

Tablets taking bite out of PC sales



Worldwide personal computer sales are on track to set a new record this year but tablets like Apple's iPad are taking a bite out of the sector, technology research firm Gartner said Monday.

Worldwide PC sales are forecast to total 352.4 million units in 2010, up 14.3 percent over last year, Gartner said, but down from the firm's previous 2010 PC sales forecast in September of 17.9 percent growth. In 2011, worldwide PC sales are forecast to reach 409 million units, up 15.9 percent over this year but down from Gartner's earlier estimate of 18.1 percent growth next year.

"These results reflect marked reductions in expected near-term unit growth based on expectations of weaker consumer demand, due in no small part to growing user interest in media tablets such as the iPad," Gartner research director Ranjit Atwal said in a statement. "Over the longer term, media tablets are expected to displace around 10 percent of PC units by 2014," Atwal said. Gartner last month said sales of tablet computers like the iPad are expected to soar from nearly 20 million units this year to 55 million next year and over 208 million in 2014.

Apple began selling its iPad in April and a number of other companies have since begun producing the multi-media devices, which can be used to surf the Web, read electronic books, watch video and more.

Raphael Vasquez, research analyst at Gartner, said "PC market growth will be impacted by devices that enable better on-the-go content consumption such as media tablets and next-generation smartphones. "These devices will be increasingly embraced as complements if not substitutes for PCs where voice and light data consumption are desired," Vasquez said.

Gartner said the PC industry was facing a number of challenges. While emerging markets were expected to gain over 50 percent of the total worldwide PC market by the end of 2011, Gartner said, "there is good chance that consumers (in emerging markets) will simply leapfrog PCs and move directly to alternative devices in the coming years."

Gartner said consumers in the United States and Europe were postponing PC purchases because of economic uncertainty but "the bigger issue for PCs in the home market is consumers temporarily, if not permanently, forgoing PC purchases in favor of media tablets."

"Media tablet capabilities are expected to become more PC-like in the coming years, luring consumers away from PCs and displacing a significant volume of PC shipments, especially mini-notebooks," Gartner said. "Media tablets are rapidly finding favor with PC buyers who are attracted to their more-dedicated entertainment-driven features and their instant-on capability," the research firm added.