

**From:** gap intelligence  
**Sent:** Wed, 3 Jan 2024 05:34:31 +0000  
**To:** chatty@google.com  
**Subject:** Android Brands Make up Half the US Market in Q4 2023



## MARKET INTELLIGENCE REPORT



### Smartphone

S

Jan 02, 2024



**Scott Peterson**

Smartphones Analyst

[Smartphones@gapintelligence.com](mailto:Smartphones@gapintelligence.com)

## PRODUCT UPDATES

- gapSnapshot: Android Brands Make up Half the US Market in Q4 2023
- Samsung Schedules January Unpacked Event & Opens Preregistrations for Galaxy S24
- OnePlus 12R Expected by Month End, Possibly for US Market
- Nothing Leaks Point to Budget-Class Phone (2a) This Year

## INDUSTRY REPORTS

- Amazon Partners with Hydrogen Fuel Company
- 2023's Super Saturday Sees Record Sales
- NRF: 2023 Brought \$743 Billion in Returned Merchandise, 14.5% of Total Sales
- Supply Chain Predictions for 2024



Visit the gap intelligence  
Dashboard

Interact with our data online



Connect with us on LinkedIn

## PRODUCT UPDATES

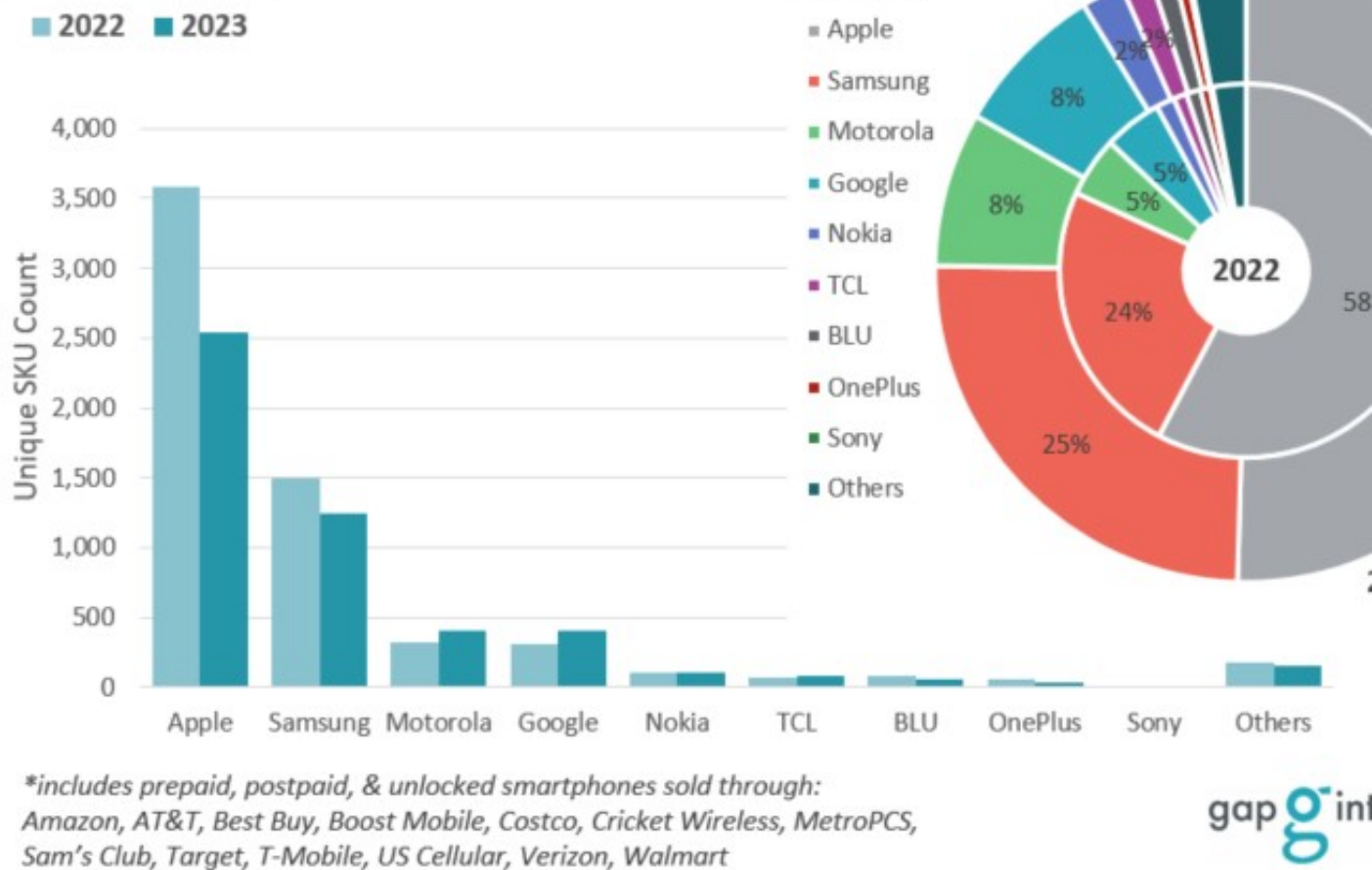
## gapSnapshot: Android Brands Make up Half the US Market in Q4 2023

