

Cheaper tablets rule SA market

CAPE TOWN: Cheaper priced tablets are driving growth for this segment in South Africa, a report says. According to data from the International Data Corporation (IDC), tablets recorded 56% growth in the country, with lower priced devices leading the charge. Tablets priced below \$150 accounted for 60% of the market in the second quarter of 2015, an increase of 7% over the first three months of the year.

By [Duncan Alfreds](#) 24 Aug 2015



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The result is bad news for premium brands. "The stagnation of the higher-end segments of the market is having a negative impact on premium brands," said Joseph Hlongwane, a systems and infrastructure solutions analyst at IDC Africa.

Brands such as Apple, Sony and Samsung have high feature devices that play in the premium segment that saw shrinkage owing to lower disposable income, the IDC found.

Direct threat

"The disappointing performance of these premium brands is expected to continue due to the bleak economic conditions, but these same conditions represent a huge opportunity for vendors that manufacture tablets targeted at the lower end of the market," Hlongwane added.

Globally, the tablet market is taking strain, shrinking 7% as people shift toward larger smartphones or phablets. Hybrid computers - 2-in-1 devices that function as a tablet and PC - and phablets are on pace to grow to 237 million units or 4.3% by the end of 2015.

"Not only is the tablet segment nearing saturation in mature markets, but the influx of hybrids and phablets will compete directly with tablets in emerging markets," said Roberta Cozza, research director at Gartner.

In SA, the IDC found that consumers are delaying the purchasing new devices as they extract value out of existing tablets.

Despite that, the company expects strong growth for tablets in the country.

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