



Wrist-Worn Wearables Maintain a Strong Growth Trajectory in Q2 2019, According to IDC

FRAMINGHAM, Mass., September 12, 2019 – Shipments of wrist-worn wearables, inclusive of smartwatches, basic watches, and wrist bands, reached 34.2 million units, up 28.8% year over year during the second quarter of 2019 (2Q19), according to new data from the International Data Corporation (IDC) [Worldwide Quarterly Wearable Device Tracker](#). The top 5 companies – Xiaomi, Apple, Huawei, Fitbit, and Samsung – continued to push forward with new products and promotional campaigns during the quarter, collectively capturing 65.7% of the market, an almost 12-point gain from last year.

"Health is now at the forefront for these devices since companies have started providing actionable insights and prescriptive measures for end users," said [Jitesh Ubrani](#), research manager for IDC [Mobile Device Trackers](#). "Beyond health, mobile payment is also starting to become a mainstay as roughly two out of five wrist-worn wearables now include NFC, and many more simply use QR codes to complete transactions."

"While the wrist-worn form factor has been very popular, the other important part is the experience," added [Ramon T. Llamas](#), research director, [Wearables](#). "Glancing at data – like notifications, fitness stats, and even checking the time – remain the popular use case, but to be able to interact with the device via smart assistants, scroll easily through data with the rotating bezel like Samsung's smartwatches, or connecting to smart home applications and devices raises wrist-worn wearables' utility. Layer on top of this the growing market for applications on smartwatches, and the value of these devices increases further"

Wrist-Worn Wearables Company Highlights

Xiaomi maintained the top position thanks to its latest Mi Band 4. The company focuses almost exclusively on wrist bands and has used the low cost to lure new users into its ecosystem of products. China remains the most active market for Xiaomi's products though expansion outside China continues to be a priority.

Apple ranked second in terms of units although the company outpaces all others in terms of dollar value as the average selling price (ASP) for an Apple Watch was \$448 during the quarter. The company also recently announced the Series 5, which should help the company maintain its leading position in the smartwatch market. IDC anticipates shipments of the Apple Watch to

grow by 10.8% by the end of 2019 and capture 38.9% of all smartwatches shipped during the year.

Huawei took the third position with its dual brand strategy aimed at capturing the mass market with the Huawei brand and a younger audience with the Honor brand. Many of the company's wearables are bundled with its smartphones, thereby putting the company in a challenging position given all the recent uncertainty around its smartphone business. More recently, we've seen a bit of retrenchment as Huawei focused on the Chinese market during the quarter, growing its share, rather than prioritizing international expansion as it had in past quarters.

Fitbit, the market pioneer, ranked fourth in the recent quarter. Though its smartwatch business declined, thanks to poor reception of the Versa Lite, the company did manage overall growth due to the popularity of the newly launched Inspire wristbands. Industry buzz surrounding the Versa 2 has been positive and the company's recent win in Singapore should help the company maintain positive momentum in the months to come.

Samsung rounded out the top 5 and achieved the highest growth rate amongst the top 5 due to the introduction of its low-cost wrist bands, the Galaxy Fit and Galaxy Fit e, and the popularity of the Galaxy Watch. Like Huawei, Samsung employs a bundling strategy that helps drive its wearables business and the company remains one of the few brands actively targeting users interested in having cellular connectivity built into their wearables.

Top 5 Wearables Companies, Wrist-Worn Devices Only, by Shipment Volume, Market Share, and Year-Over-Year Growth, Q2 2019 (shipments in millions)					
Company	2Q19 Shipments	2Q19 Market Share	2Q18 Shipments	2Q18 Market Share	Year-Over-Year Growth
1. Xiaomi	5.9	17.3%	4.2	15.6%	42.2%
2. Apple	5.1	14.8%	4.7	17.8%	7.0%
3. Huawei	4.8	14.1%	1.7	6.6%	175.7%
4. Fitbit	3.5	10.1%	2.6	9.9%	32.0%
5. Samsung	3.2	9.4%	1.1	4.1%	195.1%
Others	11.7	34.3%	12.2	45.9%	-4.0%
Total	34.2	100.0%	26.6	100.0%	28.8%
Source: IDC Worldwide Quarterly Wearables Tracker, September 12, 2019					

The positive momentum in wrist-worn wearables is expected to carry forward as the category is projected to reach 152.7 million units by the end of 2019 with 21.7% growth over last year, and 194.1 million units by 2023, with a compound annual growth rate (CAGR) of 6.2%.

However, growth in the category is relegated to watches as the market for wristbands will remain essentially flat with a 0.1% CAGR and share will decline from 41.2% in 2019 to 32.5% in 2023.

Worldwide Wrist-Worn Wearables Forecast by Product, Shipments, Market Share, and 2019-2023 CAGR (shipments in millions)					
Product	2019 Shipments*	2019 Market Share*	2023 Shipments*	2023 Market Share*	2019-2023 CAGR*
Smartwatch	66.5	43.5%	105.3	54.3%	12.2%
Basic Watch	23.3	15.3%	25.6	13.2%	2.4%
Wrist Band	62.9	41.2%	63.2	32.5%	0.1%
Total	152.7	100.0%	194.1	100.0%	6.2%
Source: IDC Worldwide Quarterly Wearables Tracker, September 12, 2019					

* **Table Note:** All figures represent forecast estimates.

About IDC Trackers

IDC Tracker products provide accurate and timely market size, vendor share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly excel deliverables and on-line query tools. To see more of IDC's worldwide wearables market data, go to <https://www.idc.com/promo/wearablevendor>.

For more information about IDC's Worldwide Quarterly Mobile Phone Tracker, please contact Kathy Nagamine at 650-350-6423 or knagamine@idc.com.

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