

Post-pandemic decline hits wearables segment

Article

The news: Global wearables sales fell 6.9% YoY in Q2 2022, with demand declining due to inflation, fears of a recession, and consumer austerity, [per](#) IDC.

A maturing segment: The benefits of wearables like smartwatches for health and fitness tracking have resonated with consumers and medical professionals alike. Before the decline, smartwatch demand was [growing](#) by a record 13% YoY.

The wearables segment is now coming out of that period of hyper-growth, per the IDC. The pandemic fueled focus on health and fitness, especially for remote workers, who saw

smartwatches as essential but are challenged by current economic realities.

- Competition in smartwatches was expected to intensify with **Google, Samsung, and Fitbit's WearOS** consortium fielding new models.
- Market leader **Apple** recently expanded its **Apple Watch** offerings across a range of price points, from \$249 to \$799. "There seems to be a watch available for everyone," said **Jitesh Ubrani**, research manager for IDC mobility and consumer device trackers.
- Recent wearables health tracking features include blood oxygen sensors, ECG, high and low heart rate notification, and temperature sensing to support cycle tracking and ovulation.
- **90% of wearables owners use them to track fitness and monitor health**, particularly to count steps per day (64%), derive motivation to exercise (36%), and track weight loss (27%), per Deloitte's Connectivity and Mobile Trends Report that polled 2,005 US consumers.

More than a step tracker: Fifty-five percent of device owners share their data with medical providers through apps, in-person visits, or text and email.

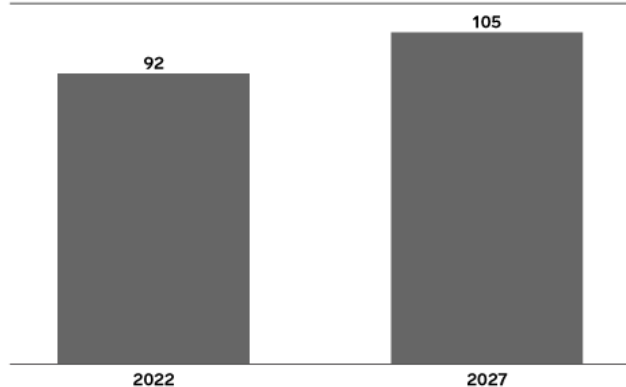
- The data indicates wearables could be helping providers inform their treatment plans.
- "Whether it's a wearable or not, just collecting data from home, I'm making my patients healthier," said **Richard Milani**, MD, chief clinical transformation officer at **Ochsner Health System** in New Orleans, in an interview with Signals.

What's next? New features and innovation have slowed—the latest **Series 8** Apple Watches use the same system on a chip (SoC) as Series 6 and Series 7 devices. A lack of significant updates means consumers will hang on to older devices longer.

- "Cooling demand will force companies to further differentiate themselves," noted **Ramon T. Llamas**, research director for mobile devices and AR/VR at IDC.
- Expect to see increased separation between basic health-focused smartwatches aimed at children and families like the **Apple Watch SE**, and fitness and sport activity models like the **Apple Watch Ultra**.
- There are opportunities for sub-\$200 wearables, **Android**-compatible devices, and non-watch trackers to attract new users.

Wearable Fitness/Activity Tracker Shipments Worldwide, 2022 & 2027

millions



Note: excludes smartwatches

Source: ABI Research, "Mobile Accessories and Wearables Market Share and Forecasts" as cited in press release, Aug 11, 2022

277200

InsiderIntelligence.com

This article originally appeared in Insider Intelligence's Connectivity & Tech Briefing—a daily recap of top stories reshaping the technology industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.

- Are you a client? [Click here to subscribe.](#)
- Want to learn more about how you can benefit from our expert analysis? [Click here.](#)