

India High-end Smartphone Market

A CMR Report
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CyberHouse - B-35, Sector 32, Gurugram - 122001

How Smartphones fared?

CY 2015

97 Mn

163 Brands

High-End

Above Rs 20,000

7%

19 brands shipping in the price bracket

Mid-Tier

Rs 10,000 – 20,000

18%

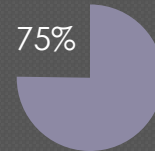
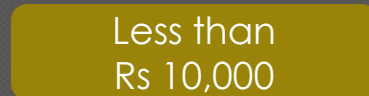
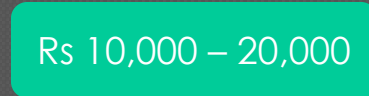
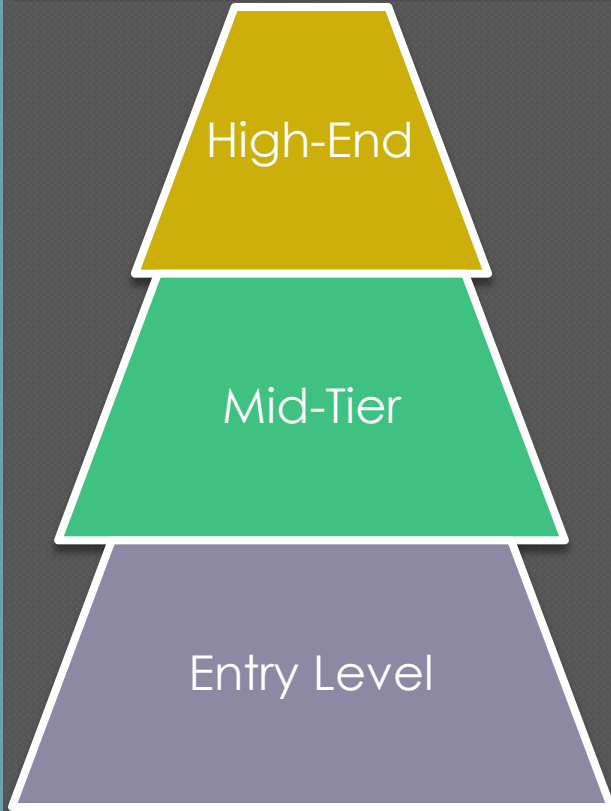
46 brands shipping in the price bracket

