



Gartner: Asia Pacific PC Shipments up 8.5 Percent But Below Forecast in Fourth Quarter of 2011

Worldwide PC Shipments Declined 1.4 Percent

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After two quarters of positive growth, worldwide PC shipments totaled 92.2 million units in the fourth quarter of 2011, a 1.4 percent decline from the fourth quarter of 2010, according to preliminary results by Gartner, Inc. These figures were in line with Gartner's earlier forecast of a 1 percent decline for the fourth quarter of 2011.

Continuously low consumer PC demand resulted in weak holiday PC shipments, said Mikako Kitagawa, principal analyst at Gartner. While economic uncertainty in Western Europe had an effect on consumer PC shipments, expectations of a healthier economic outlook in North America could not stimulate consumer PC demand in that region. The healthy professional PC market as well as growth in emerging markets could not compensate for the weaknesses in mature markets, with overall growth still negative.

Hard-disk drive (HDD) shortages triggered by the October 2011 floods in Thailand had a limited impact on fourth-quarter PC shipments and prices. However, Gartner analysts said a major impact will be felt, and this is expected to materialize in the first half of 2012, and potentially continue throughout 2012. These shortages will temporarily lower PC shipment growth during 2012.

Ultrabooks were quietly introduced into the market during the 4Q11 holiday season, Ms. Kitagawa said. Ultrabooks didn't seem to draw consumers' attention. Consumers had very little understanding and awareness of ultrabooks, and only a small group of consumers was willing to pay the price premium for such models. However, as has been seen this week at the International Consumer Electronics Show (CES) show, 2012 is a big debut stage for ultrabooks.

HP retained its No. 1 position in the fourth quarter of 2011, despite a shipment decline of 16.2 percent year over year (see Table 1). While the company's new CEO, Meg Whitman, cleared up some confusion surrounding its PC business, its 4Q11 results were affected by the noise around this issue. HP also had to battle against aggressive pricing from competitors and deal with weak consumer PC demand in the holiday season.

Table 1: Preliminary Worldwide PC Vendor Unit Shipment Estimates for 4Q11 (Units)

Company

4Q11 Shipments

4Q11 Market Share (%)

4Q10 Shipments

4Q10 Market Share (%)

4Q11-4Q10 Growth (%)

HP

14,712,266

16.0

17,554,181

18.8

-16.2

Lenovo

12,931,136

14.0

10,516,772

11.3

23.0

Dell

11,633,880

12.6

10,796,317

11.6

7.8

Acer Group

9,823,214

10.7

12,043,606

12.9

-18.4

Asus

6,243,118

6.8

5,180,913

5.5

20.5

Others

36,827,666

40.0

37,358,786

40.0

-1.4

Total

92,171,280

100.0

93,450,575

100.0

-1.4

Note: Data includes desk-based PCs, mobile PCs, including mini-notebooks but not media tablets such as the iPad.

Source: Gartner (January 2012)

Lenovo experienced the strongest growth among the top five vendors, as its PC shipments grew 23 percent in the fourth quarter of 2011, and it further cemented its place as the No. 2 vendor in global PC shipments. The company's growth was attributed to its aggressive pricing in both the professional and consumer markets.

Dell had a good quarter with shipment growth in most regions. While the consumer market remained a weak point, Dell enjoyed stable growth in the professional sector, driven by upgrades to Windows 7. Asia/Pacific continued to be the major growth market for Dell, as it achieved 30 percent growth in the region. Asus stayed in the No. 5 position despite generally weak consumer sales. Asus's shift from mini-notebooks to regular notebooks was successful, as close to 80 percent of Asus mobile PCs shipments were regular notebooks in the fourth quarter of 2011.

In the U.S., PC shipments totaled 17.9 million units, a 5.9 percent decline compared with the same quarter last year (see Table 2). U.S. holiday sales were not all that exciting for PC vendors. As expected, consumers' attention was diverted toward other product categories, especially smartphones and media tablets. All-in-one (AIO) desktop PCs drew consumers' attention during the holiday season. The main attractions were large screen sizes and high-definition viewing capability.

PC shipments in EMEA totaled 28.9 million units in the fourth quarter of 2011, a 9.6 percent decline from the same period in 2010. The EMEA PC market experienced its fourth consecutive quarter of decline, resulting in year-end 2011 shipments decreasing 7.2 percent from 2010. Western Europe saw weak consumer growth, as an uneasy economic environment squeezed consumer spending on PCs.

In Asia/Pacific, PC shipments reached 30.4 million units, an 8.5 percent increase from the fourth quarter of 2010. The market performance was below Gartner's anticipated growth of 10.6 percent. The preliminary findings show weaker shipment growth in China, India and Thailand.

The PC market in Latin America grew 11.2 percent in the fourth quarter of 2011, as shipments reached 9.3 million units. Because whitebox PC vendors make up a large portion of Latin America's PC market, last quarter Gartner expected Thailand's HDD shortage to moderately affect growth in Latin America in the near term. Thus far, anecdotal evidence indicates that many local vendors had quickly ordered sufficient inventory to exit the fourth quarter unaffected.

PC shipments in Japan declined 2.3 percent in the fourth quarter of 2011, as shipments totaled 3.9 million units. This was better than Gartner's earlier projection of an 8

percent decline. The professional market showed a high double-digit decline, while the consumer market saw mid-single-digit growth.

For the year, worldwide PC shipments totaled 352.8 million units in 2011, a 0.5 percent increase from 2010 (see Table 3). A weak consumer PC market, particularly in mature markets, was a major contributor to this stagnation, despite good growth in the professional market. Emerging markets grew steadily, driven by low initial PC penetration.

Among the top five PC vendors, Lenovo took over the No. 2 spot from Dell. Lenovo continued to gain market share via aggressive pricing and acquisitions, namely of NEC and Medion. Asus climbed from sixth to fifth, replacing Toshiba.

Table 3
Preliminary Worldwide PC Vendor Unit Shipment Estimates for 2011 (Units)

Company

2011 Shipments

2011 Market Share (%)

2010 Shipments

2010 Market Share (%)

2011-2010 Growth (%)

HP

60,554,726

17.2

62,741,274

17.9

-3.5

Lenovo

45,703,863

13.0

38,180,444

10.9

19.7

Dell

42,864,759

12.1

42,119,272

12.0

1.8

Acer Group

39,415,381

11.2

48,758,542

13.9

-19.2

ASUS

20,768,465

5.9

18,902,723

5.4

9.9

Others

143,499,792

40.7

140,198,078

40.0

2.4

Total

352,806,984

100.0

350,900,332

100.0

0.5

Note: Data includes desk-based PCs, mobile PCs, including mini-notebooks but not media tablets such as the iPad.

Source: Gartner (January 2012)

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 organizations 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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