

## Gartner: Device Shipments to Decline Again

Written by Marco Attard  
06 October 2016

---

According to Gartner global combined device (PCs, tablets, ultramobiles and mobile phones) shipments are to decline by -3% in 2016, marking a second consecutive year of decline following the -0.75% drop of 2015.

"The global devices market is not on pace to return to single-digit growth soon," the analyst says. As such growth is set to remain flat during the next 5 years, with all segments declining in 2016 except for the single-digit growth shown by premium ultramobiles and entry-level phones.

**Table 1. Worldwide Devices Shipments by Device Type, 2015-2018 (Millions of Units)**

Device Type	2015	2016	2017	2018
Traditional PCs (Desk-Based and Notebook)	244	216	205	199
Ultramobiles (Premium)	44	49	61	75
<b>PC Market</b>	<b>288</b>	<b>265</b>	<b>266</b>	<b>274</b>
Ultramobiles (Basic and Utility)	196	177	173	173
<b>Computing Devices Market</b>	<b>484</b>	<b>442</b>	<b>439</b>	<b>447</b>
Mobile Phones	1,917	1,887	1,910	1,933
<b>Total Devices Market</b>	<b>2,401</b>	<b>2,329</b>	<b>2,349</b>	<b>2,380</b>

PC shipments are forecast to drop by -8% in 2016 due to a combination of the install base bottoming out and a halting replacement cycle. That said, 2016 also sees the effect of currency depreciation on the market diminish, leading to flat Q2 2016 market growth (-0.9% Y-o-Y) in W. Europe after 4 consecutive quarters of decline.

## Gartner: Device Shipments to Decline Again

Written by Marco Attard  
06 October 2016

---

However Gartner warns the PC market will remain difficult in W. Europe following the Brexit vote. Vendors will mitigate the currency depreciation of the pound by taking advantage of a likely PC component cost drop and "de-feature" PCs to keep prices down. As a result, PC prices in the UK should increase by less than 10% in 2017.

The PC market has at least one hope for at least flat growth in 2017-- business spending, as large companies in mature markets are looking to finally move to Windows 10 through 2018. Meanwhile more affordable hardware and virtual reality content (mainly games) will enable consumers to upgrade in order to experience such immersive offerings.

In the meantime total mobile phone shipments are to decline by -1.6% in 2016. Smartphones should continue growing by 4.5%, to reach 1.5 billion units, in part thanks to Chinese Android device vendors offering more affordable premium devices. On the other hand Apple should expect weaker performance in 2016, as iPhone shipments are to stabilise after a strong 2015, leading to a premium smartphone decline of -1.1%.

"We expect the market for premium smartphones to return to 3.5 per cent growth in 2017, as stronger replacement cycles kick in and in anticipation of a new iPhone next year, which is expected to offer a new design and new features that are attractive enough to convince more replacement buyers," Gartner concludes.

Go [Gartner Forecast Analysis: PCs, Ultramobiles and Mobile Phones, WW 2013-2020 Q3 2016 Update](#)