

RIM to boost BlackBerry presence in China

December 8 2009



A couple looks at the phones displayed in the window of a mobile phone outlet in Beijing. Research in Motion said it planned to expand the China market for its BlackBerry smartphone to include consumers and small businesses, amid fierce competition in the world's biggest mobile market.

Research in Motion said Tuesday it planned to expand the China market for its BlackBerry smartphone to include consumers and small businesses, amid fierce competition in the world's biggest mobile market.

But analysts warned the BlackBerry would struggle to gain traction in a market where consumers preferred text and instant messaging over BlackBerry's forte, mobile email.

Research in Motion (RIM) said in a statement it was working with China Mobile to introduce the handset to "professional" individuals and small and medium-sized businesses.



It gave no timetable nor did it say how much they would cost.

The Canadian company currently offers the BlackBerry to big businesses through China Mobile, the country's biggest <u>mobile operator</u>.

The handset will be customised to China's home-grown third generation wireless technology, TD-SCDMA, the company said.

However, Shaun Rein, managing director of China Market Research, told AFP: "It's going to be hard for them.

"They are not known as flashy or exciting like iPhones -- what they are known for is good corporate emails ... email is not used as much as in the US."

In a separate deal, RIM said Monday it signed an agreement with Digital China to distribute BlackBerry <u>handsets</u> around the country, the world's biggest mobile market by users.

China had nearly 720 million mobile phone users at the end of September, according to government data.

"The BlackBerry is still a business device -- it is not a consumer device," said Francis Cheung, an analyst with CLSA in Hong Kong.

"And I don't think a BlackBerry is very good for doing Chinese characters. For the consumers, the iPhone will always be preferable compared with <u>BlackBerry</u>."

Rein said RIM had been slow to enter the consumer smartphone market in China and would be competing against several established players with competition intensifying in recent months.



Apple teamed up with <u>China Unicom</u> to launch its iPhone in late October while <u>China Mobile</u> in September unveiled its own thirdgeneration OPhone, powered by the Google-backed Android operating system.

Despite the stiff competition -- and dismal sales of Apple's iPhone -some analysts believe there is room for more players in the Chinese market.

"I think there is still a lot of room to go to get people to use their phones for things other than making phone calls," said Bertram Lai, a Hong Kong-based analyst with CIMB-GK Securities.

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Citation: RIM to boost BlackBerry presence in China (2009, December 8) retrieved 28 April 2024 from <u>https://phys.org/news/2009-12-rim-boost-blackberry-presence-china.html</u>

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