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MARKET INTELLIGENCE REPORT



Smartphone

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Sep 11, 2023



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PRODUCT UPDATES

- gapSnapshot: iPhone In-Stock Levels Slump Ahead of New Generational Lunch
- Motorola & OnePlus Gain Postpaid Options on Best Buy's Shelf
- Samsung Launches Limited Galaxy Z Fold5 5G Thom Browne Edition



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Dashboard

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INDUSTRY REPORTS

- Qualcomm & Apple Extend 5G Chip Supply Agreement
- Target Expands Next Day-Delivery Capabilities with New Sortation Facility
- Amazon's Hercules Robot is Key Component to its Fulfillment Centers
- NRF: Economy Continues to Grow, But is Losing Momentum
- Report: Gen Z Twice as Likely to be Omnichannel Shoppers
- Survey: Economic Conditions Expected to Impact US Consumers' Holiday Purchasing Behaviors

PRODUCT UPDATES

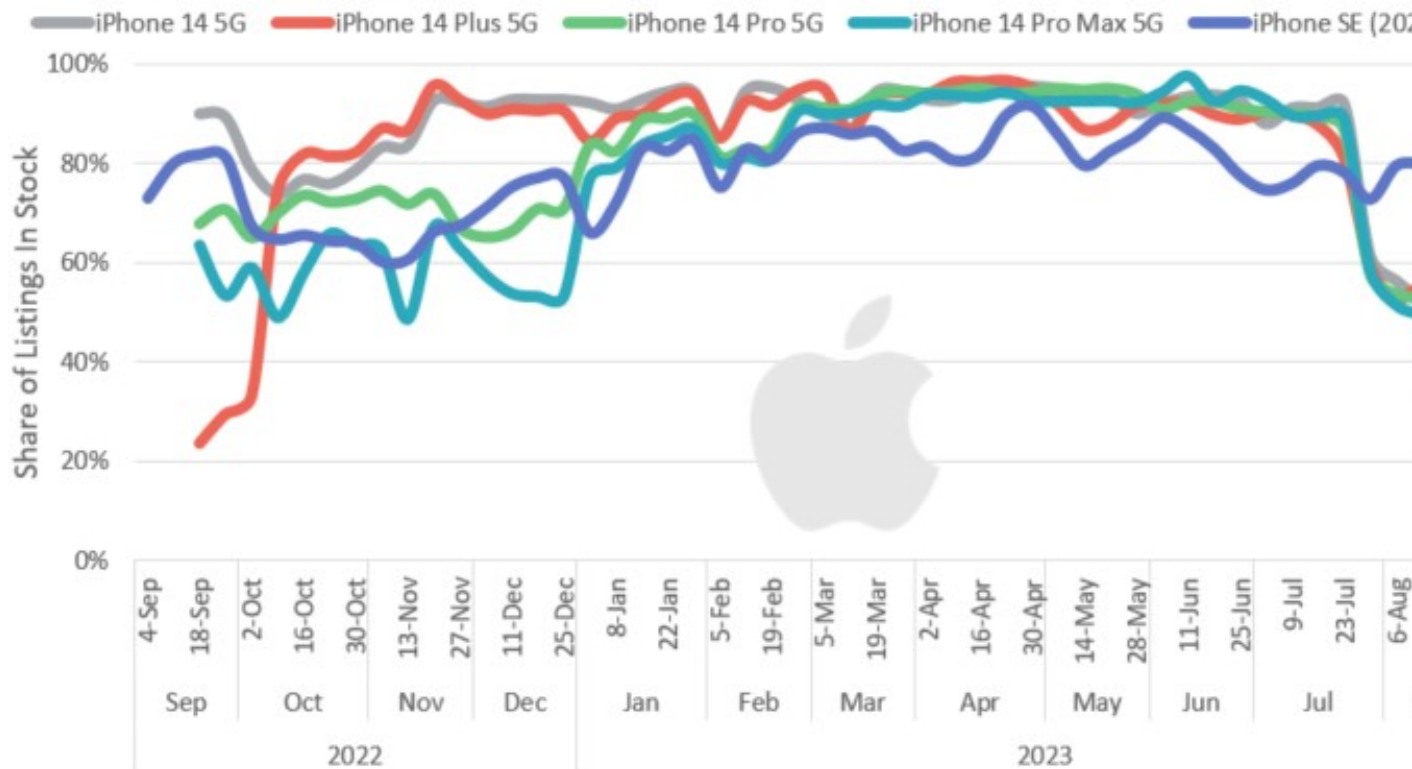
gapSnapshot: iPhone In-Stock Levels Slump Ahead of New Generational Lunch

