

# India's smartphone market shipments dropped an unprecedented 20% in Q1 2023

Wednesday, 19 April 2023

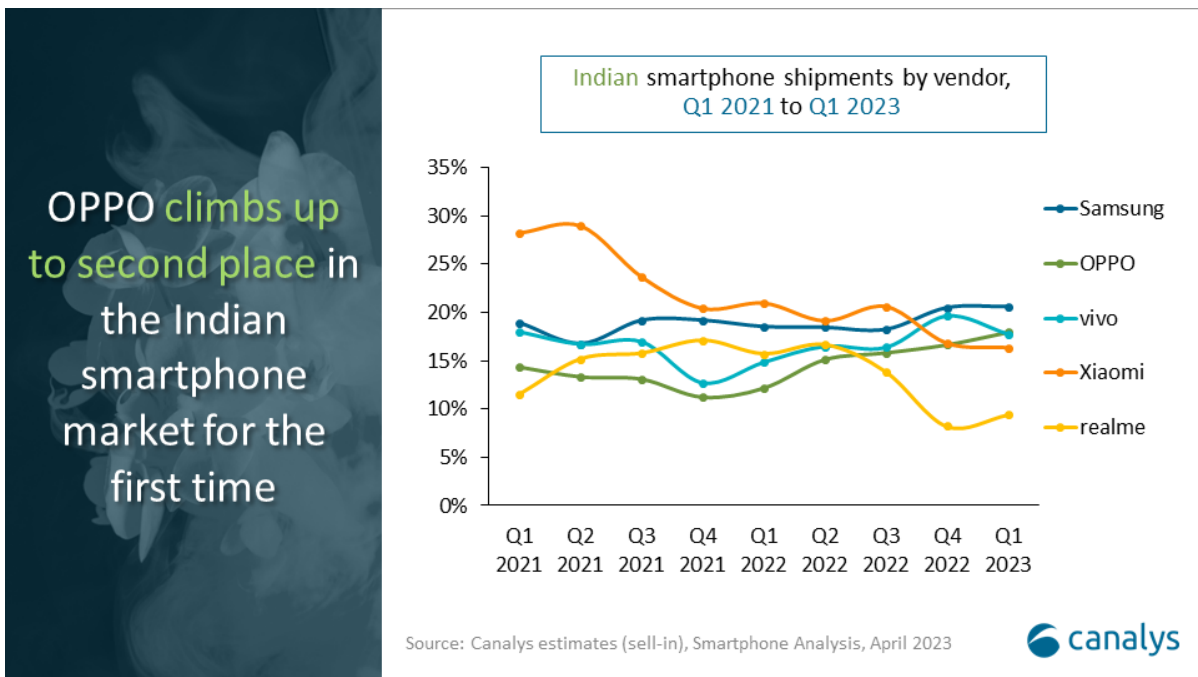
Canalys research shows that the Indian smartphone market had a tough start to 2023, witnessing the first-ever Q1 shipment decline of 20% year-on-year. The market is still witnessing uneven demand woes and channels remain vulnerable to stock build-up. Samsung remained in the top spot in Q1 2023 with a 21% market share, shipping 6.3 million. OPPO overtook vivo and Xiaomi to reach second place with 5.5 million shipments, driven by successful new product launches. Following closely behind, vivo came third with 5.4 million shipments, as it continued strong momentum in the offline channels. Xiaomi slipped to fourth place, shipping 5.0 million units, while realme maintained fifth place with 2.9 million shipments as the online channel remained muted.



“The Indian market faces early-year struggles but vendors keep fueling the market as they remain bullish on long-term prospects,” said Sanyam Chaurasia, Analyst at Canalys. “Just as the economic

indicators toward the end of Q4 2022 clearly suggested that demand would remain sluggish in the short term, it was witnessed so in Q1 2023. Despite this challenge, investments from major brands are pouring in as they align with the government's vision and changing consumer behavior. They are focusing on optimizing retail, manufacturing, local sourcing, and R&D to secure their long-term position in the market.”

“Q1 2023 showcased that brands must balance channel contributions to keep business operations stable and maintain share,” added Chaurasia. “Vendors with efficient channel management have proven to be more resilient to market volatility. Post-pandemic, vendors who have nurtured mainline retail channels, have demonstrated stability even during market downturns. Increasing contributions from high-price-band models have encouraged vendors to focus on strengthening their offline channels. Samsung has been efficient with its fast-moving model placement in the offline space. For this quarter, it was the new 5G-capable A-series. Apple's new offline stores staffed by expert employees will further enhance its brand experience and position. While online heavy brands have driven units primarily through e-commerce sales, leading to periodic volume surges.”




“2023 will be challenging as the mass-market segment is still moving slowly. Nonetheless, the premium segment is poised for growth, boosting the ASP growth of the overall market,” said Chaurasia. “As disposable income gradually rises, consumers are willing to spend more on premium devices. To succeed in this segment, brands must prioritize availability, affordability and

aspirational value. Going forward, brands should also emphasize export strategy to align with the government’s initiatives. At present, India's smartphone export growth is primarily driven by Apple and Samsung, helping achieve a record-breaking export value of almost US\$4 billion in Q1. Canalys expects modest growth this year, driven by organic growth drivers. However, to stimulate the upgrade cycle, 5G devices and other market drivers must offer compelling utility for consumers.”

**Indian smartphone shipments and annual growth**  
**Canalys Smartphone Market Pulse: Q1 2023**

Vendor	Q1 2023 shipments (million)	Q1 2023 market share	Q1 2022 shipments (million)	Q1 2022 market share	Annual growth
Samsung	6.3	21%	7.1	19%	-11%
OPPO	5.5	18%	4.6	12%	18%
vivo	5.4	18%	5.7	15%	-4%
Xiaomi	5.0	16%	8.0	21%	-38%
realme	2.9	9%	6.0	16%	-52%
Others	5.5	18%	6.8	18%	-19%
<b>Total</b>	<b>30.6</b>	<b>100%</b>	<b>38.2</b>	<b>100%</b>	<b>-20%</b>

Note: Xiaomi estimates include sub-brand POCO and OPPO includes OnePlus. Percentages may not add up to 100% due to rounding.  
Source: Canalys Smartphone Analysis (sell-in shipments), April 2023



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## About Smartphone Analysis

Canalys’ worldwide [Smartphone Analysis service](#) provides a comprehensive country-level view of shipment estimates far in advance of our competitors. We provide quarterly market share data, timely historical data tracking, and detailed analysis of storage, processors, memory, cameras and many other parameters. We combine detailed worldwide statistics for all categories with Canalys’ unique data on shipments via tier-one and tier-two channels. The service also provides a unique view of end-user types. At the same time, we deliver regular analysis to give insights into the data, including the assumptions behind our forecast outlooks.

## About Canalys

Canalys is an independent analyst company that strives to guide clients on the future of the technology industry and to think beyond the business models of the past. We deliver smart market insights to IT, channel and service provider professionals around the world. We stake our reputation on the quality of our data, our innovative use of technology and our high level of customer service.

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