Entry Level

Less than Rs 10,000

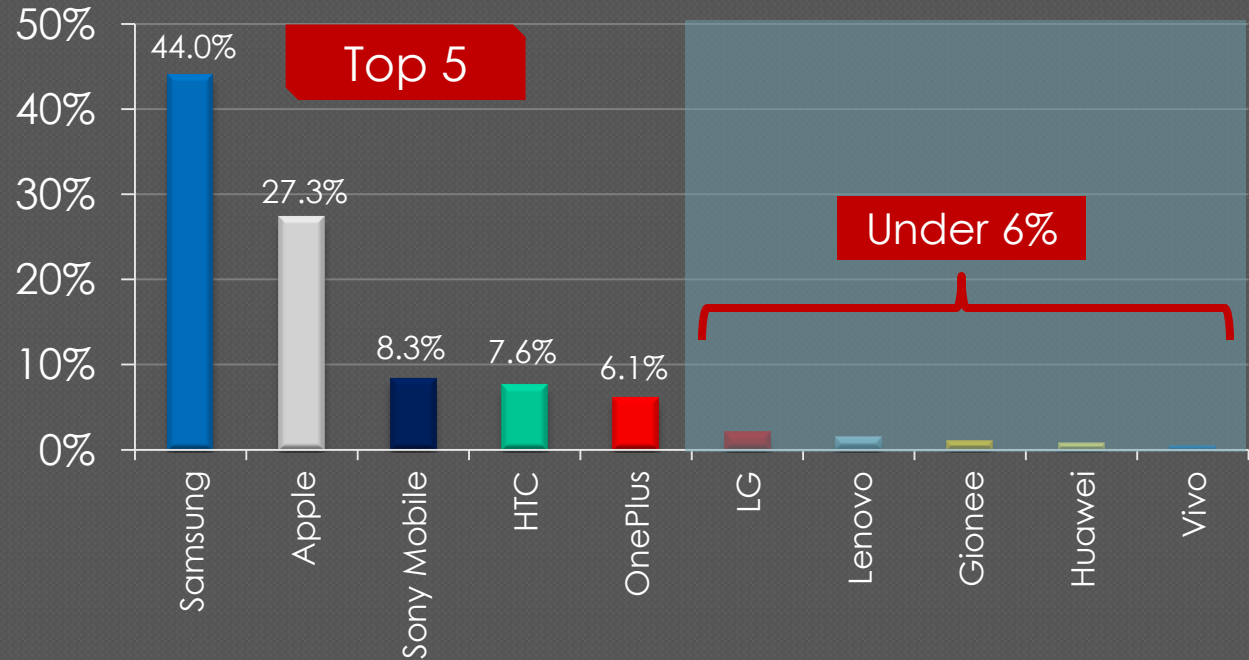
75%

153 brands shipping in the price bracket



High-End Smartphone Market Leaders

Market Shares by Volume (> 20k INR)

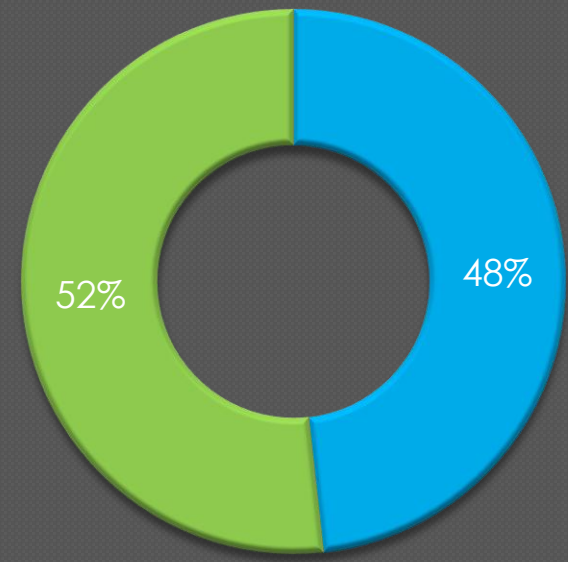


“Top 5 dominated by established players with **OnePlus** being only exception to the rule.”

CY 2015

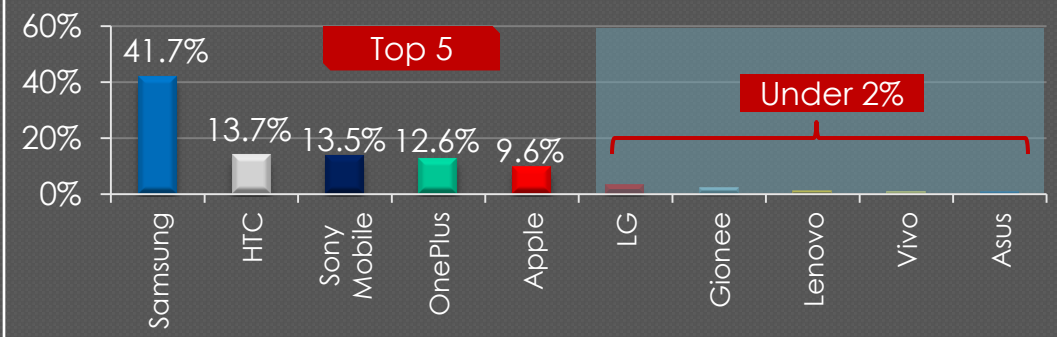
High-End Smartphones – A Deeper View

CY 2015

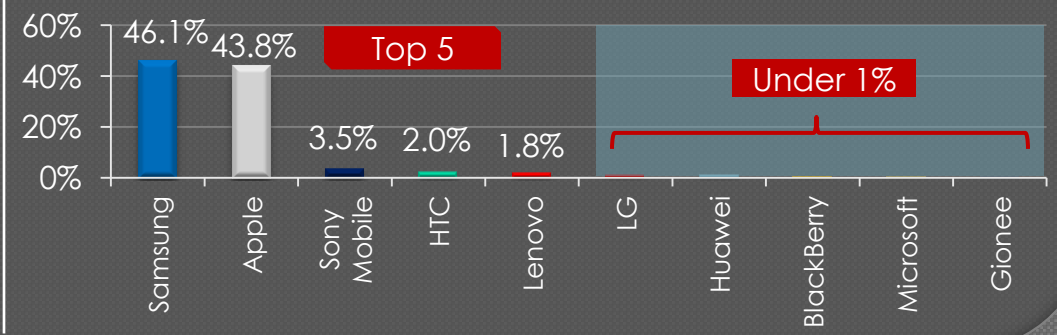


■ 20,000 - 30,000 ■ Above 30,000

Market Shares by Volume (20-30k INR)



