



Mobile devices and distribution channels in developed Asia–Pacific: consumer survey



Oliver Bruff

About this report

This report provides an analysis of the trends in device adoption among smartphone users in developed Asia-Pacific (DVAP). It uses consumer survey data to assess the distribution channels, spend and replacement cycles for handsets.

The survey was conducted in association with Dynata between August and September 2021. The survey groups were chosen to be representative of the internet-using population in Australia, New Zealand and South Korea. We set quotas on age, gender and geographical spread to that effect. There were at least 1000 respondents per country.

KEY QUESTIONS ANSWERED IN THIS REPORT

- How long are consumers keeping their smartphones for and how is this changing overtime?
- How well do operators perform as smartphone sales channels, and how important are digital sales channels?
- Which smartphone vendors are succeeding in each country and how is this changing overtime?
- How does consumers' demand for mobile services impact operators' ability to upgrade them to 5G handsets?



GEOGRAPHICAL COVERAGE

Developed Asia-Pacific (DVAP):

- Australia
- New Zealand
- South Korea



WHO SHOULD READ THIS REPORT

- Operator-based strategy executives and marketing managers who are interested in understanding consumer market trends, the role of operators as smartphone distribution channels and the impact of differing approaches to pricing in the market.
- Equipment/device manufacturers and software providers that want to identify end-user trends in device usage and help their operator customers to improve their ability to address market opportunities.
- Telecoms operators that are searching for new revenue sources and/or are interested in partnering with smart device producers or in launching their own smart device propositions.

Executive summary

The average handset lifetime in developed Asia-Pacific is increasing, which will reduce handset sales in developed countries.

Average handset lifetime has increased year-on-year in every country surveyed. Further increases in the handset lifetime will lead to slower growth in handset sales in developed Asia-Pacific, where market saturation means that handset sales are driven by handset replacements, instead of first time purchases.

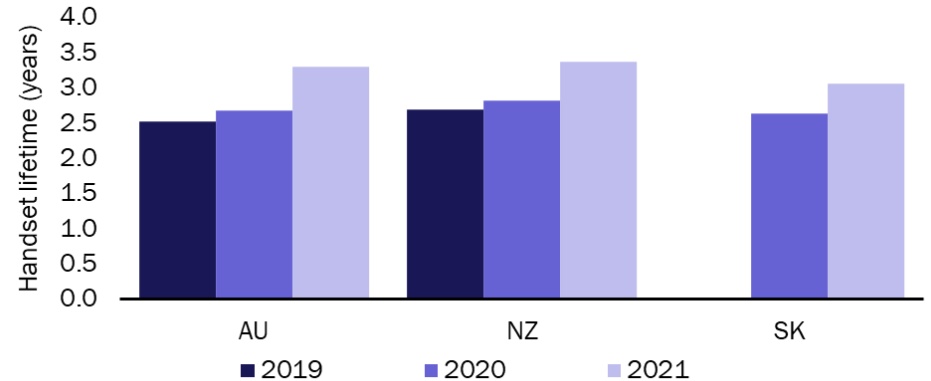
Apple and Samsung remain the most-popular handset brands in New Zealand and Australia, but Korean brands currently dominate the South Korean market.

Operators account for most smartphone sales in developed Asia-Pacific, but their market share is decreasing.

Over half of all handsets were purchased through operator-owned distribution channels in DVAP in 2021. However, this figure is lower than it was in 2020. Operators are losing market share to third-party physical stores and should focus on developing e-commerce opportunities.

