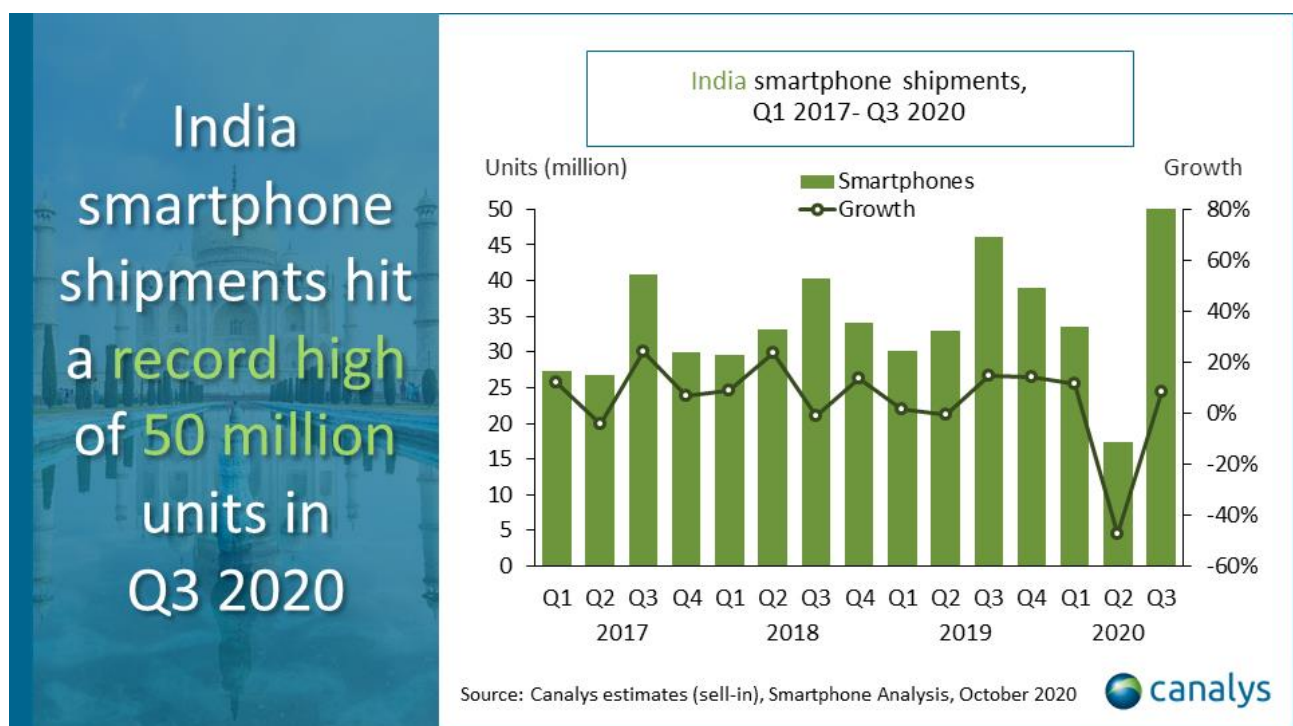


Canalys: India's smartphone market rebounds in Q3 2020 to record high of 50 million

Shanghai (China), Bengaluru (India), Singapore, Reading (UK) and Portland (US) – Thursday, 22 October 2020

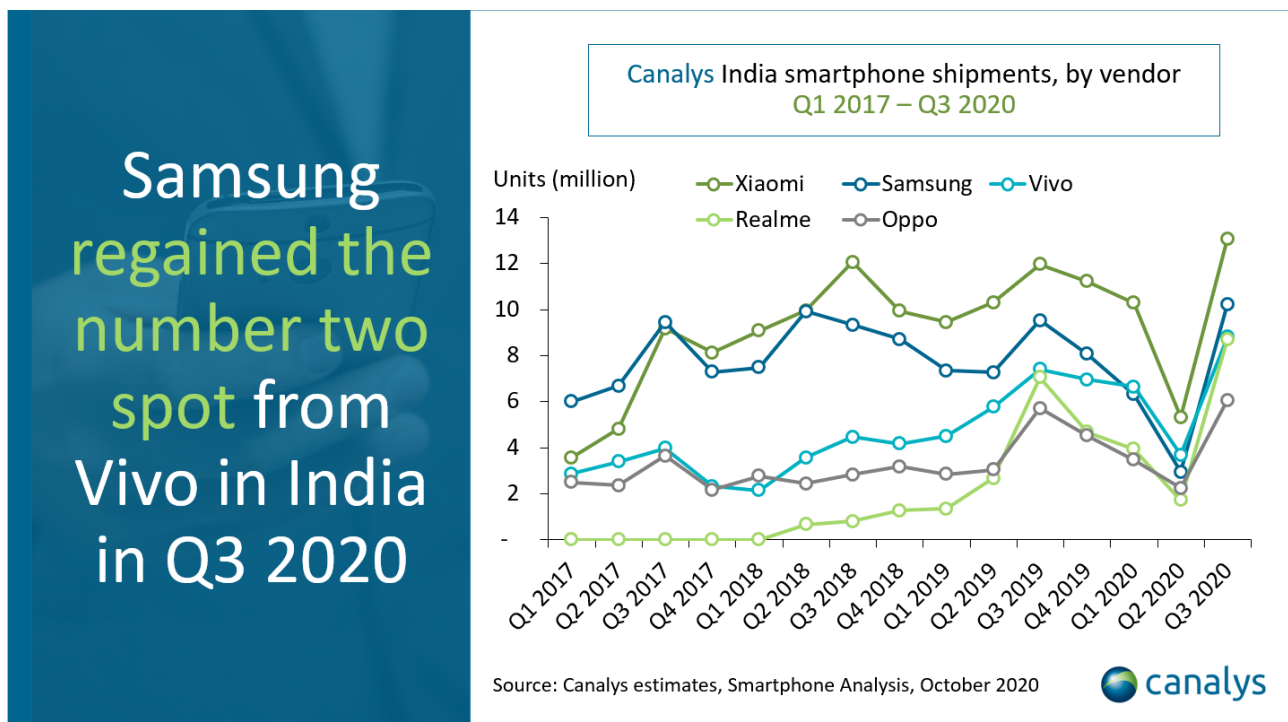
Smartphone shipments in India recovered in Q3 2020, posting 8% growth to 50 million units. This is an all-time record for smartphone shipments in a single quarter in India. Xiaomi remained the market leader, growing 9% to ship 13.1 million units. Samsung regained second place from Vivo, with 10.2 million units, up 7%. Samsung's aggressive product portfolio and pricing strategy in the low-end paid off. Vivo stood third, growing 19% to ship 8.8 million smartphones, while Realme breathed down its neck with 8.7 million units shipped. Oppo completed the top five, shipping 6.1 million units.