Market Shares by Volume (Above 30k INR)

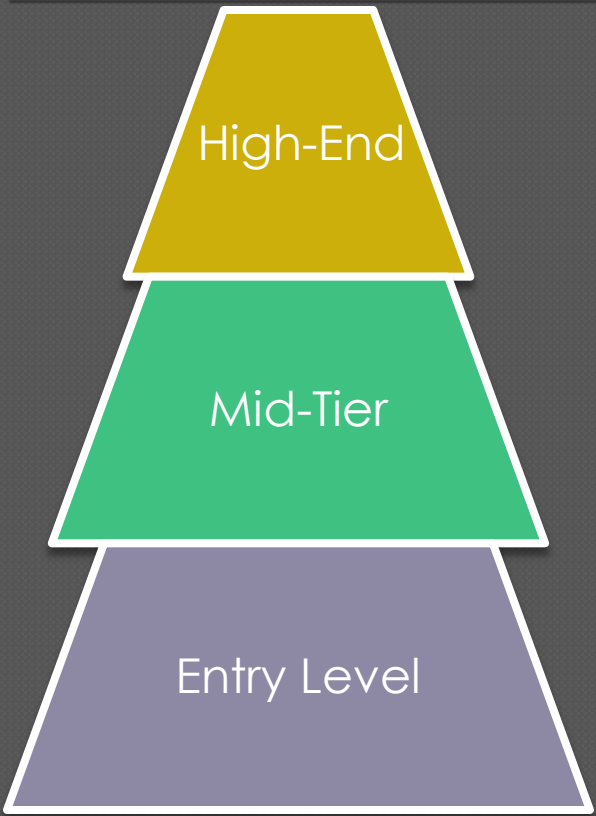


How Smartphones will perform?

CY 2016

130 Mn

Outlook



High-End

Above Rs 20,000

6%



Mid-Tier

Rs 10,000 – 20,000

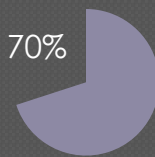
13%



Entry Level

Less than Rs 10,000

70%



Grow at 19% compared to 15% in previous year. Gains significance as smartphone upgrade becomes main driver of growth for overall market.

To remain flat compared to de-growth in previous year.

Grow at 44% as upgrade from feature phone to smartphone bound to grow this year.

2016 for High-End Smartphones

- Incumbents Samsung, Sony Mobiles and HTC will be defensive in containing the emerging brands in the High-End Smartphones segment.
- Apple, uniquely positioned will continue to leverage from the growth in 2015.
- OnePlus likely to gain further after expanding its offline footprints.
- Brands expected to significantly gain and possibly become the five stars of 2016 would be:-

Five Stars

Samsung

Status: The undisputed market leader of Smartphone market.

Strengths: Remarkably been able to manage its position across different segments of mobile handset market. Very strong offline footprint.

Challenges: With too many challengers at different levels, will be difficult for it to retain market shares even continuing to be the leader.

Outlook: Positive - Will manage to be the leader in the market thanks to its wide portfolio, established reach and the brand recognition.

Apple

Status: Strong growth in 2015 with no direct competition being the sole player in its ecosystem.

Strengths: Very high Aspirational value and premium tag.

Challenges: Will not be able to gain in 20-30k range, which will have the maximum growth in high-end Smartphone segment.

Outlook: Positive – With its brand value and strong pull is expected grow by 50% in 2016.

Sony

Status: Dwindling market status year on year.

Strengths: Long time established brand operating at attractive price points.

Challenges: Overall declining market status in the Smartphones. Have been slow on new products and ranges.

Outlook: Negative – With no revolutionary strategy around, Sony will have a major setback in this category as well. Needs to revisit the entire value chain for a turnaround.

HTC

Status: A niche player and within top 5 in this segment.

Strengths: Premium image of the brand and global acknowledgement for designs.

Challenges: As it dilutes further towards the medium range Smartphones, managing the premium image would be difficult.

Outlook: Stable – With its premium range, will continue to garner market standing as not many players will look at this category of Smartphones, limiting the competition.

OnePlus

Status: Already among top 5 players in 2015 with growing market share.

Strengths: Loyal tech community, attractive pricing, growing online channel share, differentiated positioning in premium segment, innovative marketing strategies

Challenges: Limited distribution reach due to no offline presence, low brand recall outside Tier I cities

Outlook: Positive - With its OnePlus 3 on the anvil, OnePlus is likely to grow its category share further in 2016

Thank You!

End of Report



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