



Handset upgrades keep consumers buying

The global mobile phone market grew 17.9 percent in the fourth quarter of 2010 as consumers ditched their old phones and opted for one of the many new affordable smartphones appearing in the market.

"Mobile phone users are eager to swap out older devices for ones that handle data as well as voice, which is driving growth and replacement cycles," said Kevin Restivo, senior research analyst with IDC's Worldwide Mobile Phone Tracker.

In the western world there is a strong consumer movement towards smartphones, but in emerging markets low-cost feature phone makers such as China's ZTE are seeing their piece of the pie expand. ZTE performed better than handset makers such as Motorola, Sony Ericsson and Research in Motion (RIM) to claim the number 4 position worldwide for the first time during the quarter.

Consumers in the market for a new mobile phone will continue to be seduced by the extra features found on smartphones in the years to come says IDC. This trend will boost smartphone submarket shipments by 43.7 percent year over year in 2011.

In the Asia-Pacific region low-cost feature phones and high-end smartphones flew off the shelves. Smartphones were exceedingly popular in Korea, accounting for two-thirds of phones shipped during the fourth quarter of 2010. The iPhone 4 HTC Desire, Nokia N8, Samsung Galaxy S and BlackBerry 8520 were Western Europe's top-selling handsets.

Top Five Mobile Phone Vendors and their global market share in 2010

1. Nokia - 30.8%
 2. Samsung - 20.1%
 3. LG Electronics - 7.6%
 4. ZTE - 4.2%
 5. Apple - 4.0%
- Others - 33.2%