This week's Snapshot highlights a trend of in-stock levels for Apple's current iPhone generation in the online marketplace since September 2022, including the iPhone 14 & iPhone SE (2022) product families. The chart includes Locked, Prepaid, and Unlocked iPhones available online through Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, Sam's Club, Target, T-Mobile, US Cellular, Verizon, and Walmart.

gap impact summary

- Scattered in-stock availability from fall & winter 2022 improved for spring 2023 & remained steady through mid-summer 2023. 97% of iPhone 14 generation models in stock online up to mid-summer 2023
- Apple's iPhone in-stock percentages dipped during summer 2023 as symptom of inventory challenges for iPhone 14 Pro (postpaid), Cricket Wireless (prepaid), & T-Mobile (postpaid)
- iPhone 14 Pro 5G & iPhone 14 Pro Max 5G were the hardest to get during fall 2022 (70% & 58% in-stock on average) & have the lowest in stock percentages today as Apple moves to discontinue items
- iPhone 14 5G & iPhone 14 Plus 5G were the easiest to get during fall 2022 (86% & 75% in-stock online) but, like others, saw higher rate of out-of-stocks for the summertime
- 80% of iPhone SE (2022) 5G inventory was in stock for summer 2023, a positive factor noting Apple's intent to keep the model in its lineup

Smartphones: Apple Online In Stock Percentages



*gap intelligence panel includes: Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, Sam's Club, Sprint, Target, T-Mobile, US Cellular, Verizon, Walmart

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Source: "Master Pricing Table" tab within the September 10, 2023 Pricing & Promotions Report in [Dashboard Reports](#)

[Top](#)

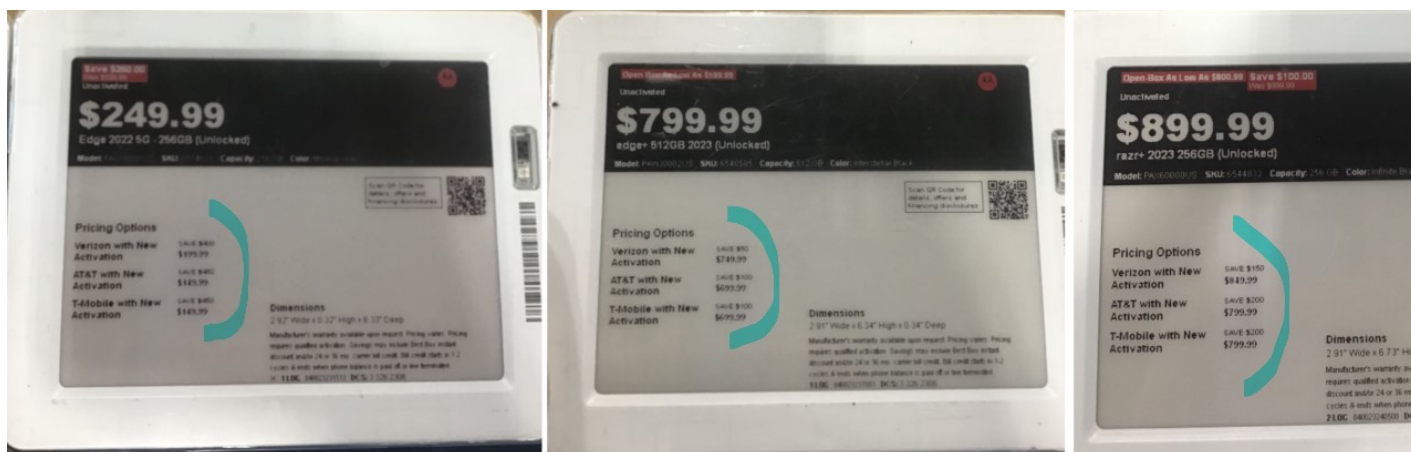
Motorola & OnePlus Gain Postpaid Options on Best Buy's Shelf

