

Demand for Chromebooks is down by 50% as the pandemic eases need for remote work and learning

Article

The news: Chromebook demand is plummeting compared to a year ago, which could indicate overall sales slowdown in the PC market heading into 2022 per TechRadar.

Why it's worth watching: A new [report](#) from Trendforce says that demand for Chromebooks has plummeted by 50% in the second half of the year—likely reflecting the greater slowdown affecting the [entire PC industry](#).

Leading Chromebook manufacturers like **Samsung** — which grew **2,333%** selling 1.2 million Chromebooks in Q1 2020 — are certain to feel the brunt of the sudden demand downturn. The chip and component shortage, higher vaccination rates, and the return to the physical workplace and schools are some of the key reasons cited for the slowdown.

- Chromebooks saw a tremendous **275% YoY** growth in Q1 2021 per Canalys. That demand has since plummeted significantly.
- Trendforce still expects **36 million** Chromebook unit sales for 2021 in light of waning demand. Overall laptop shipments will see a **16.4% YoY increase** or a total of **240 million unit sales**.
- The FCC's **\$7.17 billion [Emergency Connectivity Fund](#)**, which was released in July to fund the purchase of notebooks, tablets, and network connectivity for schools and libraries, could buoy demand for laptops and Chromebooks into the next year.

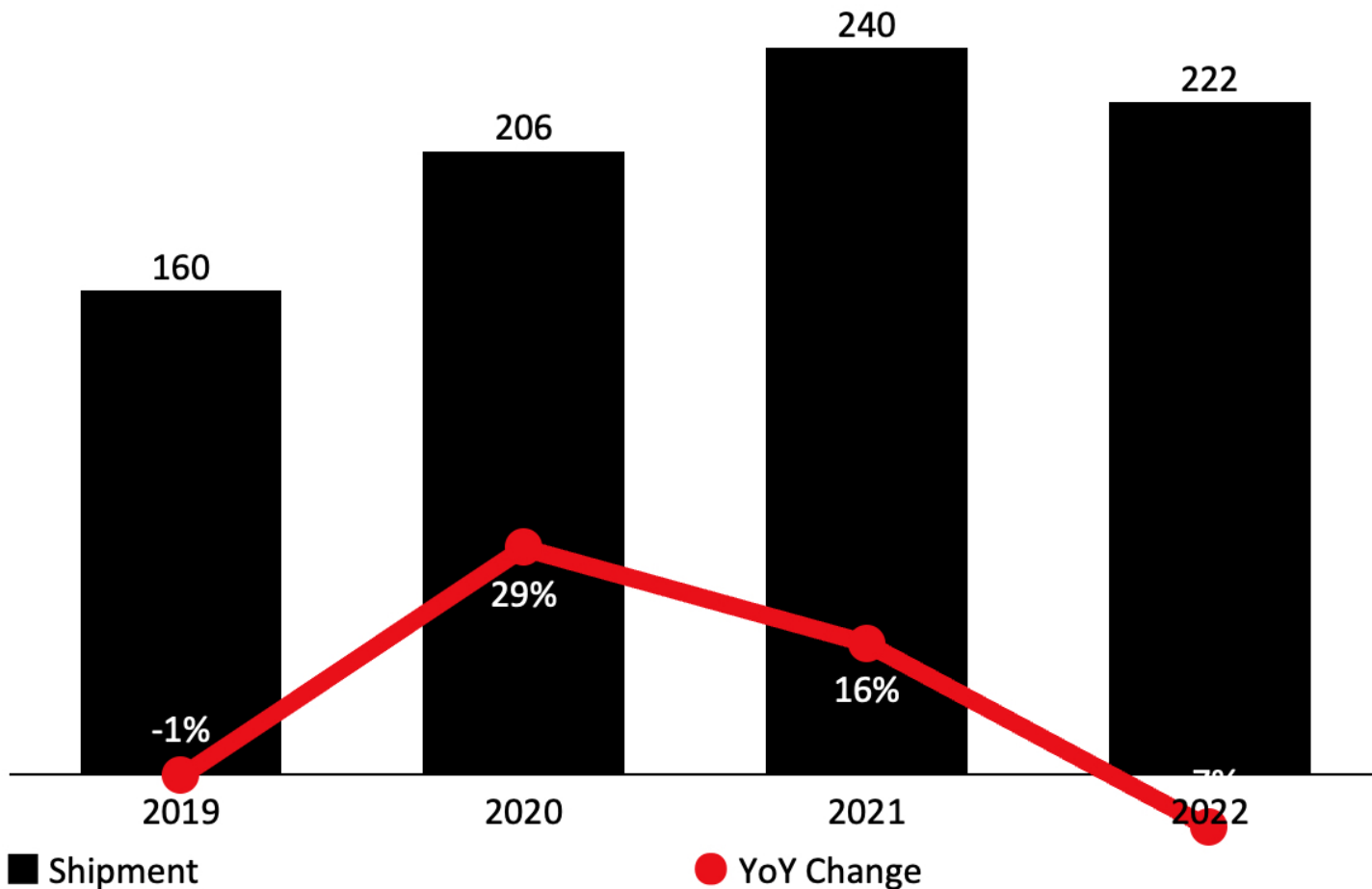
What's next? While deceleration in PC demand was expected as vaccination rates increased and schools and offices reopened, the 50% drop in Chromebook demand could be an indicator of a longer-term trend heading into 2022.

This could adversely affect manufacturing, which is also compounded by the various chip and component shortages.

- PC makers now have to tamp down their sales expectations, adjust their supply chains, and fine-tune their output for the coming year.

Annual Notebook Shipments, 2019-2022

(Unit: Million)



Source: Trendforce, Sep. 2021

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