

Smartphone shipments to reach 1.37 billion in 2021 fueled by premium 5G handsets

Article

The news: Roughly 1.37 billion smartphones will ship in 2021, and 570 million of them will be 5G-ready, per IDC, which predicted shipment growth of 7.4% YoY but noted that “2021

shipments have managed to display minimal growth compared to 2019 (pre-pandemic) volumes.”

What this means: The report indicates a steady rise in smartphone production despite the challenges from the [global chip shortage](#) and, more recently, surging cases of COVID-19 shuttering factories and affecting production in various countries.

- The report said Apple’s iPhone sales are expected to jump **13.8%**, outpacing rival Android’s **6.2%** growth.
- Premium smartphone demand hasn’t abated—shipments of devices priced \$1,000 and above grew **116% YoY** compared with Q2 2020.
- Premium 5G device shipments are the primary driver of 2021 growth—**cheaper 4G device sales are down 30% YoY**.

The bigger picture: The world’s largest smartphone markets are China, the US, and Western Europe, and sales in these regions are still down from 2019. Growing markets like India, Japan, the Middle East, and Africa are responsible for fueling 2021’s smartphone recovery.

- **Xiaomi**, now the world’s No.1 smartphone maker, built its success on entry- and mid-range smartphones and notched staggering **83% YoY** growth in 2021 thanks to strong sales in Western Europe, Africa, and Latin America.
- Like **Oppo**, **Vivo**, and other growing Chinese smartphone vendors Xiaomi wants to [expand](#) into the premium 5G market to sustain 2021 growth.
- Despite the outlook pointing to a surge of 5G smartphones, the majority of US adults said they don’t intend to upgrade to 5G, mostly because of [higher prices](#) and a [lack of interest](#) in the technology.

What’s next? With a large share of the 1.37 billion smartphones coming to market in 2021 being 5G devices, the pressure is on service providers and carriers to expand 5G coverage to support the deluge of 5G-capable smartphones.

Worldwide smartphone shipments and growth: Q2 2021

Samsung



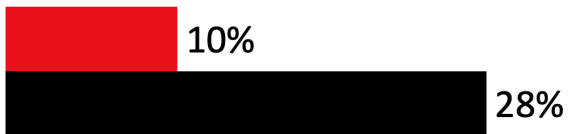
Xiaomi



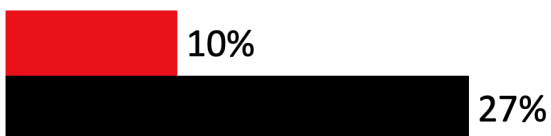
Apple



Oppo



Vivo



■ Share

■ Growth

Source: Canals Smartphone Analysis, July 2021

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