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Gartner Says Worldwide PC Shipments in the Third Quarter of 2013 Declined 8.6 Per Cent

The 'Back-to-School' Sales Quarter Experienced Its Lowest PC Volume Since 2008

EMEA PC Shipments Fell 13.7 Per Cent in Third Quarter 2013

Egham, UK, 10 October, 2013 — Worldwide PC shipments totalled 80.3 million units in the third quarter of 2013, an 8.6 per cent decline from the same period last year, according to preliminary results by Gartner, Inc. This marks the sixth consecutive quarter of declining worldwide shipments.

"The third quarter is often referred to as the 'back-to-school' quarter for PC sales, and sales this quarter dropped to their lowest volume since 2008," said Mikako Kitagawa, principal analyst at Gartner. "Consumers' shift from PCs to tablets for daily content consumption continued to decrease the installed base of PCs both in mature as well as in emerging markets. A greater availability of inexpensive Android tablets attracted first-time consumers in emerging markets, and as supplementary devices in mature markets."

HP and Lenovo have been virtually neck and neck for the top global position in the PC market. Lenovo took the lead, as it did last quarter, but the upcoming holiday sales season will be a key battlefield for both companies. Lenovo accounted for 17.6 per cent of global PC shipments in the third quarter, and HP had 17.1 per cent of shipments, according to preliminary results (see Table 1).

Weakness in the Chinese market continued to affect Lenovo's overall growth. However, strong growth in the Americas, as well as EMEA, offset the declining PC shipments for Lenovo in the Asia/Pacific market. HP recorded positive shipment growth in the third quarter of 2013 for the first time since the first quarter of 2012. With the exception of Latin America, HP's growth exceeded the average growth across all regions.

Table 1
Preliminary Worldwide PC Vendor Unit Shipment Estimates for 3Q13 (Units)

Company	3Q13 Shipments	3Q13 Market Share (%)	3Q12 Shipments	3Q12 Market Share (%)	3Q12-3Q13 Growth (%)
Lenovo	14,154,355	17.6	13,774,828	15.7	2.8
HP	13,732,398	17.1	13,532,449	15.4	1.5
Dell	9,306,202	11.6	9,218,063	10.5	1.0
Acer Group	6,666,789	8.3	8,615,940	9.8	-22.6
Asus	4,923,397	6.1	6,354,096	7.2	-22.5
Others	31,496,126	39.2	36,314,030	41.4	-13.3
Total	**80,279,267**	**100.0**	**87,809,406**	**100.0**	**-8.6**

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad.
Source: Gartner (August 2013)

Dell's PC shipments exceeded growth rate averages across all regions. Acer's shipments declined 22.6 per cent compared with a year ago, as a reduction in netbook shipments impacted overall PC shipment results. Acer has heavily sought opportunities in other device markets. Asus saw PC shipments decline

22.5 per cent. Asus has clearly shifted its focus from PCs to tablets. Asus' tablet shipments were nearly equal to its mobile PC shipments in the third quarter of 2013.

In the US market, PC shipments totalled 16.1 million units in the third quarter of 2013, a 3.5 per cent increase from the same period last year, registering the second consecutive quarter of shipment growth after six quarters of decline (see Table 2). Low inventory from the first half of 2013, and the introduction of new models with Intel's Haswell and new form factors brought the sell-in shipment up compared with a year ago.

"The positive US results could mean that seasonal strength and channel fill for new product launches in the third quarter of 2013 finally overcame the structural decline," Ms Kitagawa said. "Even though the third quarter of 2013 shipments were compared with artificially weak second quarter of 2013 because of inventory control for the Windows 8 launch at the time, the third quarter results imply the US market may have passed the worst declining stage, which started in 2010. The shrinking installed base of PCs has also passed the steepest decline phase because the structural change has progressed fairly quickly. Tablets will continue to impact the PC market, but the US PC market will see a more moderate decrease rather than a steep decline in the next two years."

