

Mobile Phone Shipments Are Down Worldwide amid Coronavirus-Related Supply Chain Disruptions

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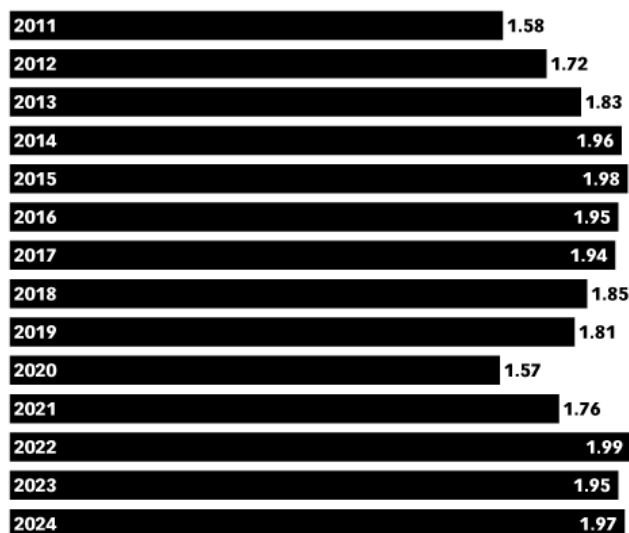
Nina Goetzen

Mobile phone supply chains are beginning to rebound after weeks of manufacturing delays due to the coronavirus—but shipments are still down, and are expected to remain down through 2021.

Early April estimates from [CCS Insight](#) found that the number of mobile phone shipments worldwide will fall to 1.57 billion this year, down from 1.81 billion in 2019. Mobile shipments have been declining since 2015 due to factors like high market penetration, price increases and overall economic uncertainty, but the decline in 2020 is expected to be much steeper, with overall shipments projected to fall to pre-2011 levels.

Coronavirus Impact: Mobile Phone Shipments Worldwide, 2011-2024

billions



Note: forecast takes into account COVID-19 reporting as of April 1
Source: CCS Insight as cited in company blog, April 2, 2020

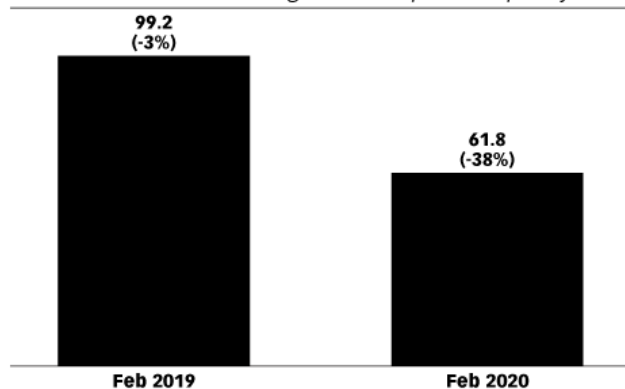
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Research from [Strategy Analytics](#) shows that there was already a sharp drop in units shipped in February, 38% year over year, with 61.8 million units shipped in 2020 compared with 99.2 million units in 2019.

Impact of the Coronavirus on Smartphone Shipments Worldwide, Feb 2019 & Feb 2020

millions of units and % change vs. same period of prior year



Source: Strategy Analytics, "Global Smartphone Monthly Shipments in 2020" as cited in press release, March 20, 2020

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Companies may have been hit hardest in February at the peak of the coronavirus crisis for countries that rely heavily on manufacturing:

Apple was forced to temporarily close its China factories that month, and though Samsung relocated its factories to India and Vietnam, its reliance on China for supplying components caused production problems, as well. But new COVID-19 cases in China have been in decline since then, and Apple was able to reopen its factories by the end of the month, albeit not at full capacity.

However, there may be a bright spot: Even though phone shipments are down worldwide, **time spent on mobile devices has increased** as people spend more time at home using digital devices. Still, given that the global economy is expected to be recovering well into 2021, a complete rebound for the industry likely won't come until later.