

Media alert: Huawei overtakes Apple in CEE as Xiaomi rockets into top five

Palo Alto, Shanghai, Singapore and Reading (UK) – Tuesday, 15 August 2017

Samsung led the [smartphone market in Central and Eastern Europe in Q2 2017](#), shipping 4.9 million units, a year-on-year increase of 14%. This was due to strong demand for Galaxy A and J series products, which have been updated this year. The Galaxy S8 has been a strong seller into carriers and retailers, but there are signs that some of these channel players have overestimated consumer demand for Samsung's flagship model.



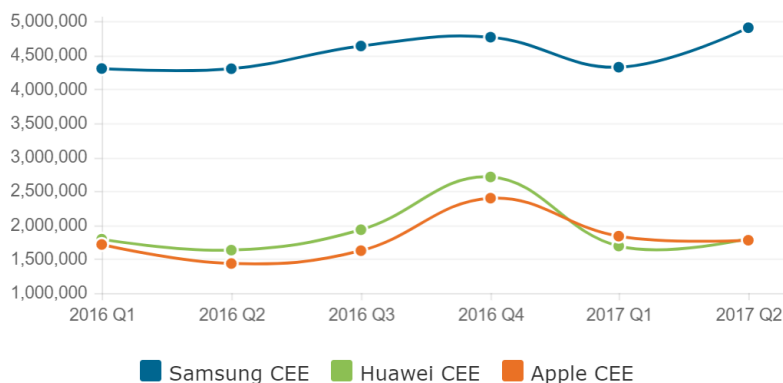
[Huawei retakes #2 spot from Apple in Central and Eastern Europe, shipping 1.8m smartphones - via @Canalys](#)
<http://bit.ly/2vXLb9k>

Huawei retook the number two spot from Apple in Central and Eastern Europe in Q2 2017. It shipped 1.8 million smartphones to take a 12% market share, beating Apple by fewer than 50,000 units. Its strength was in low-to-mid-range products, with the P10 Lite becoming its best-seller in the region.

“Huawei slipped behind Apple briefly in Q1 2017,” said Canalys Analyst Ben Stanton. “Apple did an excellent job of upselling its installed base to the iPhone 7 Plus, whereas Huawei suffered the fallout from its extremely aggressive end to 2016. It built a great deal of channel inventory last year as its sales teams chased a 140-million-unit annual global shipment target. But Huawei is back, growing 11% in Q2 2017. Its inventory has now largely cleared and it is firing on all cylinders.”



Smartphones, units by vendor, Q1 2016 - Q2 2017



Source: Canalys estimates, Smartphone Analysis, August 2017

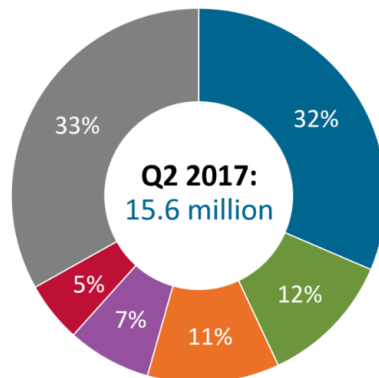
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The stand-out vendor in the quarter was Xiaomi, which rocketed to fourth place, despite only being active in the region for just over a year. It shipped 1.1 million devices into Central and Eastern Europe in Q2 to grab a 7% market share. It has found most success with its budget Redmi range, as markets in CEE remain extremely price-sensitive. Redmi's 4A was its best-seller, with more than 350,000 units shipped in Q2.

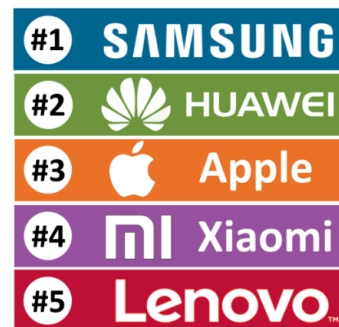
"Xiaomi wants to replicate Huawei's rapid rise," said Canalys Senior Analyst Tim Coulling. "But they are very different companies. Huawei has used its networking business to muscle into carrier portfolios. But Xiaomi works differently, relying on a partnership with Polish distributor ABC Data, which has quickly scaled Xiaomi smartphones into Poland's largest ecommerce platform, Allegro, and major retailers, such as Media Markt, Media Expert and Komputronik. To continue its global expansion, it must avoid litigation by gaining permission to use the appropriate patents. With adequate protection in place, it must then recruit distribution partners that can help it establish the Xiaomi brand in an increasingly commoditized market."



Xiaomi rockets to fourth place in Central and Eastern Europe



Central and Eastern Europe ranking:



Source: Canalys estimates, Smartphone Analysis, August 2017

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Smartphone quarterly estimates, market share information and forecast data is taken from Canalys' Smartphone Analysis service.

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