This week's Snapshot highlights the year-over-year (YoY) change in the US omni-channel smartphone market at the end of Q4 2023. The chart includes prepaid, postpaid, and unlocked smartphones available in-store and through merchants including Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, T-Mobile, US Cellular, Verizon, and Walmart.

### gap impact summary

- Total US omni-channel shrinks 19% YoY at Q4 2023's end (5,023 vs. 6,198 SKUs); follows after recent slumps of 22% & 17% in [Q2](#) & [Q3](#) of this year
- Apple's leading shelf share reduced to 50% in Q4 2023 (-8 points YoY) due to 29% drop in channel share
  - Large portion of this change is result of T-Mobile's withdrawal from Best Buy's assortment
- Samsung maintains 2nd largest assortment in US market, but w/ 16% fewer SKUs YoY in Q4 2023; increased 1 point YoY to 25%
  - Declines in postpaid channel distribution partially offset by increases in prepaid segment
- Android players Motorola, Google, Nokia, & TCL notably post YoY growth in US market during Q4 2023
  - Motorola & Google sit w/ equal 8% shares of US product landscape, improved from their 5% shares a year ago
- Google posts Q4 2023's largest YoY growth w/ 29% more SKUs in the omni-channel, reflecting solid demand for latest Pixels across channels/carriers & push into US prepaid market
- Motorola's 25% increase & 10% gains from Nokia & TCL YoY in Q4 2023 were primarily achieved in prepaid segment w/ SKUs available across a vast set of value-oriented carriers/MVNOs

## Smartphones: Q4 US Omni-Channel Placements



Source: "Merchant Pricing Trends" tab within the December 31, 2023 Pricing & Promotions Report in [Data](#)  
Recent Reports

[Top](#)

## Samsung Schedules January Unpacked Event & Opens Preregistrations for Galaxy

Samsung [confirmed](#) that its next Galaxy Unpacked event will take place on Wednesday January 17, 2024 at 8 PM ET, when the manufacturer will announce its newest Galaxy smartphones, and likely other gadgets. In addition

live on Samsung.com, Samsung Newsroom, and Samsung's YouTube channel, the event is interestingly being hosted by a person in San Jose, CA at the SAP Arena nearby major Silicon Valley tech titans, including its rival Apple. Samsung is expected to reveal the Galaxy S24 series at the event, and already opened up preregistrations for the model on a [dedicated website](#) under the tagline "Zoom with Galaxy AI is coming," hinting that the series' AI functions will be imaging-centric.



Like Samsung's other recent debuts, preregistration gives interested parties early rights to initially released products. In addition to Samsung Credit toward other Galaxy products, the same benefit seen with S-series and Z-series pre-orders is being offered this year. Samsung states that this credit is part of up to \$1,020 in savings that will be offered during the pre-order period, which is based on trading-in a qualifying device.

Samsung says that the "Galaxy S series will set a higher standard for the most intelligent mobile experience." A recent teaser video advises viewers that "Galaxy AI is coming." In fall, Samsung announced Galaxy AI as its new comprehensive artificial intelligence, and shared that it is coming to Galaxy smartphones [in early 2024](#). The Galaxy S24 Ultra is expected to showcase an AI-powered feature set, led by "more realistic" camera processing compared to the Galaxy S23 Ultra that came before it, including better control over sharpening and saturation.

