

Rivals benefit as iPhone 4 delayed in S.Korea

July 28 2010, by Park Chan-Kyong



A South Korean dealer holds up an iPhone at a mobile phone shop in Seoul. The latest generation of Apple's best-selling smartphone will make its debut in Asia at the end of July, but the release of the iPhone 4 in South Korea was being delayed, leaving many customers to defect to other rival smartphones, including Samsung's Galaxy S.

With Apple's new iPhone beset by complaints about dodgy reception, the South Korean distributor is struggling to stop customers defecting to rival smartphones after a delay in its local release.

Apple chief executive [Steve Jobs](#) said this month the [iPhone](#) 4 was going on sale in 17 of 18 new markets -- including Hong Kong and Singapore, but excluding South Korea.

The latest generation of the best-selling smartphone will make its debut in the other markets on Friday, but Jobs said at the time it would "take us a little longer to get government approval" in South Korea.

His remarks sparked concern among tech-savvy South Koreans, who still remember the regulatory barriers that kept the previous version of the iPhone out of the country for more than two years.

After finally hitting the local market eight months ago, its sales have soared to more than 800,000.

Apple's local spokesman Steve Park confirmed the [iPhone 4](#) introduction in South Korea was being delayed for a while.

"Our customers have made the iPhone the top selling smartphone in Korea and we are working very hard to bring them iPhone 4 as soon as possible," he told AFP Tuesday.

KT Corp., Apple's South Korean partner, said the delay was needed for further testing.

Spokesman Ham Young-Jin said the new phone could be released here within a month or two but flatly denied there were any government regulatory barriers.

"We're still carrying out testing before applying for government approval," he said.

The delay, which comes as Apple battles to reassure customers worried about reception issues with the new iPhone, is bringing a windfall to rivals such as [Samsung Electronics](#), LG and Pantech.

"Many customers who have been weighing which smartphones they

should buy are turning to Samsung's Galaxy S as the release of iPhone 4 is being delayed," said John Park of Daishin Securities.

Samsung said it had sold 500,000 Galaxy S phones in [South Korea](#) alone in the 33 days since it went on sale in the [local market](#).

SK Telecom, South Korea's largest mobile service provider and exclusive seller of the Galaxy S, said an average 20,000 handsets were now being sold every day.

"We believe sales of the Galaxy S will hit more than a million units here by around Chuseok" harvest holiday starting September 22, Bae Jun-Dong, a senior vice president at SK Telecom, told journalists Monday.

South Korea's mobile phone market is one of the world's most vibrant, with 45 million users in a population of 49 million. But smartphones have a relatively small share, implying huge growth potential.

Samsung is the world's number two maker of mobile phones after Finland's Nokia, controlling 20 percent of the market.

But when it comes to smartphones, it ranks just fifth in the global market with a share of five percent, according to the JoongAng Daily.

Galaxy S is the brainchild of a 40-member task force Samsung set up in February 2008 to devise strategies to tackle the smartphone market.

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