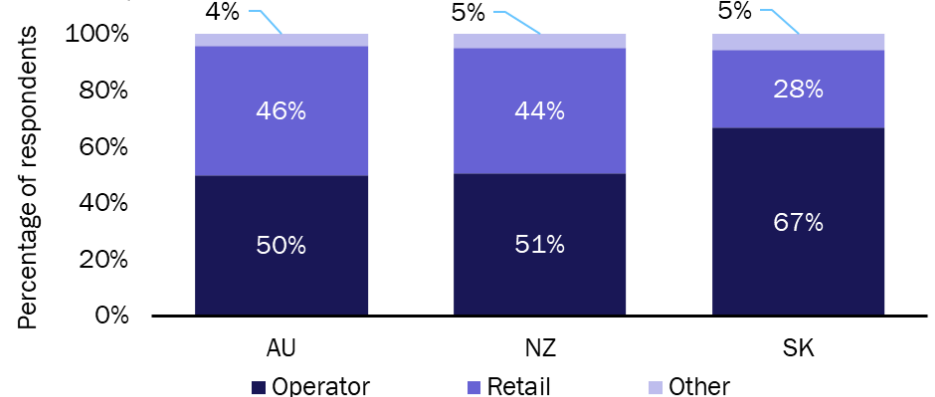
Similarly, operators in DVAP had a greater market share of 5G handsets compared to handsets of previous generations, but pre-5G handsets continued to dominate new smartphone sales in Australia and New Zealand.

Figure 1: Average expected handset lifetime by country, developed Asia-Pacific, 2019-2021^{1,2}



Source: Analysys Mason

Figure 2: Handset sales channels by country, developed Asia-Pacific, 2021¹



Source: Analysys Mason

¹ Please refer to the methodology and panel information section for the sample size and relevant survey questions.

² Please refer to the appendix for an explanation of how we calculated handset lifetime



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Methodology and panel information

