

Smartphones Outstrip Feature Phones for First Time in Western Europe as Android Sees Strong Growth in 2Q11, Says IDC

LONDON, September 8, 2011 — Western European feature phone shipments continued to decline sharply in 2Q11 as consumers increasingly move to smartphones, according to the latest European Mobile Phone Tracker from International Data Corporation (IDC). Feature phone shipments were down 29% to 20.4 million units in 2Q11, while smartphone shipments increased 48% to 21.8 million units from a year ago. The total Western European mobile phone market, however, declined 3% year on year to 42.2 million units in the quarter, according to IDC.

This is the first time that smartphone shipments have surpassed feature phone shipments in Western Europe, representing 52% of total mobile phone shipments. All European countries are seeing increasing smartphone adoption, as consumers go for Android-based devices and the iPhone from Apple. On the other hand, mobile operators stopped subsidizing feature phones in Europe some time ago now, which has made the devices less attractive to users. Feature phones are becoming a niche segment driven by the very-low-end devices targeted at users who only need a device for voice and texts.

"This quarter was particularly important from the device type perspective," said Francisco Jeronimo, European mobile devices research manager, IDC. "Smartphones now dominate the Western European phone market and those vendors with stronger portfolios in the segment are consolidating their positions, compared with those manufacturers with less attractive smart devices. Android-powered handsets from the likes of Samsung, HTC, and Sony Ericsson have been able to drive strong volumes and to grab the biggest slice of share from the declining Symbian as Nokia moves to Windows Phones."

Jeronimo said, however, that the overall market had slipped into the red due to a number of factors: "First, the economic environment in the eurozone is deteriorating, with a direct impact on consumer demand. Secondly, the smartphone segment was strongly impacted by the sharp decline of Nokia, which was not totally offset by the remaining players, which may indicate that Symbian fans are holding off on their phone replacements until Nokia launches its Windows Phones. Lastly, operators focused on clearing inventories for the introduction of the new devices expected in the third quarter, such as the iPhone5 from Apple and Windows Phones from HTC and other players."

Android OS strengthened its leadership in the region, with shipments up 352% year on year to 10.5 million units, which represented 48.5% of total smartphone shipments. Samsung was the most representative Android manufacturer, supported by the success of the Galaxy devices family.

Top Western European Mobile Phone Vendors, Total Shipments and Market Share, 2Q11

Smartphones and Feature Phones (Units in Millions)

Vendor	2Q11 Unit Shipments	2Q11 Market Share	2Q10 Unit Shipments	2Q10 Market Share	2Q11/2Q10 Change
1. Samsung	13.9	33%	10.8	25%	29%
2. Nokia	9	21%	16.2	37%	-44%
3. Apple	4.6	11%	2.8	6%	64%
4. HTC	3.1	7%	1.4	3%	121%
5. Research in Motion	3	7%	2.6	6%	15%
Others	8.6	21%	9.7	23%	-11%

Total	42.2	100%	43.5	100%	-3%
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Source: IDC European Quarterly Mobile Phone Tracker, August 2011

Note: Vendor shipments are branded shipments and exclude OEM sales for all vendors.

Top Western European Mobile Phone Vendors, Shipments and Market Share, 2Q11

Smartphones (Units in Millions)

Vendor	2Q11 Unit Shipments	2Q11 Market Share	2Q10 Unit Shipments	2Q10 Market Share	2Q11/2Q10 Change
1. Samsung	4.8	22%	0.6	4%	700%
2. Apple	4.6	21%	2.8	19%	64%
3. HTC	3.1	14%	1.4	10%	121%
4. Research in Motion	3	14%	2.6	18%	15%
5. Nokia	2.3	11%	5.8	39%	-60%
Others	4	18%	1.5	10%	167%
Total	21.8	100%	14.7	100%	48%

Source: IDC European Quarterly Mobile Phone Tracker, August 2011

Note: Vendor shipments are branded shipments and exclude OEM sales for all vendors.

For more information on IDC's European Quarterly Mobile Phone Tracker service and its related deliverables, please contact Francisco Jeronimo, research manager, IDC Western European mobile communications group (fjeronimo@idc.com, tel.: +44(0)20 8987 7186), or visit www.idc.com.