“Smartphone vendors are definitely bullish,” said Canalys Analyst, Adwait Mardikar. “The government, slowly but surely reducing restrictions on movement after a three month lockdown, has created the perfect atmosphere for sustained growth. While almost all vendors have shown

positive shipment growth, the true winners are the online channels, who have been buoyed with a huge influx of devices ahead of the festive season. Ongoing sales at Amazon and Flipkart are a clear indication that despite the economic downturn, India’s penchant for a good smartphone, and a good bargain, remains intact.”

“Ongoing tension between India and China has been a hot topic in the past few months, but we have yet to see a significant impact on purchase decisions of mass market customers,” said Canalys Research Analyst, Varun Kannan. Collectively, Chinese vendors comprised 74% of total smartphone shipments this quarter, which has grown from 76% a year ago. “However, the tensions have caused Chinese smartphone brands to act more conservatively in recent months, reducing their marketing spend, and carefully trying to project the image that they are important contributors to, and stakeholders in, the economic future of India.”



Apple regained momentum in India in Q3, with double-digit growth to nearly 800 thousand units. “Apple is finally paying attention to India,” said Canalys Research Director, Rushabh Doshi. “It has opened a direct online store, giving it several new angles in its go-to-market strategy, such as utilizing device trade-ins to provide purchase incentives, or bundling AirPods with iPhones to make them more appealing. However, its new iPhone 12 family will be a tough sell in India this year, as network operators do not yet have the infrastructure for mass market 5G deployment, erasing a

key feature of the devices. Not to forget, Apple’s pricing strategy for its new iPhones in India needs serious consideration.”

Indian smartphone shipments and annual growth

Canalys Smartphone Market Pulse: Q3 2020

Vendor	Q3 2020 shipments (million)	Q3 2020 Market share	Q3 2019 shipments (million)	Q3 2019 Market share	Annual growth
Xiaomi	13.1	26.1%	12.0	25.9%	+9%
Samsung	10.2	20.4%	9.5	20.6%	+7%
Vivo	8.8	17.6%	7.4	16.0%	+19%
Realme	8.7	17.4%	7.1	15.3%	+23%
Oppo	6.1	12.1%	5.7	12.3%	+6%
Others	3.1	6.3%	4.5	9.8%	-31%
Total	50.0	100.0%	46.2	100.0%	+8%

Note: percentages may not add up to 100% due to rounding

Source: Canalys Smartphone Analysis (sell-in shipments), October 2020

“The impact of COVID-19 in India has been a dichotomy of sorts,” added Mardikar. “The lockdown forced most of working India to stay at home and refrain from big-ticket spending on travel, food and beverages, increasing the overall dispensable income. On the other hand, unemployment has risen, impacting the lowest rungs of society most, and affecting the long-term outlook of India’s smartphone market. As much of India remains physically disconnected, the smartphone has increasingly become a necessity not only for social connection, but also for entertainment, education, banking, payment and more. Vendors in it for the long run must acknowledge their responsibility in uplifting the country, and helping India emerge out of COVID-19 as swiftly as possible.”

For more information, please contact:

Canalys China

Nicole Peng: nicole_peng@canalys.com +86 150 2186 8330

Jason Low: jason_low@canalys.com +86 159 2128 2971

Canalys India

Rushabh Doshi: rushabh_doshi@canalys.com +91 99728 54174

Adwait Mardikar: adwait_mardikar@canalys.com +91 96651 38668

Canalys Singapore

Shengtao Jin: shengtao_jin@canalys.com +65 6657 9303

Ishan Dutt: ishan_dutt@canalys.com +65 8399 0487

Canalys UK

Ben Stanton: ben_stanton@canalys.com +44 7824 114 350

Mo Jia: mo_jia@canalys.com +33 785 683 766

Canalys USA

Vincent Thielke: vincent_thielke@canalys.com +1 650 644 9970

Marcy Ryan: marcy_ryan@canalys.com +1 650 862 4299

About Canalys

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