer groups in the area match the target users of the customer service center; total permanent residents, number of migrant population, distribution density, flow of people passing near the store site at

different times, number of residents and demographic characteristics such as age, gender, education level, occupation, etc.; consumption environment factors such as per capita income, per capita disposable income, and per capita consumption level in the region.

5.2 Geographical Factors

Store location needs to refer to urban planning; whether the location characteristics and regional business image are consistent with service center positioning; whether the traffic flow can support the user traffic required by the store level; whether the store has an exposed brand image to ensure store visibility.

5.3 Market Factors

a.Competitive factors: whether there are direct service level comparisons or service competitions such as other brands service centers, private repair shops, etc.

b.Complementary factors: whether there are any external factors that can complement the industry, such as carrier stores and mobile phone stores.

c.Scale factor: whether the infrastructure around the business circle is complete, whether there is a large parking space and a reasonable fee for parking and other necessary infrastructure.

d.Operational factors: rental price and renovation cost, human resources cost and management cost, overall income level, price level, consumption level in

different regions; cost differences caused by unified standard management and training, comprehensive calculation of operating costs, to determine whether it can support the construction of service center in this region.

6.Selection Methods

6.1 Business Circle Analysis

Definition: The business circle refers to the radiation range of the store, which is based on its location and expands along a certain direction and distance. To put it simply, it is the area where the walk-in users live.

Analysis Dimensions

a.Section: refers to the geographical location, traffic conditions, and cultural environment of the city

b.Type: Such as digital, clothing, food, daily chemical and comprehensive business circle etc.

c.Level: especially refer to the consumption and rent level of the business circle, to analyze whether the average consumption level matches target customers or not, the rent matches the store position or not.

d.Popularity: The core indicator is visitors flow rate, which collects statistics on the number of people on working days,holidays, and the average daily flow.

e.Potentiality: By analyzing the location, urban development planning, and traffic conditions, identify the development prospects of the business circle.

f.Determine the target business circle: through 5 analysis dimensions,

summarize and analyze the data, and present it in the form of a radar chart to visually show the advantages and disadvantages.

7.Selection Process

7.1 Determine construction needs

Construction area: According to the agent market plan and actual business needs, clearly identify the areas where OPPO customer service centers need to be built;

Construction square: Combining regional sales volume and estimated sales volume fluctuation trend, current regional service volume and expected service volume fluctuation trend, supplemented by reference indicators such as local rent levels, to determine the construction square range;

7.2 Determine the target business circle

According to the construction needs, combined with the regional environment, geographical location, market and other factors, to determine the target business circle of OPPO service center;

7.3 Determine the target stores

Through site selection and screening, combined with site evaluation indicators, accurately locate stores that meet the OPPO customer service center site selection criteria.

8.Evaluation Index

8.1 Evaluation on Business Circle

According to the radar chart obtained by the business circle analysis method, the corresponding coordinate system and the score are marked to obtain the final score of the final evaluation (for a detailed evaluation template, see the attached sheet).

8.2 Evaluation on Store Location

In the target business circle, the visitors flow rate at the store location, convenience (elevator exit direction), store findability, distance of the core gathering point, and visibility are all core indicators for evaluating the location of the store. Based on this type of indicator, the score of the store location evaluation is finally obtained.

8.3 Evaluation on Store Layout

Whether the store type meets the selection criteria, whether it meets the store's level positioning, whether it is the preferred store type in this business circle; the final score of the store type evaluation can be obtained based on these three core reference indicators.

8.4 Evaluation on Store Cost

Rental costs, daily operating costs (hydropower network communication costs, property management costs, store-related taxes, etc.), and wage costs are the main reference indicators for the store's comprehensive costs. According to the three types of reference indicators, the final evaluation of the store costs is

obtained.

8.5 Evaluation on Store Feasibility

Store feasibility is the core judgment indicator for the location of customer service centers, and is an important prerequisite for the feasibility of location selection. Therefore, this type of indicator is judgmental, not a scoring system. Once the store does not meet these two types of indicators, it is directly determined as store location requirements inconformity, no other location index evaluation is required, mainly including the following two types of indicators:

8.6 Evaluation on Store Standard

Store qualification feasibility: housing compliance (whether the formalities are complete); housing structure status (whether the house can be renovated: ceilings, door heads, floors, etc.); severity of aging of the housing structure, water leakage, etc.

Store security: the store's own anti-theft security, the degree of social security in the surrounding, the frequency of theft, etc.

8.7 Comprehensive Evaluation

Combining the above five categories of major reference indicators to summarize the final store scores. For the calculation method, please see the attached sheet.