Externally, leaked images show a lot of similarity between the Galaxy S24 Ultra's design and its predecessor. Samsung is expected to carry over most of the generational improvements to the software and experience. The generation is rumored to maintain the overall structure as previous launches, with base S24 options with 8GB of RAM and storage capacities of 128GB, 256GB, 512GB, and 1TB. S24+ and Ultra models have 12GB of RAM and internal storage that starts at 256GB.

[Top](#)

---

## OnePlus 12R Expected by Month End, Possibly for US Market

A teaser for OnePlus' upcoming smartphone, the 12R, recently leaked online, confirming an intended launch by January 23, 2024 for the model. The brand has produced R-series counterparts for the past few generations, but the 12R is the first model sold globally, but OnePlus is now targeting a US market launch for this latest version. OnePlus' new smartphone has already debuted in China, and like last year's 11, a wider release is expected for the model at the same time the 12R becomes official. As an offshoot of the 12, the 12R shares a visual similarity and several features from the flagship model, which will aid in its appeal as a lower cost alternative from the brand.

# Smooth Beyond Belief

## A OnePlus Launch Event

January 23, 2024

9:00 AM EST | 3:00 PM CET | 7:30 PM IST



Rumored features of the OnePlus 12R include:

- 6.78" LTPO AMOLED w/ a 120Hz variable refresh rate & Gorilla Glass Victus 2
- Snapdragon 8 Gen 2 processor
- 8GB or 16GB RAM
- Triple rear cameras: 50MP main, 8MP ultra-wide, & 2MP macro
- 5,500 mAh battery w/ support for 100W fast charging (wired)

□ Colors: Iron Gray & Cool Blue

Last year, OnePlus followed a similar launch cadence by releasing its flagship 11 in China at the start of [January](#) by a US release in [February](#). The brand currently addresses the budget price bands with its Nord series in the US, the success of which is likely why it has opted to not release R-series in the market before. Across price bands, the Nord segment remains the company's primary avenue for sales in the US market, although T-Mobile has consistently been a member of its lineup. OnePlus was specifically able to make inroads in the market with the low-cost Nord series several generations ago, giving the brand presence with AT&T and Verizon in addition to T-Mobile and its Metro by T-Mobile.

It remains to be seen if OnePlus will indeed launch the 12R in the US and if it will take the place of outbout handsets to possibly unite the brand's portfolio under a generational "12" banner, similar to Google, with its designated step-down units.

[Top](#)

---

## Nothing Leaks Point to Budget-Class Phone (2a) This Year

Recent leaks are providing more information regarding an upcoming budget smartphone from Nothing called Phone (2a). This phone will be positioned as a lower-priced and featured counterpart to Nothing's current Phone (2) in the company's line and mirroring the step-down strategy of other more established Android handset makers. Recent leaked details reveal the Phone (2a)'s price and memory configuration options, and that an official announcement will be timed for this year's MWC in February. Nothing's Phone (2a) is speculated to launch at a price of under €400 in Europe for the base model, which has 8GB RAM and 128GB internal storage, while a higher-priced version with 16GB RAM and 256GB internal storage will also be made available (possibly at €499).



Rumored features of the Nothing Phone (2a) include:

- 6.7" AMOLED w/ 120Hz (1,084 x 2,412) sourced from Visionox
- MediaTek Dimensity 7200 processor
- Dual 50MP rear cameras (Samsung S5KGN9 & S5KJN1; 1/2.76" & 0.64-micron pixel size)
- 32MP front camera (Sony IMX615)
- Colors – black & white

Overall, the specifications of the Phone (2a) fit with the expectation that it will perform as a budget-focused device. However, like other step-down items, it retains some of the core features of its Phone (2) sibling, specifically the camera systems that include dual 50MP rear modules and a 32MP front facing unit. The model's 6.7" display is to be shared with the more advanced Phone (2), adding appeal to its presumably lower price tag.



While details of US distribution plans are not available for the Phone (2a), Nothing successfully established the market with its second smartphone, the Phone (2), during 2023. A new lower-priced alternative could help grow in similar fashion to OnePlus, which faced obscurity until it debuted its budget-class Nord-series several years ago, expanding its audience to value-motivated prepaid buyers. Like OnePlus' early days, Nothing is currently available exclusively on Amazon.com where it offers two configurations of its Phone (2) priced at \$699 (\$559 net) and \$1,299 (\$1,099 net). The rumored sub-€400 price tag for the upcoming Phone (2a) will give the brand a new reach into lower price bands in the markets it is released in.

