

Smartphone market seeing steady growth, as bigger screens rule

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A survey shows consumers increasingly buying large-screen smartphones or "phablets," fueling growth in the sector

The global smartphone market is expected to see steady if unspectacular growth in the next few years, as consumers turn increasingly to large-screen handsets known as "phablets," a market tracker said Wednesday.

A report by the research firm IDC said phablets—with displays larger

than 5.5 inches (14 centimeters)—will account for some 40 percent of the 1.5 billion smartphones sold in 2017, and that the phablet share will rise to more than half by 2019.

The overall [smartphone market](#) is on a modest growth pace of around three percent that will boost global sales to 1.7 billion by 2021, according to IDC researchers.

But growth is coming from the large-screen devices as sales dip for conventional handsets with displays of 5.5 inches or less, IDC said.

"In 2012, phablets were just one percent of smartphone shipments and now they are approaching 50 percent of the market just a few years later," said Ryan Reith, an IDC analyst.

"Consumers continue to consume more video entertainment, gaming, social media, and other data-heavy applications on their smartphones making the display size and type a critical factor in smartphone buying decisions," Reith added.

IDC said iPhone buyers are following this trend, with the larger-screen Apple handsets to account for 41 percent of sales volume in 2017 and 50 percent or more in 2018.

IDC said the large-screen and "premium" devices entering the market are likely to boost the average price of smartphones.

"There is no doubt that 2017 gave birth to the new ultra high-end segment of the [smartphone market](#)," said Anthony Scarsella, an IDC research manager.

"The latest flagship devices from Samsung, Apple, Google, LG, and others has pushed the high end to the \$850-plus level for the first time.

Despite these price hikes, consumers look as if they are willing to swallow the cost just to have the latest and greatest [device](#) in their pockets."

Average selling prices for smartphones are expected to rise to \$317 by 2021, up from \$282 in 2016.

IDC estimated the market share for Android-powered devices to be 85.1 percent this year, and mirror the overall market over the next few years to hit 85.3 percent by 2021.

The market share for Apple is estimated at 14.8 percent in 2017, and seen slipping to 14.6 percent by 2021, IDC said.

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