

IDC: Premium Drives Q3 Tablet Market

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According to IDC Q3 2016 tablet shipments reach 8.2 million in W. Europe-- a -6.7% Y-o-Y decline, with the quarter trending towards the expansion of hybrid/detachable devices and tablets aimed at the commercial market.

In fact, hybrids see solid 48.4% Y-o-Y growth, while the commercial segment is up by 13% Y-o-Y. Hybrids tend to have higher prices, and as a result the number of devices in the €600+ price band sees 66.7% Y-o-Y growth, making 10.6% of the total Q3 2016 market. It also lead to revenue growth of 4.8% Y-o-Y to €2.5 billion, despite the aforementioned shipment decline.

Western Europe Tablets: Vendor Trends

3Q16 (Calendar Year) (000 Units)

Vendor	Unit Shipments 3Q15	Unit Shipments 3Q16	Unit % Share 3Q15	Unit % Share 3Q16	Unit Growth 3Q15 vs 3Q16
Apple	1,961	1,792	22.3%	21.9%	-8.6%
Samsung	2,105	1,676	24.0%	20.4%	-20.4%
Lenovo	620	620	7.1%	7.6%	0.0%
Acer Group	265	418	3.0%	5.1%	57.8%
Amazon.com	151	403	1.7%	4.9%	166.5%
Others	3,682	3,288	41.9%	40.1%	-10.7%
Total	8,785	8,197	100.00%	100.00%	-6.7%

"The increasing penetration of detachables, particularly in the commercial space, is sustaining tablet market value despite the contraction in volume," the analyst says. "The offer available in the market continues to grow, along with enterprises' increasing interest in technologies that fit their mobile strategies. As a result detachables, particularly those with the performance and security to meet enterprise standards, are continuously gaining traction and this is boosting demand for premium devices."

The share of hybrids in W. Europe priced above €600 increased from 26.5% in Q3 2015 to 52.2% in Q3 2016, highlighting a contribution to overall tablet market value.

Meanwhile hybrids account for 21.9% of tablets shipped in Q3 2016, up from 13.8% in Q3 2015. Apple and Microsoft dominate the category, with the iPad Pro and Microsoft Surface accounting for 46.4% of hybrid volume. According to IDC the success of the two devices comes from their position as notebook replacement, as well as overall quality appealing to both enterprise and "prosumer" customers. The two devices also find different use cases, with the iPad Pro being preferred by creatives while the Surface finding use by top executives, thank to Microsoft's strong enterprise legacy.

On the other hand regular tablet shipments are down by -15.5% Y-o-Y, the result of an increasingly saturated market, lack of innovative features in new models and sluggish replacement cycles. These factors strongly affected the consumer market, where the decline reaches -10.8% Y-o-Y.

Windows makes gains in Q3 2016 in terms of OS, taking 3rd place with 12.2% share thanks to the boost in hybrid share. Android takes top spot with 65.9% share, while iOS comes 2nd with 21.9%.

In the vendor rankings, Apple maintains W. European leadership, with strong performance in the consumer segment and strong engagement in the educational market. Samsung follows with some market share loss due to a gradual reduction in entry-level offerings, while 3rd placing Lenovo leverages on a wide portfolio of regular and hybrid devices. Coming in 4th and 5th place are Acer and Amazon, both boosted by seasonality and, in the case of Amazon, boosted entry-level sales through aggressive Kindle pricing.

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