

IDC: Smartphone Volumes Remain Flat in Q2

Written by Marco Attard
05. August 2016

Smartphones see a second straight quarter of essentially flat volumes on Q2 2016, IDC reports-- global shipments total 343.3 million, an increase of just 0.3% Y-o-Y. However some growth can be seen on a sequential basis, specifically 3.1% Q-o-Q.

"We continue to see a number of changing dynamics in the smartphone market and many vendors are readjusting their business strategy and portfolio to take advantage of these market movements," the analyst remarks. "Mature markets continue the transition away from pure subsidy and over to EIP programs and Apple is beginning to put more emphasis on 'Device as a Service' to try to prevent lengthening replacement cycles. This is a growing theme we have heard more about from PCs to smartphones."

Top Five Smartphone Vendors, Shipments, Market Share, and Year-Over-Year Growth, Q2 2016 Preliminary Data (Units in Millions)					
Vendor	2Q16 Shipment Volumes	2Q16 Market Share	2Q15 Shipment Volumes	2Q15 Market Share	Year-Over-Year Change
Samsung	77.0	22.4%	73.0	21.3%	5.5%
Apple	40.4	11.8%	47.5	13.9%	-15.0%
Huawei	32.1	9.4%	29.6	8.6%	8.4%
OPPO	22.6	6.6%	9.6	2.8%	136.6%
vivo	16.4	4.8%	9.1	2.7%	80.2%
Others	154.8	45.1%	173.6	50.7%	-10.8%
Total	343.3	100.0%	342.4	100.0%	0.3%
Source: IDC Worldwide Quarterly Mobile Phone Tracker, July 28, 2016					

When it comes to vendors, outside the Samsung-Apple duopoly the market appears to be leaning towards the more affordable end of the market. Interestingly, Chinese OEMs are finding success in non-China markets despite local low-end competition, while bigger names are driving shipments with more affordable handsets. However IDC insists vendors need to continue pushing "flagship-type" devices at lower prices in order to encourage more frequent

IDC: Smartphone Volumes Remain Flat in Q2

Written by Marco Attard
05. August 2016

upgrades-- a strategy employed successfully by the likes of Huawei, Oppo, vivo and Xiaomi.

Predictably Samsung remains in the lead during Q2 2016 with 22.4% market share, thanks to the success of the Galaxy S7 and S7 Edge flagships. The Korean giant also sees good performance with the refreshed J-Series (J7, J5, J3) in both developed and emerging markets, while the upcoming Note 6/7 should allow it to challenge Apple further.

Speaking of Apple, the iPhone maker sees Q2 2016 declines of -15% Y-o-Y on shipments reaching 40.1m. The 4-inch iPhone SE had a strong launch in both emerging and developed markets but also affected iPhone ASPs, leading to a -10.1% drop to \$595. As for the future, the company hopes the next iPhone iteration will be a sales driver once combined with its upgrade program.

Huawei takes 3rd place thanks to strong sales in China and "even stronger" European sales leading to shipments reaching 32.1m, an 8.4% Y-o-Y increase. Oppo follows with an aggressive marketing and advertising campaign for the flagship R9, while vivo closes the top 5 through a focus on its home China and Asia/Pacific.

Go [IDC WW Quarterly Mobile Phone Tracker July 2016](#)