

Apple plans largest iPhone ever and a cheaper alternative, report says

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Looking for an iPhone later this year? Apple wants to cover your needs, whatever those may be.

Apple is planning to introduce a trio of new iPhone models, continuing its trend of multiple models released in the same calendar year to cover all bases and maximize iPhone sales. The planned trio will include the largest iPhone model ever, with a screen of around 6.5 inches; the update to the deluxe iPhone X; and a cheaper alternative, which includes some iPhone X features, according to Bloomberg.

In 2017, Apple unveiled the iPhone 8 and 8 Plus—the latest iterations of past iPhone models—and the iPhone X, with a bezel-less front screen, [facial recognition](#) and wireless charging.

Despite the media hype surrounding the iPhone X, Apple saw a disappointing debut for its iPhone sales last quarter. In its latest earnings report, Apple said it sold 77.3 million iPhones in the final quarter of 2017, down 1 percent from the prior year.

However, Apple's increased average selling price of iPhones—most notably with the iPhone X starting at \$999—generated 13 percent more revenue last quarter than in the same period a year earlier. The increase in smartphone revenue netted Apple a record 51 percent of global smartphone revenue share, accounting for more revenue than the rest of the entire industry combined, according to Boston-based analytics firm Strategy Analytics.

All three of Apple's new phones will have an updated operating system, likely called iOS 12, according to Bloomberg. They will include upgraded augmented reality capabilities through Apple's ARKit platform, deeper integration of Siri voice assistant and digital health monitoring, Bloomberg reported.

The large iPhone model, codenamed D33, is Apple's attempt to appeal to consumers looking for the multitasking abilities of the phone-tablet hybrids called phablets, according to Bloomberg.

Apple also plans to use OLED screen technology—which gives the iPhone X better resolution on lower battery consumption—and to include facial recognition technology known as Face ID, Bloomberg reported.

Apple's reported decision to create a large, bezel-less phone with a screen of around 6.5 inches is a smart move, especially in burgeoning markets in Asia, said Rob Enderle, president of tech research firm the Enderle Group. After providing screen sizes only as large as 5.5 inches in the past, Apple's planned 6.5-inch iPhone would directly compete with other giant smartphones from rival Samsung, like the recently unveiled Galaxy S9 Plus (6.2-inch screen) or the currently available Galaxy S8 Note (6.3-inch screen.)

The new lower-cost model, like iPhone X, will include bezel-less front screens and Face ID, but will not come with OLED screens, according to Bloomberg.

Analysts believe the lower-cost model is a reasonable approach after a disappointing sales performance by iPhone 8 and iPhone X in their first quarter and a general slowdown in the saturated smartphone market worldwide.

"It's a logical step for Apple to take to in 2018," said CCS Insights analyst Geoff Blaber. "We can't get away from the fact that phones are more expensive and the cost is becoming more visible to the consumer, and that is having an impact on consumers."

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