

## Cheap devices, Africa to drive global smartphone growth

By <u>Duncan Alfreds</u> 8 Dec 2015

Global smartphone shipments are losing steam but lower priced devices and the African market are likely to be an engine of growth, says an international research organisation.



Image via 123RF

The International Data Corporation (IDC) last week forecast that global smartphone growth will hit 9.8% in 2015 - the segment's first ever single digit growth.

The IDC attributed the slowdown to dampening demand in China, but the research organisation has argued that lower-priced smartphones are expected to drive growth in Africa and other parts of the globe.

"The smartphone growth will come from the low-priced smartphones (under \$150)," Joseph Hlongwane, IDC SA research analyst told Fin24.

IDC further data showed that shipments to the Middle East and Africa are set to grow at 50%, surpassing those to India and Indonesia.

"With the other regions slowing down, Africa has become very crucial to manufactures. Africa's smartphone market is expected to grow - especially the low priced smartphone (segment). However, the key for success in Africa will be to launch the right product at the right price point," Hlongwane said.

The IDC said that Android will marginally increase its global market share from 81% to 82%, while Apple's iOS operating system for iPhones should remain flat at about 14%.

The organisation forecast that Microsoft would see a 10.2% decline in its global market share despite investments in its

Windows operating system.

Meanwhile, Chinese manufactures such as ZTE and Xiaomi have already actively targeted the lower price market segment in SA while Xiaomi has also entered the local space. Xiaomi, which promotes its own Android flavour MIUI, has launched its Mi 4 in SA on contracts starting at R229 per month.

"I think that the diversity in Android is the driver of its success. The OS offers the consumer a variety of handsets brands and models to choose from, and a broad range of prices. Due to these reasons, I see Android OS dominating the smartphone market for many years to come," Hlongwane told Fin24.

Source: Fin24 via News24Wire

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