Gartner

# Press Release

FOR IMMEDIATE RELEASE

## Gartner Says Worldwide PC Shipments Declined 6.9 Per Cent in Fourth Quarter of 2013

***In 2013, Global PC Shipments Suffered the Worst Decline in PC Market History, But Analysts Say Industry Has Bottomed Out***

STAMFORD, Conn., 9 January, 2014 — Worldwide PC shipments totalled 82.6 million units in the fourth quarter of 2013, a 6.9 per cent decline from the fourth quarter of 2012, according to preliminary results by Gartner, Inc. This is the seventh consecutive quarter of shipment decline.

"Although PC shipments continued to decline in the worldwide market in the fourth quarter, we increasingly believe markets, such as the US, have bottomed out as the adjustment to the installed base slows," said Mikako Kitagawa, principal analyst at Gartner. "Strong growth in tablets continued to negatively impact PC growth in emerging markets. In emerging markets, the first connected device for consumers is most likely a smartphone, and their first computing device is a tablet. As a result, the adoption of PCs in emerging markets will be slower as consumers skip PCs for tablets."

HP and Lenovo have been virtually neck and neck for the top global position in the PC market throughout 2013. Lenovo took the lead in the fourth quarter, as it did last quarter, accounting for 18.1 per cent of global PC shipments. Lenovo's victory over the top position became apparent in 4Q13. Lenovo showed strong growth in all regions, except Asia/Pacific, where China continued to be a problematic country for the company. HP experienced a shipments decline of 7.2 per cent in the fourth quarter. US and Latin America were two regions where HP could not increase its shipments, and it experienced a steeper decline compared with the regional average (see Table 1).

**Table 1**
**Preliminary Worldwide PC Vendor Unit Shipment Estimates for 4Q13 (Units)**

| Company | 4Q13 Shipments | 4Q13 Market Share (%) | 4Q12 Shipments | 4Q12 Market Share (%) | 4Q13-4Q12 Growth (%) |
|---|---|---|---|---|---|
| Lenovo | 14,932,408 | 18.1 | 14,005,093 | 15.8 | 6.6 |
| HP | 13,592,600 | 16.4 | 14,642,581 | 16.5 | -7.2 |
| Dell | 9,773,821 | 11.8 | 9,205,892 | 10.4 | 6.2 |
| Acer Group | 6,474,738 | 7.8 | 7,703,752 | 8.7 | -16.0 |
| ASUS | 5,399,000 | 6.5 | 6,661,483 | 7.5 | -19.0 |
| Others | 32,461,044 | 39.3 | 36,509,123 | 41.1 | -11.1 |
| **Total** | **82,633,610** | **100.0** | **88,727,923** | **100.0** | **-6.9** |

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad. Data is based on the shipments selling into channels.
Source: Gartner (January 2014)

Dell continued to maintain the third position and accounted for 11.8 per cent of the market. With the completion of the leveraged buyout, Dell has redefined its strategic focus onto its PC and device businesses. Dell's focus is now beyond its traditional strength in the professional PC market; its focus is now also on consumer PCs, particularly in emerging markets.

Acer and Asus's ranking remained unchanged compared with a year ago. Both companies have more focus on tablets, and their fourth-quarter results clearly proved their strategic focus. Ms Kitagawa said Acer has established a strong position in the Chromebook market, while Asus has built a solid reputation as a tablet vendor. PCs are still strategic products for both companies, but share gain is not the top priority for them.

In the US, PC shipments totalled 15.8 million units in the fourth quarter of 2013, a 7.5 per cent decline from the fourth quarter of 2012 (see Table 2). Despite a 10.3 per cent decline in shipments, HP continued to be the No. 1 vendor in the US, as it accounted for 26.5 per cent of shipments.

"Holiday sales of technology products were strong in the US market, but consumer spending during the holidays did not come back to PCs as tablets were one of the hottest holiday items," said Ms Kitagawa. "We think that the US PC market has bottomed out. A variety of new form factors, such as hybrid notebooks, drew holiday shoppers' attention, but the market size was very small at the time. Lowering the price point of thin and light products started encouraging the PC replacement and potentially some PC growth in 2014."

**Table 2**
**Preliminary US PC Vendor Unit Shipment Estimates for 4Q13 (Units)**

| Company | 4Q13 Shipments | 4Q13 Market Share (%) | 4Q12 Shipments | 4Q12 Market Share (%) | 4Q13-4Q12 Growth (%) |
|---|---|---|---|---|---|
| HP | 4,179,305 | 26.5 | 4,657,342 | 27.3 | -10.3 |
| Dell | 3,601,776 | 22.8 | 3,355,152 | 19.7 | 7.4 |
| Apple | 2,168,212 | 13.7 | 1,687,881 | 9.9 | 28.5 |
| Lenovo | 1,525,848 | 9.7 | 1,473,907 | 8.6 | 3.5 |
| Toshiba | 1,142,782 | 7.2 | 1,326,665 | 7.8 | -13.9 |
| Others | 3,177,562 | 20.1 | 4,567,432 | 26.8 | -30.4 |
| **Total** | **15,795,486** | **100.0** | **17,068,378** | **100.0** | **-7.5** |

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad. Data is based on the shipments selling into channels.
Source: Gartner (January 2014)

PC shipments in EMEA totalled 25.8 million units in the fourth quarter of 2013, a 6.7 per cent decline from the same period last year. However, the decline was less steep than the last seven quarters. All areas of the region — Western Europe, Eastern Europe and the Middle East and Africa — showed a shipment decline. Shipments in Eastern Europe were driven by the professional segment, as companies had to finalise IT spending for the year. Consumers replaced PCs only on a needed basis, as many new form factors had limited availability or were priced about the average vs. traditional notebooks. Tablets, especially Android-based, were a popular holiday present and average selling prices (ASPs) for them continued to decline and attract consumer spending.

