

Media alert: Apple retakes the lead in the wearable band market in Q3 2017

Palo Alto, Shanghai, Singapore and Reading (UK) – Tuesday, 14 November 2017

[Apple retook the lead in the wearable band market in Q3 2017, with shipments of 3.9 million. It posted its strongest quarter so far in 2017, thanks to the release of the Apple Watch Series 3.](#)

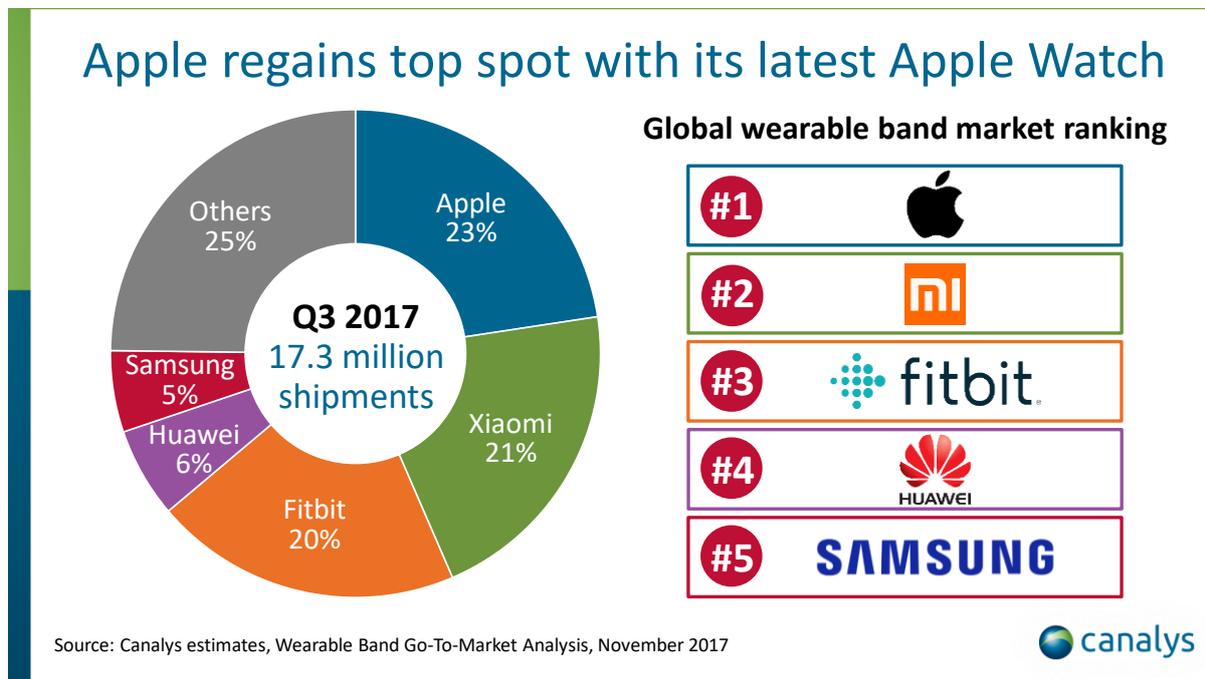
Xiaomi and Fitbit, which shipped 3.6 million and 3.5 million wearable bands respectively, have also bucked the trend of the traditionally weaker Q3 by posting quarter-on-quarter growth. But despite the increase in smartwatch shipments, waning demand for basic bands meant the overall wearable band market fell 2% to reach 17.3 million units.



[Apple retakes the lead in the Q3 2017 wearable band market; vendors expecting stronger Q4 with new smartwatches](#)
<http://tinyurl.com/ybxnh2lt>

“Strong demand for the LTE-enabled Apple Watch Series 3 has dispelled service providers’ doubts about the cellular smartwatch not appealing to customers,” said Canalys Analyst Jason Low. Despite strong shipments, the Apple Watch Series 3 did not reach its full potential in Q3. It suffered

limited availability as demand outstripped supply in major markets. Service providers had underestimated demand for the new Apple Watch. “In China, customers with high expectations are being driven away by the service disruption fiasco in the country. Besides bringing in more stock, operators should work on improving their remote service provisioning systems to cater for the expected higher demand in Q4,” said Low. According to Canalys estimates, 800,000 Apple Watch units shipped in Q3 were cellular-enabled.



Samsung, Apple and Huawei, the top three smartphone vendors by volume in Q3 2017, have positioned smartwatches to complement their premium smartphones. “While health features continue to be the core focus, vendors are striving to increase the value of smartwatches by prioritizing design and highlighting key features,” said Canalys Research Analyst Mo Jia. Smartwatches are vital for improving the overall brand image for smartphone vendors looking to enter the premium segment. “Apple and Samsung are increasing user stickiness and brand loyalty by adopting an ecosystem strategy, which includes wearables and audio accessories. Smartphone vendors must reevaluate their respective smartwatch strategies to derive more value beyond smartphone growth.”

Top vendors seek to drive value with smartwatches



Samsung

One smartwatch for every **23** flagship Galaxy smartphones shipped

Samsung Gear S3 shipments:
0.5 million

ASP: **US\$323**



Apple

One smartwatch for every **seven** iPhone 7/8 series smartphones shipped

Apple Watch shipments:
3.9 million

ASP: **US\$419**



Huawei

One smartwatch for every **14** flagship P and Mate smartphones shipped

Huawei Watch 2 shipments:
0.2 million

ASP: **US\$287**

Source: Canalys estimates, Wearable Band Go-To-Market Analysis, November 2017



Vendors are expecting a stronger Q4 this year, with new smartwatches highlighting improved health-tracking features and longer battery life, on top of better and slimmer designs. Q4 performance will be crucial to assess consumers' reaction toward the emerging trend of fashionable smartwatches that prioritize form rather than function. "Google must show stronger commitment to help Android Wear vendors, which are now mostly watchmakers and fashion brands, to further improve the user experience and app ecosystem. Otherwise, the market will see further consolidation, as vendors such as Apple, Samsung and Fitbit dominate with their watch software platforms," added Low.

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