

Smart mobile device shipments exceed 300 million in Q1 2013

➤ Android powers 59% of smart phones, tablets and notebooks

Palo Alto, Shanghai, Singapore and Reading - Thursday, 9 May 2013

Total smart mobile device (notebook, tablet and smart phone) shipments for the Q1 hit 308.7 million units, according to Canalys' latest worldwide estimates. This represents year-on-year growth of 37.4%. In terms of OS vendors, the Open Handset Alliance continues to dominate, with Android the OS of choice on 59.5% of all smart mobile devices shipped. Of the other OS vendors, Apple's strength in the smart phone and tablet PC markets accounts for its 19.3% share, while Microsoft's 18.1% share reflects its relative strength in the PC market but continued challenger status in the smart phone space.

Of the three, the tablet market continues to grow the fastest. Worldwide, tablet shipments grew 106.1% year-on-year to 41.9 million units. Though Apple continues to lead in the tablet space with a 46.4% share, it lost share to its Android-based rivals for the third consecutive quarter. 'Spearheaded by Google and Amazon, the commoditization of the tablet market has happened far quicker than that of the wider PC market,' said Canalys Senior Analyst, Tim Coulling. 'Profit margins are being squeezed and vendors without a low cost structure will find it hard to compete. A solid range of must-have accessories and a software and services strategy are vital as vendors will increasingly need to make revenue around their devices.'

Smart phone shipments came in at just over 216.3 million for the quarter, maintaining the strong growth (47.9% this quarter) that the market saw throughout 2012. Android handsets accounted for 75.6% of total smart phone shipments, and Samsung dominated once again, growing its volume by 64.3% year-on-year, which helped its market share exceed 32%. In contrast, Apple saw modest annual growth (6.7%) in its smart phone shipments - the lowest level since the launch of the original iPhone back in 2007.

'Despite its slowing growth, Apple still shipped over 37 million iPhones,' said Pete Cunningham, Canalys Principal Analyst. 'But HTC and Samsung have raised the bar with their latest handsets and Apple needs to respond with its next iPhone. The iPhone user interface is now six years old and badly in need of a refresh. Hardware-wise, the biggest dilemma that Apple faces is what it does with the size of the display on the next iPhone. It cannot afford to ignore the trend for larger displays in premium smart phones. We expect an increase on the iPhone 5's 4" display but are not anticipating a "Phablet"-style iPhone.'

Huawei, LG and ZTE completed the top five smart phone vendors, all with less than 5% market share each. Once again, Huawei and ZTE benefited from their strength in their home market, with 84% and 71% of their shipments respectively in mainland China. LG's appearance among the leading vendors comes thanks to an overdue increased focus on its smart phone business at the expense of its feature phone business.

Notebook PC shipments totaled 50.5 million units, once again contracting during the quarter, by 13.1% compared with the same period in 2012. The biggest decline was in Western Europe, where shipments fell by 25.2% on an annual basis. 'While there are macroeconomic factors that contribute to this ongoing

trend, the impact of tablets must not be understated,' said Canalys Research Analyst, Pin-Chen Tang. 'The combination of ARM-based chipsets and Android has taken computing devices to new, lower price points. If Microsoft and Intel are serious about capitalizing on this exploding market, both will need to ensure that their OEMs can remain competitive on price.'

Worldwide smart device market Market shares Q1 2013, Q1 2012			Worldwide smart device market Market shares Q1 2013, Q1 2012		
Vendor	Q1 2013		Vendor	Q1 2013	
	shipments	% share		shipments	% share
Total	308,746,430	100.0%	Total	308,746,430	100.0%
Samsung	82,151,370	26.6%	OHA (Android)	183,704,130	59.5%
Apple	59,555,200	19.3%	Apple	59,588,060	19.3%
Lenovo	15,328,330	5.0%	Microsoft	55,883,100	18.1%
Sony	9,828,420	3.2%	Others	9,571,140	3.1%
Huawei	9,697,820	3.1%			
Others	132,185,290	42.8%			

Source: Canalys estimates, © Canalys 2013

Detailed final figures for more than 50 countries around the world were made available to clients this week for more information please [contact your nearest Canalys office](#).

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