

# Serving new markets

*In the world's most populous country, rapid change is the sign of the times. China's participation in the world economy has increased greatly in recent years, and one artifact of this transformation has been a rapid rise in Chinese demand for high-technology hardware. At Dell, we are leveraging our current position as China's No. 1 supplier of servers<sup>1</sup> to lay the groundwork for improved support for customer needs in China during this time of significant growth.*



In mid-2003, when server sales around the world were largely in a slump, the Chinese market started to surge. Now, a year later, demand for high-technology hardware in China continues unabated—and as China's taste for technology grows, Dell China is expanding to meet that need. Staff strength at Dell China has increased from several hundred to more than three thousand since Dell entered the Chinese hardware market five years ago. Since then, we have made impressive inroads toward building the robust infrastructure necessary to provide services and support to growing numbers of customers in China.

Expanding into key international markets such as China is a top priority at Dell, as evidenced by the increase in Dell product shipments in China for the first quarter of fiscal year 2005—up 48 percent from the same quarter a year ago.<sup>2</sup> Dell goals for China in 2004 are ambitious, and we are working hard to ensure that Dell grows faster than the overall market to keep pace with customer needs, particularly in the areas of corporate sales and enterprise customer support.

As part of its commitment to deliver extraordinary service to its customers in China, in June 2003 Dell extended its four-hour rapid dispatch service to 36 Chinese cities and next-business-day (NBD) on-site service to 1,400 cities. In October 2003, Dell China opened the new Executive Briefing Center (EBC) and

the Dell Solution Center (DSC) in the south China city of Xiamen, greatly enhancing our ability to offer comprehensive enterprise solutions. The new EBC and DSC facilities will help introduce and support enterprise initiatives such as intelligent IT management and scalable enterprise computing to address strong customer demand for flexibility, scalability, and cost-effectiveness.

Although the majority of Dell services and support currently offered in China are designed to support business customers—both large and small—we anticipate further gains in the PC market in 2004. Economic conditions in China are improving, and as a result, disposable incomes are rising. This situation gives Dell an opportunity to expand its services and sales to support end users in addition to corporate customers. Dell plans to turn its PC plant in Xiamen into its primary production facility for all of north Asia, including Japan, Korea, and Taiwan—a testament to China's growing importance in the Dell global strategy. For both end-user and enterprise customers, Dell plans to work harder than ever in 2004 to provide high-quality products, support, and service—elevating the Dell customer experience in China to the highest possible level. **D**

PIAU PHANG FOO

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<sup>1,2</sup> For additional Dell financial statements about first-quarter results from fiscal year 2005, visit [http://www1.us.dell.com/content/topics/global.aspx/corp/pressoffice/en/2004/2004\\_05\\_13\\_rr\\_000?c=us&l=en&s=corp](http://www1.us.dell.com/content/topics/global.aspx/corp/pressoffice/en/2004/2004_05_13_rr_000?c=us&l=en&s=corp).