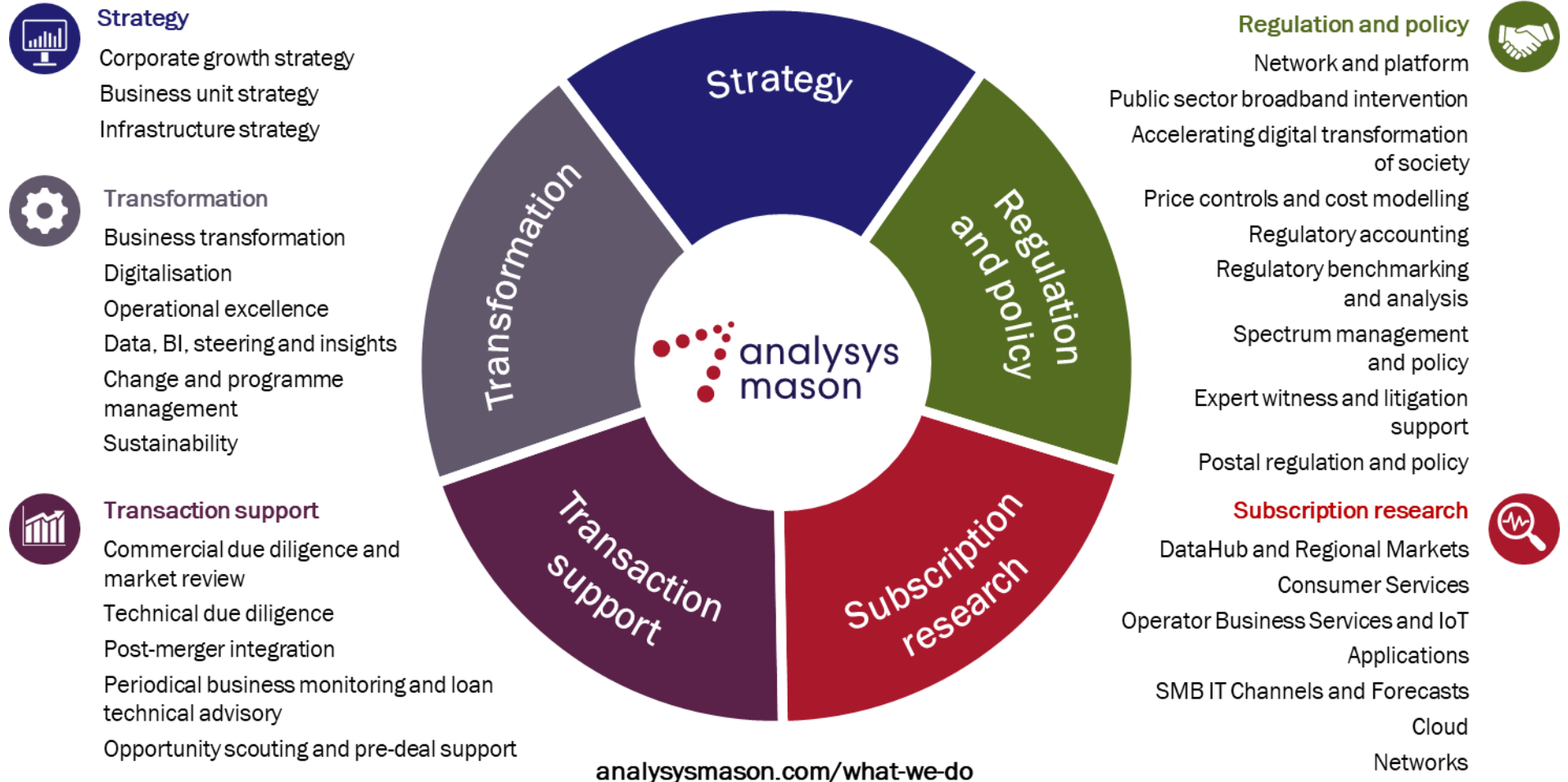
About the author and Analysys Mason

About the author







Oliver Bruff (Research Analyst) is a Research Analyst based in Analysys Mason's London office. He holds a BSc with honours in economic history with economics from the London School of Economics and Political Science, where he also worked as a research assistant.

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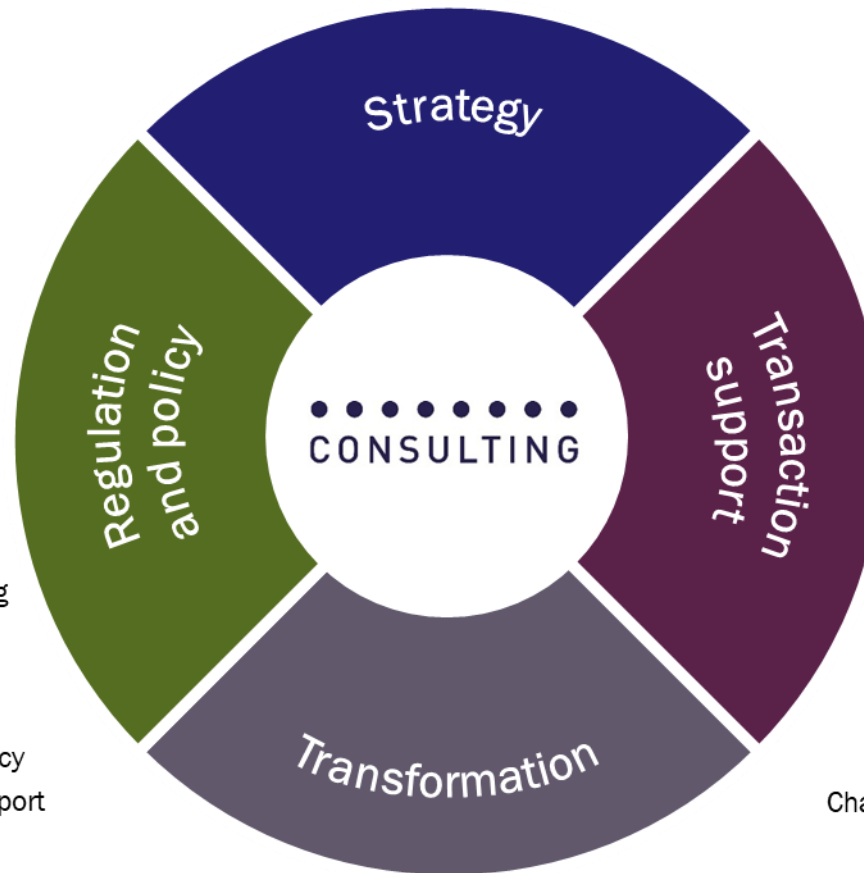
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