An assortment of new buying options for Motorola and OnePlus smartphones recently appeared in-store at Best Buy locations. Updated settings for the models include added postpaid pricing details alongside unlocked listing details, giving AT&T, T-Mobile, and Verizon representation. The Motorola and OnePlus models are now positioned on Best Buy's main unlocked gondola where, previously, only the open market models were displayed.

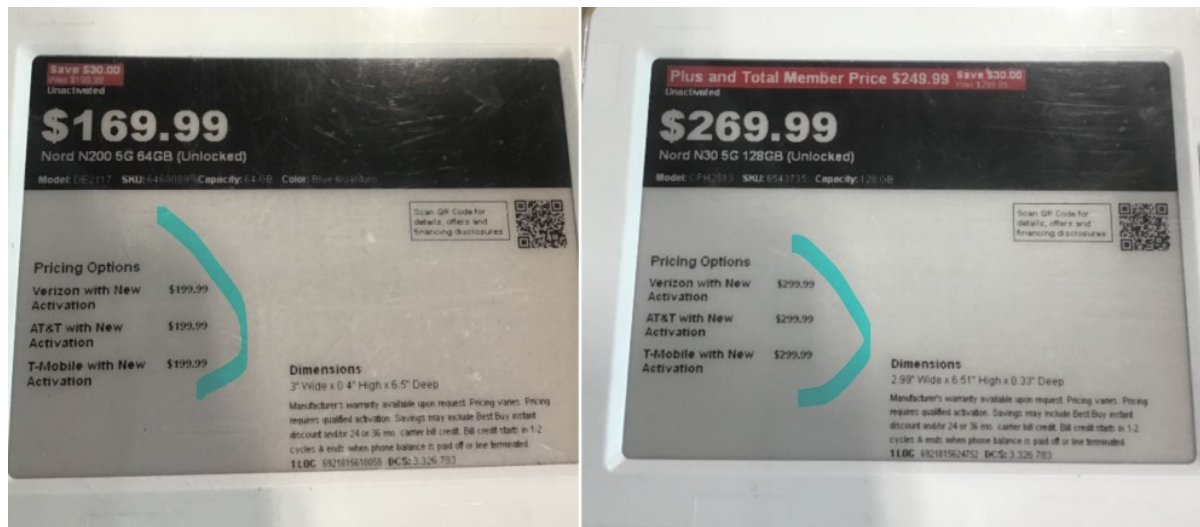
was shown to in-store shoppers. The added options enable better cross-carrier comparisons for in-store shoppers, plays toward Best Buy's specialty as a multi-carrier retailer and gives previously unlocked units better opportunity to be activated/attached to a postpaid operator.

gap impact summary

- Best Buy stores add postpaid options to unlocked sales tags for Motorola & OnePlus smartphones
- Seven Motorola models now part of AT&T, T-Mobile, & Verizon portfolios at retailer
- OnePlus' Nord N200 5G & Nord N30 5G become brand's first AT&T & Verizon options in channel, reinforcing T-Mobile presence
- Updated pricing options give smartphones appeal beyond unlocked segment shoppers



Seven products from Motorola are receiving added pricing options inside Best Buy stores including the Edge 2022 5G (2023), Edge+ 5G (2023), Moto G 5G (2023), Moto G Play (2023), Moto G Stylus (2023), Moto G Stylus 5G (2023), and Moto G Stylus 5G (2023). All of these models were found on the shelf as unlocked SKUs prior to gaining AT&T, T-Mobile, and Verizon pricing options, which greatly helps Motorola by giving it a robust array of handsets with the postpaid options that are available from carriers like Apple and Samsung. Pricing for the new Motorola postpaid options varies across the three carriers and is generally \$50 to \$100 higher than the unlocked price with all of the options listing some form of instant savings with activation. As reflected in the table below, pricing is lowest for AT&T versions of the Motorola models and \$30 to \$50 higher for equivalent Verizon SKUs.



