

## China Smartphone Market Posts Largest Decline Ever as Shipments Drop by 20.3% YoY in Q1 2020, IDC Reports

BEIJING, May 8<sup>th</sup>, 2020 – According to the [IDC Quarterly Mobile Phone Tracker](#), smartphone shipments in China stood at 66.6 million units in the first quarter of 2020, a 20.3% decline from 83.6 million units a year ago. This marked the largest decline ever in China as the market was hit by both supply chain disruptions and a demand slump due to lockdowns and the COVID-19 pandemic.

China Smartphone Market, Top 5 Company Shipments, Market Share, and YoY Growth, Q1 2020 (shipments in millions)					
Vendor	2020Q1 Shipments	2020Q1 Market Share	2019Q1 Shipments	2019Q1 Market Share	YOY Growth
1. Huawei	28.4	42.6%	29.7	35.5%	-4.4%
2. vivo	12.0	18.1%	16.0	19.1%	-24.5%
3. OPPO	11.8	17.8%	14.1	16.8%	-15.8%
4. Xiaomi	7.0	10.6%	10.6	12.7%	-33.8%
5. Apple	5.1	7.6%	5.8	6.9%	-12.2%
Others	2.3	3.4%	7.6	9.0%	-69.9%
Total	66.6	100.0%	83.6	100%	-20.3%
Source: IDC Quarterly Mobile Phone Tracker, 2020Q1					
Note: All figures are rounded off					

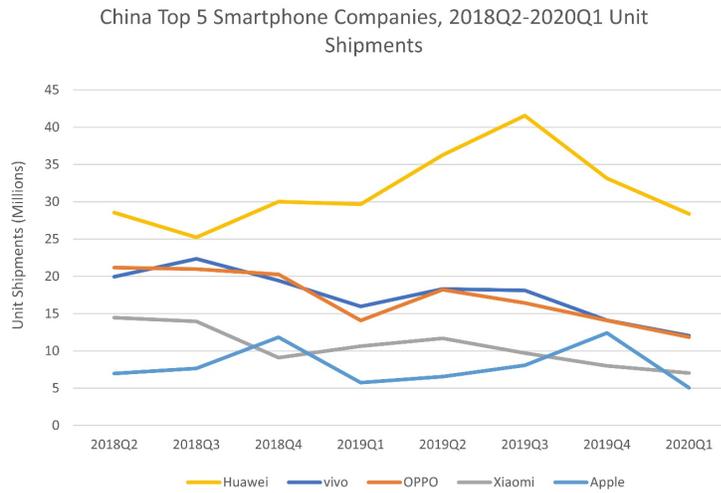
“February was the trough of the quarter before the market started its recovery in March, both in terms of production and demand,” says [Will Wong](#), Research Manager for Client Devices at IDC Asia/Pacific. Wong adds, “Nevertheless,

demand will still be under pressure from the global economic downturn. The market is only expected to achieve annual growth in the fourth quarter as the global COVID-19 situation hopefully improves and 5G products reach a lower price range."

#### 2020Q1 Top 5 Smartphone Vendor Highlights:

- Huawei achieved the best performance among the top 5 vendors mainly due to its early price promotions on Huawei's Mate 30 and P30 series, along with significant price cuts on Honor's V30 and 9X series. Furthermore, its tablet and notebooks helped to attract foot traffic to its offline stores as consumers sought the devices for work at home and online learning.
- vivo's online-focused products like iQOO and the Z and U series helped to enhance its online channel footprint, especially during the COVID-19 lockdown period. vivo also continued to focus on the 5G market by launching a mid-range 5G model, Z6, to penetrate the US\$200<400 segment.
- OPPO maintained its spot in the third place after slipping to the position in early 2019. Its mid-range Reno 3 Young model helped the vendor penetrate the lower-end 5G segment, while its Find X2 Pro model was launched to test the water in the >US \$800 segment.
- Xiaomi experienced a supply shortage for its Redmi series in the first half of the quarter. Nevertheless, the vendor was able to launch the MI 10 series by mid-February that aimed to target the high-end segment and differentiate between MI and Redmi brands.
- Apple suffered a larger impact this quarter as its factories resumed production more gradually than the competition. Furthermore, the closure of its offline stores for more than a month resulted in around 60% of its shipments happening in the eTailer channel.

Figure 1

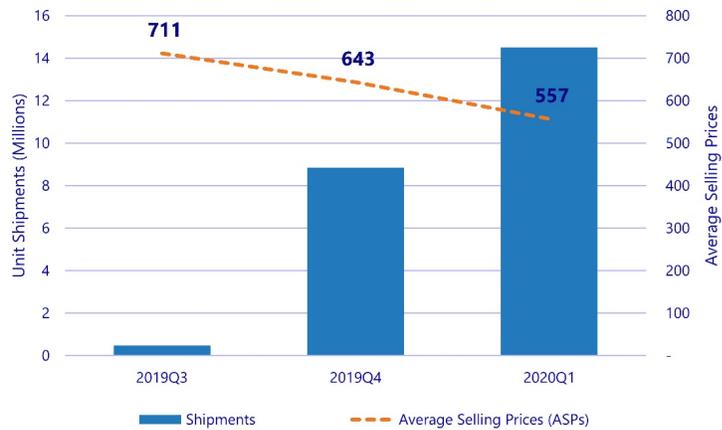


Source: IDC, 2020

In China, a total of 23.8 million 5G smartphones have been shipped since 2019Q3, while ASPs (average selling prices) have been brought down to less than US\$600. By 2020Q1, more than one-fifth of smartphones were shipped with 5G connectivity – with Huawei accounting for more than 50% of the share. Nevertheless, more competition is expected as other vendors continue to bring more affordable 5G products to consumers.

Figure 2

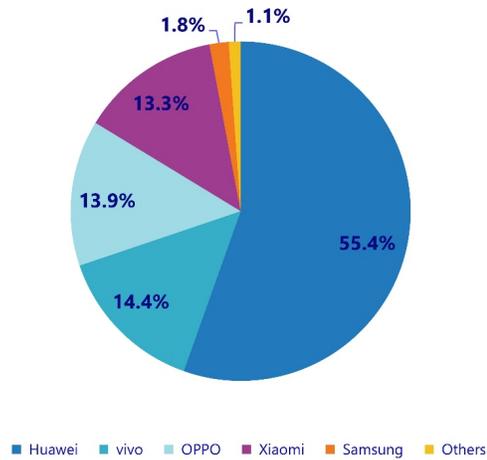
China 5G Smartphone Shipments and Average Selling Prices, 2019Q3-2020Q1



Source: IDC, 2020

Figure 3

China 5G Smartphone Market Share, 2020Q1



Source: IDC, 2020

“Consumer sentiment in China will be negatively impacted by the global economy,” says [Xi Wang](#), Research Manager for Client System Research at IDC China. Wang adds, “But China also recovered from the pandemic earlier than most countries,

which will make it an attractive market during the rest of the year, especially with the expected surge of 5G activity.”

IDC's [David Myhrer](#), Research Vice President for Consumer Strategies will present the updated review of the latest outlook for consumer technology in the context of the COVID-19 pandemic on the Market Pulse: COVID-19 Impact on Consumer Technology Spend webinar. To register for this webinar, click [here](#).

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