[Top](#)

## INDUSTRY REPORTS

### Amazon Partners with Hydrogen Fuel Company

Amazon is partnering with Plug Power Inc to install a system to fuel hydrogen fuel cell-powered forklifts in its warehouses. The one-megawatt proton exchange membrane electrolyzer will produce low-carbon hydrogen and electricity and water for the company's 225-plus fuel cell-powered forklifts. Amazon has installed more than 1,000 cells across 80 fulfillment centers in North America to date. The logistics and e-comm leader has made several moves to improve its sustainability, from expanding its [electric vehicle fleet](#) for deliveries to making its [second HQ 1](#) solar energy-powered. Earlier this year, it also released its annual [Sustainability Report](#).

[Top](#)

---

### 2023's Super Saturday Sees Record Sales

Holiday sales saw a significant spike after the most recent Super Saturday. According to a Customer Growth Partners (CGP) analysis, sales during the November–December 2023 holiday shopping season are estimated to reach \$930 billion, up 2.4% from \$908 billion the previous year.

Super Saturday (Dec. 23) saw stunning sales of \$47 billion, which far outpaced Black Friday's \$42.6 billion, according to CGP, whose calculations are based on a nationwide survey sample size of 11,586 across all retail

the exception of autos/parts, restaurants, and gasoline. According to CGP president Craig Johnson, the 2.4% growth is roughly half of the 10-year CAGR of 5.1%, indicates a persistent downturn from the period when the post-Covid spending boom was still in effect. "Consumers are returning to more normalized spending patterns, with 'conscious purchasing' instead of the more impulse-driven shopping seen in the post-Covid peak," Johnson continued, "after years of overly excited retail growth." At the same time, households are shifting their spending from goods to services like dining out, hosting guests, and entertainment." Johnson projects that in 2024, retail growth would be slow year-over-year because people might use those next few months to pay off credit card debt.

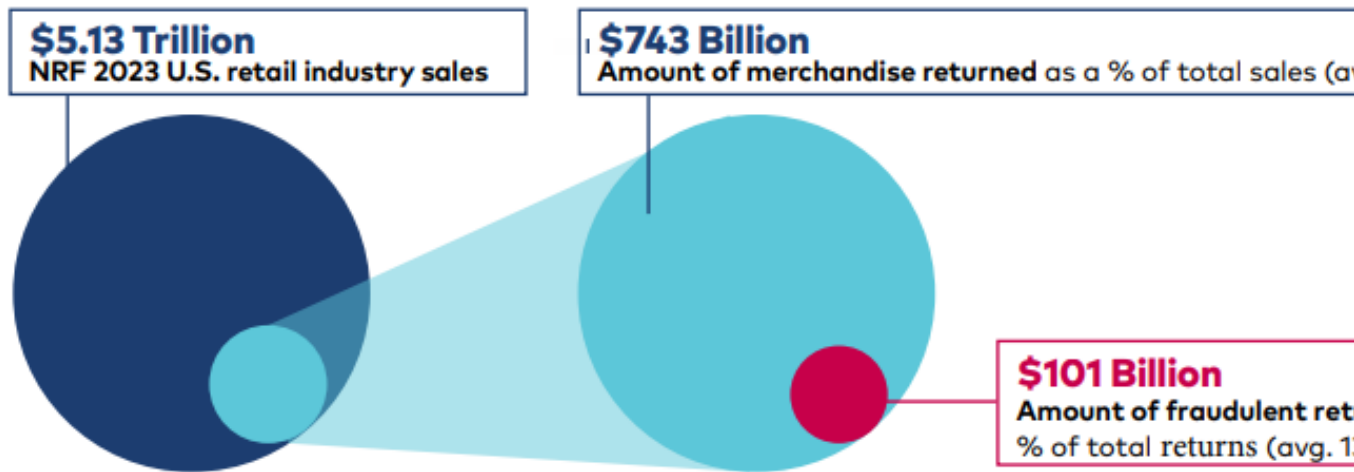
[Top](#)

---

## **NRF: 2023 Brought \$743 Billion in Returned Merchandise, 14.5% of Total Sales**

According to a [recent report](#) from the National Retail Federation and Apriss Retail, retailers faced \$743 billion in merchandise returns in 2023, representing 14.5% of total sales. For every \$1 billion in sales, retailers incurred \$145 million in returns throughout the year. Online retail saw higher return rates at 17.6% compared to brick-and-mortar at 10.02%. However, brick-and-mortar stores still accounted for more absolute dollars in returns at \$371 billion versus \$247 billion for online. Retailers are implementing new policies and procedures to minimize losses from fraudulent or unwarranted returns while still providing good customer service, such as more detailed product descriptions and requiring receipts for returns.

