

Prices under pressure as global smartphone sales slow

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Market tracker IDC said in its updated forecast that worldwide smartphone shipment growth will slow to 19 percent in 2014, and into single digits by 2017, after a strong 39 percent advance in 2013.

IDC forecast [sales](#) of 1.2 billion smartphones in 2014, but with little growth in mature markets like North America and Europe which are near saturation, and a possible contraction in Japan.

That means most of the growth will be in emerging markets, where consumers will be looking for low-cost smartphones.

IDC's Ryan Reith said 2014 will see "rapidly declining price points, creating challenging environments in which to turn a profit."

Average selling prices are expected to drop from \$335 in 2013 to \$260 by 2018.

"In order to reach the untapped demand within emerging markets, carriers and (manufacturers) will need to work together to bring prices down," said IDC's Ramon Llamas.

"Last year we saw a total of 322.5 million smartphone units ship for under \$150 and that number will continue to grow going forward. We've already seen numerous [smartphone](#) announcements targeting this priceband this year, with some as low as \$25."

IDC sees Android holding its dominant position with more than 75 percent of global sales into 2018, and Apple remaining second with a market share near 15 percent.

The research firm said the biggest gains are likely to be in Windows Phone, seen as picking up to seven percent from 3.9 percent in 2014.

BlackBerry's [market share](#) is expected to be just one percent in 2014 and 0.3 percent by 2018, IDC said.

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