

Android smart phone shipments grow 886% year-on-year in Q2 2010

- Nokia retains smart phone leadership position, but competitors close the gap

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For immediate release

Nokia retained a substantial lead in the worldwide smart phone market in Q2 2010, achieving a 38% market share. The vendor shipped a record 23.8 million smart phones during the quarter, representing growth of 41% on a year ago, as it focused on delivering affordable smart phone offerings to the market, such as its popular 5230 touch-screen handset, based on the Symbian operating system (OS). But Nokia's market dominance is not as unassailable as it once was, with its performance outpaced by growth in the smart phone market as a whole.

The smart phone market grew by 64% annually worldwide in Q2 2010. At the same time, shipments of RIM's BlackBerry smart phones grew by 41%. Helped by the continued strong performances of devices such as the Curve 8520, it was once again the second placed vendor with an 18% market share, while also retaining its leadership position in North and Latin America. Despite a period of turbulent PR, initial shipments of the iPhone 4 were predictably strong and contributed to Apple's 61% growth and worldwide market share of 13% for the quarter. But analysis of Canalys' detailed, globally consistent data shows it is the collective growth of Android device shipments across a range of handset vendors' portfolios that is most remarkable. With key products from HTC, Motorola, Samsung, Sony Ericsson and LG, among others, shipments of smart phones running the Google-backed Android operating system grew an impressive 886% in Q2 2010.

'The latest release of our detailed and complete country-level smart phone shipment data for Q2 2010 clearly reveals the impressive momentum Android is gaining in markets around the world,' said Canalys VP and Principal Analyst, Chris Jones, commenting on the publication. 'In the United States, for example, we have seen the largest carrier, Verizon Wireless, heavily promoting high-profile Android devices, such as the Droid by Motorola and the Droid Incredible by HTC. These products have been well received by the market, with consumers eager to download and engage with mobile applications and services, such as Internet browsing, social networking, games and navigation.' The United States smart phone market grew 41% year on year. It is the largest smart phone market in the world by a significant margin, with 14.7 million units accounting for 23% of global shipments in Q2 2010. Android devices collectively

represented a 34% share of the US market in the quarter, and with growth of 851% Android became the largest smart phone platform in the country.

US smart phone market	
Leading vendors' share, Q2 2010	
Vendors	United States % share
Total	14.7m
RIM	32.1%
Apple	21.7%
HTC	14.4%
Others	31.8%

Source: Canalys estimates, © Canalys 2010

China smart phone market	
Leading vendors' share, Q2 2010	
Vendors	China (mainland) % share
Total	6.9m
Nokia	76.9%
Motorola	4.7%
Samsung	4.1%
Others	14.3%

Source: Canalys estimates, © Canalys 2010

‘The story in the Asia Pacific region is similarly optimistic around Android,’ noted Senior Analyst, TY Lau. ‘Android devices are gaining good traction in markets such as mainland China and South Korea, with growing numbers of consumers wanting more sophisticated smart phones.’ China was the world’s second largest smart phone market in Q2 2010 for the sixth consecutive quarter, with shipments of 6.9 million units representing 11% of the worldwide total. Android devices combined reached almost 475,000 units in Q2 2010 from no presence in the country a year ago. It is also important to note that China Mobile is committed to developing its own platform, OMS, based on Android, and an additional 174,000 smart phones shipped in the quarter running OMS. ‘Given Google’s substantial involvement in the Open Handset Alliance (OHA), that its relationship with the Chinese authorities appears to have improved recently, and that its operating licence has been renewed, will help reduce concerns that tensions could have an impact on the potential for the OHA-based Android and OMS platforms in the country, particularly among vendors that have committed resources to producing Android devices for the Chinese market,’ added Lau. ‘Nokia’s Symbian devices continue to dominate the market, but other vendors are clearly making good headway with Android in China. Motorola and Samsung, as well as local vendors, such as Dopod, Lenovo and Huawei, are achieving promising volumes on the platform, and Android devices held a 7% share in China this quarter.’ Despite a close relationship with its strategic partner Dopod, HTC, the world’s leading Android device vendor, announced last week that it is entering the Chinese market with its own-branded smart phones. With a population of 1.3 billion, China represents a market with enormous growth potential and

Canalys expects Android to be among the platforms that will drive growth in the coming quarters and years.

Growth in the worldwide smart phone market reflects the increasing importance of smart phones in device vendors' and operators' handset portfolios, as growing numbers of consumers appear eager to engage with mobile applications and connected services. 'Expect to see smart phones accounting for a growing proportion of the wider mobile phone market as they become increasingly affordable to more customers,' said Canalys Senior Analyst, Pete Cunningham. 'By 2013, smart phones will grow to represent over 27% of shipments worldwide, with the proportion in some developed markets in Western Europe surpassing 60% and 48% in North America.'

Canalys' annual smart phone market trends report, now in its ninth successful year, pulls together, in a concise format, qualitative analysis of key market trends, top-level market share and shipment estimates for the leading vendors, comparative analysis of vendors' performance and evaluation of their strengths and weaknesses, and forecasts for future market development. The new Canalys smart phone market trends report is now available. More details can be found at www.canalys.com/services/reports.

Canalys analysts in Asia Pacific, the Americas and EMEA are available for press interviews on topics related to mobile devices and the growing ecosystem for mobile applications and services. To arrange an interview, please send a request to press@canalys.com. Analyst biographies, with photos, are available [here](#).

About the service

The shipment estimates discussed in this release come from the market-leading Canalys Smart Phone Analysis services. Canalys offers services looking at the markets by country in Asia Pacific, North and Latin America, and EMEA. It also provides global market overviews and survey-based analysis of consumer and enterprise attitudes and preferences toward mobile applications, devices and services.

About Canalys

Canalys specializes in delivering high-quality market data, analysis and advice to the world's leading technology vendors. It is recognized as a key provider of continuous advisory services and confidential custom projects for marketing managers and strategists within blue-chip IT, telecoms, navigation and consumer electronics companies. It has unrivalled expertise in routes to market for all kinds of high-technology products and services and provides worldwide market

data and trends analysis. Canalys does not release preliminary, incomplete data and uses consistent definitions and methodologies to ensure total consistency across all of the market data that appears in its services. The company publishes its final market data every quarter for every country tracked simultaneously on the same day.

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