## MERCHANDISE SALES, RETURNS, AND FRAUD AND AB



Source: Appriss Retail and National Retail Federation 2023 Returns Survey, Sept.-Oct. 2023

### Fraudulent Return Findings

- Return fraud accounted for \$101 billion in retail losses in 2023
- For every \$100 in returned merchandise, retailers lost \$13.70 to fraud
- 49% of retailers reported returns of used merchandise (wardrobing)
- 44% of retailers reported returns of stolen goods
- 37% faced return fraud from stolen credit cards
- 20% of retailers stated organized retail crime fraud
- Online return claims for missed, damaged, or late deliveries are the fastest-growing category of return fraud

Retailers expect a 15.4% return rate during the 2023 holiday season, in line with the 14.5% annual rate. A recent study estimated \$25 billion in fraudulent holiday returns, or 16.5% of all holiday returns, as a result of the increased holiday shopping foot traffic.

[Top](#)

---

## Supply Chain Predictions for 2024

The CEO of the Association for Supply Chain Management (ASCM), Abe Eshkenzai, shared five major factors that will influence how the supply chain develops in 2024.

The following includes predictions across five segments: disruption, artificial intelligence, cybersecurity, sustainability, and tracking.

## **Disruption**

- Supply chain disruptions are a constant issue for enterprises due to factors like transportation bottlenecks, container shortages, geopolitical tensions, and the aftermath of the global pandemic.
- Organizations are prioritizing proactive risk management and planning due to de-globalization, which increases the risk of supply chain disruptions and logistics beyond corporate control and national boundaries.
- Regional supply chains are embracing "friend-shoring" to foster cultural cooperation and adaptive shoring for swift adjustments to market changes, natural disasters, or geopolitical upheavals.
- Businesses are enhancing resilience, agility, and visibility in handling supply chain disruptions by utilizing flexible supplier contracts, local manufacturing, and agile micro-supply chains.

## **Artificial Intelligence**

- In 2024, AI will significantly transform supply chains, focusing on machine learning and predictive analytics for cost reduction, efficiencies, and proactive problem-solving.

## **Cybersecurity**

- In 2024, supply chain cybersecurity will be paramount, leading businesses to increase their IT infrastructure spending to safeguard data integrity and operational performance.
- Modern supply networks are worldwide in nature, which leaves them open to cyberattacks that cut across borders. A comprehensive strategy for cybersecurity will become essential as deepfake and AI technologies develop to guarantee the security and resilience of digital and intelligent supply chains.

## **Sustainability**

- Around 67% of chief supply chain officers oversee environmental and social sustainability KPIs, setting carbon neutrality goals within five to ten years, influenced by stakeholders like customers, investors, and regulators.
- Companies are implementing sustainability strategies across the entire value chain, extending beyond internal operations and Tier 1 suppliers to achieve green and circular supply chains.

## Tracking and Tracing of Items

- In 2024, retail supply chains will see significant advancements in traceability, tracking, and visibility, with machine learning enhancing location intelligence for real-time insights and forecasting.
- Electric vehicle route planning will significantly improve last-mile operations, reduce fuel consumption, arrival times, enhance warehouse efficiency, and reduce transportation costs.
- Integrating real-time data tracking and movement tracking will enable supply chain stakeholders to achieve unprecedented levels of control and resilience.

[Top](#)

701 Island Avenue | San Diego, CA 92101 | [www.gapintelligence.com](http://www.gapintelligence.com) | [info@gapintelligence.com](mailto:info@gapintelligence.com)

gap intelligence is a values led company. We care about each other, our clients, and recognize that business plays a central role in our lives. We are driven to contribute to something bigger than ourselves and trust that our hard work will turn into something great and that we'll make a difference the way.

[PDF Version](#) | [Unsubscribe](#)