

Xiaomi beats Samsung in Chinese smartphone market

August 5 2014, by Youkyung Lee

Xiaomi, a Chinese handset maker little known in the West, overtook tech giant Samsung Electronics Co. to become China's top-selling smartphone brand in the second quarter, a market research company said Tuesday.

According to Canalys, Xiaomi sold 15 million smartphones in China during the second quarter, more than a three-fold surge from a year earlier. It surpassed Samsung, which had the leading position in China for more than two years, as well as local brands such as Lenovo and Huawei.

During the April-June period, Samsung's China smartphone sales decreased to 13.2 million units from 15.5 million a year earlier. Lenovo trailed Samsung by a margin of 2 million units.

Xiaomi is little known in Europe or in North America because it sells nearly all of its smartphones in mainland China. But strong growth in China alone was enough to vault Xiaomi to a top five position among the world's smartphone makers from nowhere the previous year.

Last week, another market research firm Strategy Analytics said Xiaomi became the world's fifth-largest smartphone vendor for the first time in the second quarter, surpassing LG Electronics Inc.

Canalys said China was the world's largest smartphone market during the second quarter, with nearly four in every 10 smartphones sold there.

Jingwen Wang, an analyst at Canalys, said Xiaomi's rise was thanks to its competitive prices and focus on its own mobile software known as MIUI.

Samsung reported last week its lowest quarterly profit in two years for the second quarter, partly blaming a slowdown of cheap smartphone sales in China. Samsung said it faced higher competition from local brands and weaker demand for its 3G handsets as Chinese consumers shifted to 4G smartphones.

Samsung and Apple Inc. were the only non-Chinese vendors among the top 10 [smartphone](#) brands in China. Apple sold 6.8 million iPhones in the second quarter, up 58 percent from over a year earlier, Canalys said.

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Citation: Xiaomi beats Samsung in Chinese smartphone market (2014, August 5) retrieved 20 May 2024 from <https://phys.org/news/2014-08-xiaomi-samsung-chinese-smartphone.html>

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