

## **Survey identifies interest in touch-screen PCs**

**– Early opportunities stand out, though mass adoption will take time**

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**For immediate release**

In a recent survey conducted online by Canalys with more than 4,000 PC and mobile phone users across several countries in EMEA, a sizeable minority expressed strong interest\* in having a touch-screen interface on their PC. Respondents with certain characteristics stood out as being likely early adopters that tablet and touch-screen PC vendors should target. Overall, 26% of home desktop PC users and 32% of laptop and netbook users were very interested in having a touch-screen interface on their respective types of PC.

“Previous attempts at bringing tablet PCs to the mass market failed for a multitude of reasons,” said Canalys senior analyst Daryl Chiam. “They were typically expensive, heavy and the pen-driven user interfaces were not seamlessly integrated into the whole user experience. Critically, they lacked compelling applications. Outside of a few occupational niches they brought little benefit. But user expectations and experience, and the underlying technologies, have moved on and it is time for the industry to try again.”

The revolution in the mobile phone industry sparked by vendors using touch-screen, software-centric User Interfaces (UIs) is a key factor influencing PC vendors’ desire to incorporate similar technology in PCs, but Chiam warns against complacency. “A touch screen isn’t a magic wand,” he added. “Our consumer research shows that, while many touch-screen phone users are very satisfied, a considerable proportion – more than 40% – is considering switching to a different UI type for their next phone. This may be down to a vendor’s poor execution, or simply that the things a particular user wants to do are not as easy on a touch screen as on a keypad or keyboard. PC vendors should learn from this – a user that needs the full or specific functionality of a keyboard-centric PC is unlikely to be satisfied with a purely touch-screen UI as a replacement, so ask yourself who your product is aimed at and what the proposition is. And if it is based around content consumption rather than creation, you must make sure you have a role in the provision of that content.”

Canalys points out that with mobile phones typically being replaced every 12 to 24 months, this market is undergoing ‘accelerated evolution’, with innovation in smart phones far outpacing that seen in PCs and other products, such as PNDs. This is also having a dramatic effect on changing user experience and behaviour. “In the 2000s when we talked about the pace of change ‘Internet time’ was the buzz phrase,” said Canalys analyst Tim Shepherd. “In this decade ‘Mobile time’ may well become a more appropriate term, as the Internet companies that were successful in driving change in consumer behaviour focus much more on mobility.”

Canalys' research shows that consumers who have owned a large number of phones, and so have been exposed to different UIs over time, are much more receptive to the idea of touch screens on portable PCs. Those who have owned more than 15 phones in their lifetime are almost twice as likely to be interested in touch screens on netbooks, for example. Apple iPhone users, interestingly, don't show a markedly higher interest in having a touch screen on a desktop or laptop PC, but 61% display strong interest in having one on a netbook-size device – indicative of how their mobile content consumption has evolved already and suggesting that were Apple to launch a new product in this category then it will find a ready market among existing customers.

Regular users of advanced applications on mobile phones also show much higher than average desire for a touch screen in a netbook-size device. Adopters of phone-based IM, navigation or other location services, and viewers of mobile TV or video, for example, are 80-90% more likely to be interested than the average. The way application stores have sprung up for a variety of mobile platforms is another example of how innovation in the smart phone space has been faster than in PCs. These are creating new revenue opportunities for developers and vendors, and greatly advancing what people expect to be able to do on the move. "Expect tablet vendors to take this idea and run with it," added Shepherd. "Having an integrated application, content and service delivery model will be vital to the proposition of this new generation of tablets and touch-screen PCs. Many vendors will find this a challenge, but users have come to expect this now. It was missing from previous attempts at transforming PC user behaviour, but it will make the difference between success and failure this time around."

\* Interest in having a touch-screen PC interface rated at 9 or 10 on a 1 (low) to 10 (high) scale.

## **About Canalys**

Canalys specialises in delivering high quality market data, analysis and advice to the world's leading technology vendors. It is recognised 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.

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