

Smartphone market still growing as prices fall

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A display of smartphones is seen in Las Vegas, Nevada, on January 7, 2014

Global smartphone sales will jump 23 percent this year to more than 1.2 billion units, fueled by growth of low-cost handsets in emerging markets, a research firm said Wednesday.

An IDC survey said smartphone sales will maintain an annual growth rate of 12.3 percent through 2018.

Much of the growth is coming from low-cost devices using the Android operating system, with Apple's [market share](#) eroding, Microsoft Windows making modest gains and BlackBerry fading further, IDC said.

"What makes smartphone growth so amazing is where the growth will be taking place," said Ramon Llamas, an IDC analyst.

"Smartphone shipments will more than double between now and 2018 within key emerging markets, including India, Indonesia and Russia. In addition, China will account for nearly a third of all [smartphone](#) shipments in 2018."

IDC said it expects the average selling price of smartphones to drop this year to \$314 from \$335 in 2013, and to keep declining to \$267 by 2018.

The research firm said it expects Android to remain ahead of the pack with an 80.4 percent market share in 2014, and to lose a modest amount of ground to Windows over the coming years.

Apple's iOS market share is forecast to drop from 14.8 percent in 2014 to 13.7 percent in 2018, suggesting growth in some markets, despite Apple's lack of low-cost units.

IDC said Windows Phone is slowly gaining traction and that its market share will rise from 3.5 percent this year to 6.4 percent by 2018.

The report said BlackBerry's market share will be less than one percent this year—0.8 percent, and keep dropping to 0.3 percent in 2018.

"The question of whether BlackBerry can survive continues to surface," the IDC report said. "The only way the company will be viable is likely through a niche approach based on its security assets."

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