

Worldwide Wearables Market Increases 67.2% Amid Seasonal Retrenchment, According to IDC

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FRAMINGHAM, Mass. May 16, 2016 – A combination of device releases, price reductions, and company rationalizations marked the first quarter of 2016 (1Q16) in the worldwide wearables market. According to data from the International Data Corporation ([IDC](#)) [Worldwide Quarterly Wearable Device Tracker](#), total shipment volumes reached 19.7 million units in 1Q16, an increase of 67.2% from the 11.8 million units shipped in 1Q15.

The first quarter saw its fair share of significant events to entice customers, with multiple fitness trackers and smartwatches introduced at the major technology shows; post-holiday price reductions on multiple wearables, including Apple's Sport Watch; and greater participation within emerging wearables categories, particularly clothing and footwear. Conversely, several start-ups announced headcount reduction or shut down entirely, underscoring how competitive the wearables market has become.

"The good news is that the wearables market continues to mature and expand," noted [Ramon Llamas](#), research manager for IDC's [Wearables](#) team. "The wearables that we see today are several steps ahead of what we saw when this market began, increasingly taking their cues from form, function, and fashion. That keeps them relevant. The downside is that it is becoming a crowded market, and not everyone is guaranteed success."

Still, there are two areas where the market shows continued growth: smart watches and basic wearables (devices which do not run third party applications).

"There's a clear bifurcation and growth within the wearables market," said [Jitesh Ubrani](#) senior research analyst for IDC's Mobile Device Trackers. "Smart watches attempt to offer holistic experiences by being everything to everyone, while basic wearables like fitness bands, connected clothing, or hearables have a focused approach and often offer specialized use cases."

Ubrani continued, "It's shortsighted to think that basic wearables and smart watches are in competition with each other. Right now, we see both as essential to expand the overall market. The unique feature sets combined with substantial differences in price and performance sets each category apart, and leaves plenty of room for both to grow over the next few years."

Top Five Wearables Vendors

Fitbit began 2016 the same way it finished 2015: as the undisputed leader in the wearables market. The launch of its new Alta and Blaze devices resulted in million unit shipment volumes for each, pointing to a new chapter of fashion-oriented fitness trackers. It also points to significant declines for its previously successful Surge, Charge, Charge HR, and Flex product lines. Still, with a well-segmented portfolio, pricing strategy, and a strong brand, Fitbit's position is well-established.

Xiaomi supplanted Apple in 1Q16 and captured the number 2 position. The company expanded its line of inexpensive fitness trackers to include heartrate monitoring and also recently launched a kids' watch to help parents track their children. It should be pointed out

that its success is solely based on China, and expanding beyond its home turf will continue to be its largest hurdle.

According to **Apple** CEO Tim Cook, the Watch has met the company's expectations. Its total volumes and revenue trailed far behind its iPhone, iPad, and Mac product lines, and did little to stem their declines. Until the next version of the Watch comes out, it would appear that Apple will continuously update its watch bands to keep the product relevant.

Garmin finished slightly ahead of Samsung on the strength of its wristbands and watches appealing to a wide range of athletes, most especially golfers, runners, and fitness tracker enthusiasts. While the company added two fitness trackers with the vivoactive HR and the vivofit 3, Garmin launched its first eyeworn device, the Varia Vision In-Sight Display, for cyclists.

Samsung landed in the number 5 position on the success of its Gear S2 and Gear S2 Classic smartwatch. What sets the Gear S2 apart from most other smartwatches is that it is among the very few with a cellular connectivity version, forgoing the need to be constantly tethered to a smartphone. It is also compatible with Android smartphones beyond Samsung's own, broadening its reach. However, its application selection trails behind what is available for Android Wear and watchOS.

BBK tied* with Samsung for fifth place worldwide. This is the second time that BBK finished among the top five vendors worldwide, having debuted in 3Q15 with its Y01 phone watch for children. The company returns with another phone watch for children, the Y02 with improved water resistance and durability.

