

Android Reaping Significant Gain In Canadian Marketplace

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Android and Apple Battling for Canadian Mobile Dominance

Canada's mobile device market landscape is sizzling and for some brands, this means big gains and even bigger stakes.

Conducted in August 2012, the fourth wave of Ipsos Reid's Mobil-ology, a syndicated study of Smartphone, Tablet and eReader users in Canada, reveals several important shifts in brand dominance across the country and across categories.

Overall product penetration shows continuing growth for all three devices, in particular for Smartphone and Tablet devices. Smartphone penetration now sits at 40% (up from 23% in January 2011) and Tablet use has risen to 15% (up from 3% - a remarkable 400% rate of growth since January 2011).

In terms of Smartphones, the big story in this wave of Mobil-ology is the success of devices using an Android operating system," says Mary Beth Barbour, Senior Vice President with Ipsos Reid. "While Apple's iPhone continues to make steady gains, Smartphones using the Android OS have been living up to the buzz making the most ground in the wake of RIM's losses."

Apple (29%) and BlackBerry (27%) remain the top two Smartphone manufacturing brands in Canada, but overall, Android OS phones edge out both when these devices are considered as a collective. Combined market share for brands using the Android OS slightly lead with 36% of the market, which is up 10% points since January 2011. This jump in growth is due in no small part to the growing popularity in Canada of Samsung's Android-powered Smartphones, which have doubled to 18% share since the first wave of Mobil-ology in January 2011. Apple has also benefited, now achieving a higher penetration rate in Canada than BlackBerry, however, their growth is less pointed, having risen just 6% points since January 2011.

Android is also making ground on the Tablet front. While Apple's iPad remains the dominant brand, Samsung's Android-powered Tablets are making significant gains. Though relatively modest at 9%, Samsung has doubled its share of the Tablet market since January 2011. Further, there are a number of other noteworthy contenders in the Tablet market that predominantly offer models that use the Android OS, e.g., Acer (6%), Asus (4%). While individual market shares of these brands are relatively small, combined, they evidence the growing strength of Android products in the Canadian market.

"We anticipate Apple may continue to lose ground in the Tablet market, but the big question is how much and to whom," adds Barbour. "Apple's closest competitor is BlackBerry's Playbook, with 19% of the market; however, much of this is attributed to heavy discounting in late 2011 and early 2012 after a lacklustre entrance into the market. So far, Android appears to be the strongest contender with Samsung performing the strongest, and we have yet to see the impact of the recently released Google Nexus. Also, we should not discount Microsoft's Surface rumoured to be introduced later this year. Which of these devices, if any so far, will have the appeal to give Apple a run for its money? We look forward to the next wave in January 2013 to find out."

"Apple is proving itself as a Smartphone and Tablet leader in Canada," adds Barbour. "However, it is a more competitive landscape now with new entrants and more choice. For Apple to have taken such a lead is evidence of their popularity as a brand and the success of their marketing. But as shown by BlackBerry's unfortunate struggles, to maintain this position, they will have to keep improving and fighting off the challengers. No doubt, it will be an interesting fall as we move into the holiday gift giving season."

These findings are based on four waves of research (January 2011 with a sample size of n=50,000, the second in August 2011 with a sample size of n=46,000, the third in January 2012 with a sample size of n=46,000, and the fourth in August 2012 with a sample size of n=40,000. Each of these studies were conducted among adult residents of Canada via the Ipsos Opinions Online Panel, one of Ipsos Reid's national online panels. The results are based on a sample where weighting was employed to balance demographics and ensure that the sample's composition reflects that of the actual online Canadian population according to Census data. A survey with an unweighted probability for the base sizes mentioned above and a 100% response rate would have an estimated margin of error of +/-0.5% percentage points. In other words, had the entire population of Canadian adults been surveyed, results are accurate 19 times out of 20. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

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