Table 2
Preliminary US PC Vendor Unit Shipment Estimates for 3Q13 (Units)

Company	3Q13 Shipments	3Q13 Market Share (%)	3Q12 Shipments	3Q12 Market Share (%)	3Q13-3Q12 Growth (%)
HP	4,329,302	26.9	4,141,926	26.6	4.5
Dell	3,377,469	21.0	3,270,705	21.0	3.3
Apple	2,158,015	13.4	2,208,015	14.2	-2.3
Lenovo	1,692,488	10.5	1,357,882	8.7	24.6
Toshiba	1,122,782	7.0	989,600	6.4	13.5
Others	3,440,895	21.3	3,613,698	23.2	-4.8
Total	**16,120,950**	**100.0**	**15,581,825**	**100.0**	**3.5**

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad.
Source: Gartner (October 2013)

The PC market in EMEA showed a 13.7 per cent decline in shipments during the third quarter of 2013, over the same period last year (see Table 3). This marks the sixth consecutive quarter of decreasing PC shipments in EMEA, with a fall of 8.2 per cent quarter on quarter.

"During the third quarter many vendors went through product transitions to Intel's new Haswell and Bay Trail processors, while preparing for the October launch of Windows 8.1. These product transitions and the clearing of old inventory that is taking place through the third and fourth quarters of 2013, have played a part in the slowdown of the PC market in EMEA," said Isabelle Durand, principal research analyst at Gartner. "Many PC vendors also introduced Android tablets as a main part of their portfolios and this initiative drove PC sales downward."

Western Europe, Eastern Europe and the Middle East and Africa all showed a shipment decline. "In Eastern Europe the decline was due to the continued popularity of tablets as well as some weakening of the Russian Ruble against the Euro and the US Dollar, which led to price increases," said Ranjit Atwal, research director at Gartner. "Moreover, growing economic concerns in Russia over a slowdown in GDP led to weaker consumer confidence and more cautious spending on devices in this third quarter. The demand for PCs in the Middle East and Africa also continued to slow as tablet adoption increased — particularly in the Middle East."

In the third quarter of 2013, HP retained the top position in the PC market in EMEA. Lenovo had a fifth consecutive quarter of growth, which helped it move to the No. 2 spot, and achieved the best performance of the top five PC vendors in the third quarter of 2013. Lenovo's double-digit growth was mainly due to strong sales of mobile PCs, where it introduced several new products during the third quarter of 2013.

The consumer-focused PC vendors, Acer and Asus, experienced a double-digit shipment decline during the third quarter of 2013, as both vendors continued to shift their investments from consumer PCs to tablet and hybrid form factors.

Table 3
Preliminary EMEA PC Vendor Unit Shipment Estimates for 3Q13 (Units)

Company	3Q13 Shipments	3Q13 Market Share (%)	3Q12 Shipments	3Q12 Market Share (%)	3Q13-3Q12 Growth (%)
HP	4,401,234	19.6	4,494,230	17.3	-2.1
Lenovo	3,207,506	14.3	2,703,415	10.4	18.6
Acer Group	2,352,766	10.5	3,375,641	13.0	-30.3
Dell	1,918,025	8.6	2,044,983	7.9	-6.2
Asus	1,874,149	8.4	2,691,215	10.4	-30.4
Others	8,664,341	38.6	10,652,653	41.0	-18.7
Total	**22,418,021**	**100.0**	**25,962,136**	**100.0**	**-13.7**

Note: Data includes desk-based PCs and mobile PCs, including mini-notebooks but not media tablets such as the iPad.
Source: Gartner (October 2013)

In Asia/Pacific, PC shipments were at 28.1 million units in the third quarter of 2013, an 11.2 per cent decline from the third quarter of 2012. The region was hampered by the currency volatilities, especially in India and Indonesia, where currencies plunged to record lows. Vendors were also mindful of Windows 8.1, new models based on Intel's Bay Trail that will start shipping the following quarter. Therefore, they were careful in managing inventory.

These results are preliminary. Final statistics will be available soon to clients of Gartner's PC Quarterly Statistics Worldwide by Region programme. This programme 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 web site at http://www.gartner.com/it/products/research/asset_129157_2395.jsp.

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