Top Five Wearables Vendors, Shipments, Market Share and Year-Over-Year Growth, Q1 2016 (Units in Millions)

Vendor	1Q16 Unit Shipments	1Q16 Market Share	1Q15 Unit Shipments	1Q15 Market Share	Year-Over-Year Growth
1. Fitbit	4.8	24.5%	3.8	32.6%	25.4%
2. Xiaomi	3.7	19.0%	2.6	22.4%	41.8%
3. Apple	1.5	7.5%	N/A	0.0%	N/A
4. Garmin	0.9	4.6%	0.7	6.1%	27.8%
5. Samsung*	0.7	3.6%	0.7	5.8%	4.5%
5. BBK*	0.7	3.6%	N/A	0.0%	N/A
Others	7.3	37.2%	3.9	33.1%	87.9%
Total	19.7	100.0%	11.8	100.0%	67.2%

Source: IDC Worldwide Quarterly Wearables Tracker, May 16, 2016

* IDC declares a statistical tie in the worldwide wearables market when there is less than one tenth of one percent (0.1%) difference in the unit shipment share of two or more vendors.

Top Five Basic Wearables Vendors, Shipments, Market Share and Year-Over-Year Growth, Q1 2016 (Units in Millions)

Vendor	1Q16 Unit Shipments	1Q16 Market Share	1Q15 Unit Shipments	1Q15 Market Share	Year-Over-Year Growth
1. Fitbit	4.8	29.4%	3.8	38.7%	25.4%
2. Xiaomi	3.7	22.8%	2.6	26.6%	41.8%
3. Garmin	0.8	5.0%	0.6	6.0%	36.5%
4. BBK	0.7	4.3%	N/A	0.0%	N/A
5. Lifesense	0.7	4.1%	N/A	0.0%	N/A
Others	5.7	34.5%	2.9	28.7%	98.2%
Total	16.4	100.0%	9.9	100.0%	65.1%

Source: IDC Worldwide Quarterly Wearables Tracker, May 16, 2016

Top Five Smartwatch Vendors, Shipments, Market Share and Year-Over-Year Growth, Q1 2016 (Units in Millions)

Vendor	1Q16 Unit Shipments	1Q16 Market Share	1Q15 Unit Shipments	1Q15 Market Share	Year-Over-Year Growth
1. Apple	1.5	46.0%	N/A	0.0%	N/A
2. Samsung	0.7	20.9%	0.5	29.8%	40.5%
3. Motorola	0.4	10.9%	0.2	11.0%	98.2%
4. Huawei	0.2	4.7%	N/A	0.0%	N/A
5. Garmin	0.1	3.0%	0.1	7.2%	-17.3%
Others	0.5	14.5%	0.8	52.0%	-44.2%
Total	3.2	100.0%	1.6	100.0%	100.2%

Source: IDC Worldwide Quarterly Wearables Tracker, May 16, 2016

Table Notes:

- Data is preliminary and subject to change.
- Vendor shipments are branded device shipments and exclude OEM sales for all vendors.

- The "Vendor" represents the current parent company (or holding company) for all brands owned and operated as a subsidiary.
- The table labeled "Top Five Wearables Vendors..." represents the sum of both basic and smart wearables equaling the total wearable market size.
- The table labeled "Top Five Basic Wearables Vendors..." represents the total basic wearable market size.
- The table labeled "Top Five Smartwatch Vendors..." does not equal total smart wearable market size as certain form factors (i.e. eyewear, wristbands) are excluded.

This chart is intended for public use in online news articles and social media. Instructions on how to embed this graphic are available by [clicking here](#).

About IDC Trackers

[IDC Tracker](#) products provide accurate and timely market size, vendor share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly excel deliverables and on-line query tools. The IDC Tracker Charts app allows users to view data charts from the most recent IDC Tracker products on their [iPhone](#) and [iPad](#). The IDC Tracker Chart app is also available for [Android Phones](#) and [Android Tablets](#).

For more information about IDC's Worldwide Quarterly Mobile Phone Tracker, please contact Kathy Nagamine at 650-350-6423 or knagamine@idc.com.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a subsidiary of [IDG](#), the world's leading technology media, research, and events company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at [@IDC](#).

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