PC shipments in Asia/Pacific totalled 26.5 million units in the fourth quarter of 2013, a 9.8 per cent decline from the fourth quarter of 2012. Buyers did not place a priority on PC purchases, preferring to spend on alternative devices such as smartphones. Some continued to delay their purchases of a PC as their requirements, such as entertainment and information access, can be addressed by other devices, such as tablets.

For the year, PC shipments were 315.9 million units, a 10 per cent decline from 2012 (see Table 3). This is the worst decline in PC market history, equal to the shipment level in 2009. Lenovo took over the top spot in the global PC market, accounting for 16.9 per cent of the market. HP moved into the second spot after experiencing shipment decline of 9.3 per cent.

**Table 3**
**Preliminary Worldwide PC Vendor Unit Shipment Estimates for 2013 (Units)**

| Company | 2013 Shipments | 2013 Market Share (%) | 2012 Shipments | 2012 Market Share (%) | 2013-2012 Growth (%) |
|---|---|---|---|---|---|
| Lenovo | 53,272,522 | 16.9 | 52,187,653 | 14.9 | 2.1 |
| HP | 51,252,229 | 16.2 | 56,505,757 | 16.1 | -9.3 |
| Dell | 36,788,285 | 11.6 | 37,611,247 | 10.7 | -2.2 |
| Acer Group | 25,689,496 | 8.1 | 35,745,401 | 10.2 | -28.1 |
| Asus | 20,030,837 | 6.3 | 24,339,951 | 6.9 | -17.7 |
| Others | 128,934,147 | 40.8 | 144,669,689 | 41.2 | -10.9 |
| **Grand Total** | **315,967,516** | **100.0** | **351,059,698** | **100.0** | **-10.0** |

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad. Data is based on the shipments selling into channels.
Source: Gartner (January 2014)

PC shipments in EMEA totalled 26 million units in the fourth quarter of 2013, a decline of 6.7 per cent from the same period last year (see Table 4).

"The decline was less steep than the previous seven quarters, and we even saw PC shipments increase 17.7 per cent over the previous quarter in EMEA," said Isabelle Durand, principal research analyst at Gartner. A good performance of consumer sales of laptops and ultrabooks led to quarter-over-quarter growth, as more hybrid ultramobiles were available at lower price points, which put pressure on the premium tablet market. "This confirms the ongoing transition in the market, but it may also signal that we are reaching the end of a period of readjustment in EMEA that started two years ago," added Ms Durand.

Western Europe, Eastern Europe and the Middle East and Africa region all showed shipment declines in the fourth quarter of 2013. "In Eastern Europe, the decline has slowed to single-digit numbers in most countries, where shipments were driven by the professional PC segment," said Ranjit Atwal, research director at Gartner. "The strength of the consumer mobile PC segment was mostly apparent in Western Europe, whereas in Eastern Europe the declining prices of Android tablets made them the preferred choice of Christmas present for consumers over PCs."

In the fourth quarter of 2013, HP retained the top position in the PC market in EMEA. Lenovo had a sixth consecutive quarter of growth (increasing 23.7 per cent), which helped it maintain the No. 2 spot in the fourth quarter of 2013. It is also the only one of the top five vendors in EMEA to show double-digit growth as its new ultramobile products were well received in the marketplace. While high demand for Asus' Transformer Book T100 model drove quarter-over-quarter growth of 28 per cent, Asus achieved a decline of 14.1 per cent in the fourth quarter of 2013.

**Table 4**
**Preliminary EMEA PC Vendor Unit Shipment Estimates for 4Q13 (Units)**

| Company | 4Q13 Shipments | 4Q13 Market Share (%) | 4Q12 Shipments | 4Q12 Market Share (%) | 4Q13-4Q12 Growth (%) |
|---|---|---|---|---|---|
| HP | 5,096,395 | 19.7 | 5,346,902 | 19.3 | -4.7 |
| Lenovo | 3,819,979 | 14.8 | 3,088,862 | 11.1 | 23.7 |
| Acer Group | 2,763,858 | 10.7 | 3,002,467 | 10.8 | -7.9 |
| Asus | 2,400,000 | 9.3 | 2,794,279 | 10.1 | -14.1 |
| Dell | 2,354,254 | 9.1 | 2,351,993 | 8.5 | 0.1 |
| Others | 9,429,544 | 36.5 | 11,129,981 | 40.2 | -15.3 |
| **Total** | **25,864,030** | **100.0** | **27,714,484** | **100.0** | **-6.7** |

Note: Data includes desk-based PCs and mobile PCs, including x86 tablets equipped with Windows 8, but excludes Chromebooks and other tablets. All data is estimated based on a preliminary study. The statistics are based on the shipments selling into channels.
Source: Gartner (January 2014)

These results are preliminary. Final statistics will be available soon to clients of Gartner's PC Quarterly Statistics Worldwide by Region program. This program offers a comprehensive and timely picture of the worldwide PC market, allowing product planning, distribution, marketing and sales organisations to keep abreast of key issues and their future implications around the globe. Additional research can be found on Gartner's Computing Hardware section on Gartner's website at http://www.gartner.com/it/products/research/asset_129157_2395.jsp

**About Gartner**

Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is a valuable partner in more than 13,000 distinct organizations. Through the resources of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyze and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, USA, and has 5,800 associates, including more than 1,450 research analysts and consultants, and clients in 85 countries. For more information, visit www.gartner.com.

# # #