OnePlus Nord N200 5G and Nord N30 5G gain AT&T, T-Mobile, and Verizon listings on their price tag supplementing previous unlocked pricing. Each of the postpaid carriers offers the Nord N200 5G for \$199.99 and the Nord N30 5G for \$299.99, which is \$30 higher than current unlocked pricing. Additionally, OnePlus' unlocked Nord N30 5G has a lower Total Member Price of \$249.99 for those invested in Best Buy's rewards program. The AT&T options notably represent the first time that OnePlus has been offered by the carrier, while the new Verizon listings make the Nord models that carrier's first new smartphones from the brand since the 8 series (2020) and T-Mobile is the only postpaid carrier that devotes space in its stores for OnePlus, the AT&T and Verizon listings inside Best Buy should help grow familiarity with OnePlus among their subscribers.

Smartphones: New Motorola & OnePlus Buying Options In-Store at Best Buy

Brand	Product	Carrier	Contract Type	Operating System	Display Size (in)	Internal Storage (GB)	Rear Megapixel
Motorola	Edge (2022) 5G	AT&T	Unactivated	Android	6.6	256	Tri 50+1
		T-Mobile	Unactivated	Android	6.6	256	Tri 50+1
		Verizon	Unactivated	Android	6.6	256	Tri 50+1
		Unlocked	Unlocked	Android	6.6	128	Tri 50+1
	Edge+ 5G (2023) 512GB	AT&T	Unactivated	Android	6.7	512	Tri 50+12
		T-Mobile	Unactivated	Android	6.7	512	Tri 50+12
		Verizon	Unactivated	Android	6.7	512	Tri 50+12
	Moto G 5G (2023) 128GB	AT&T	Unactivated	Android	6.5	128	48
		T-Mobile	Unactivated	Android	6.5	128	48
		Verizon	Unactivated	Android	6.5	128	48
	Moto G Play (2023)	AT&T	Unactivated	Android	6.5	32	Tri 16+2
		T-Mobile	Unactivated	Android	6.5	32	Tri 16+2
		Verizon	Unactivated	Android	6.5	32	Tri 16+2
	Moto G Stylus (2023) 64GB	AT&T	Unactivated	Android	6.5	64	Tri 50+8
		T-Mobile	Unactivated	Android	6.5	64	Tri 50+8
		Verizon	Unactivated	Android	6.5	64	Tri 50+8
	Moto G Stylus 5G (2023) 256GB	AT&T	Unactivated	Android	6.6	256	Dual 50
		T-Mobile	Unactivated	Android	6.6	256	Dual 50
		Verizon	Unactivated	Android	6.6	256	Dual 50
	razr+ 5G (2023) 256GB	AT&T	Unactivated	Android	6.9	256	Dual 12+
		T-Mobile	Unactivated	Android	6.9	256	Dual 12+
		Verizon	Unactivated	Android	6.9	256	Dual 12+
OnePlus	Nord N200 5G	AT&T	Unactivated	Android	6.49	64	Tri 13+2
		T-Mobile	Unactivated	Android	6.49	64	Tri 13+2
		Verizon	Unactivated	Android	6.49	64	Tri 13+2
	Nord N30 5G 128GB	AT&T	Unactivated	Android	6.72	128	Tri 108+
		T-Mobile	Unactivated	Android	6.72	128	Tri 108+
		Verizon	Unactivated	Android	6.72	128	Tri 108+

*new items in-store week of 9/2/23

*indicates promo

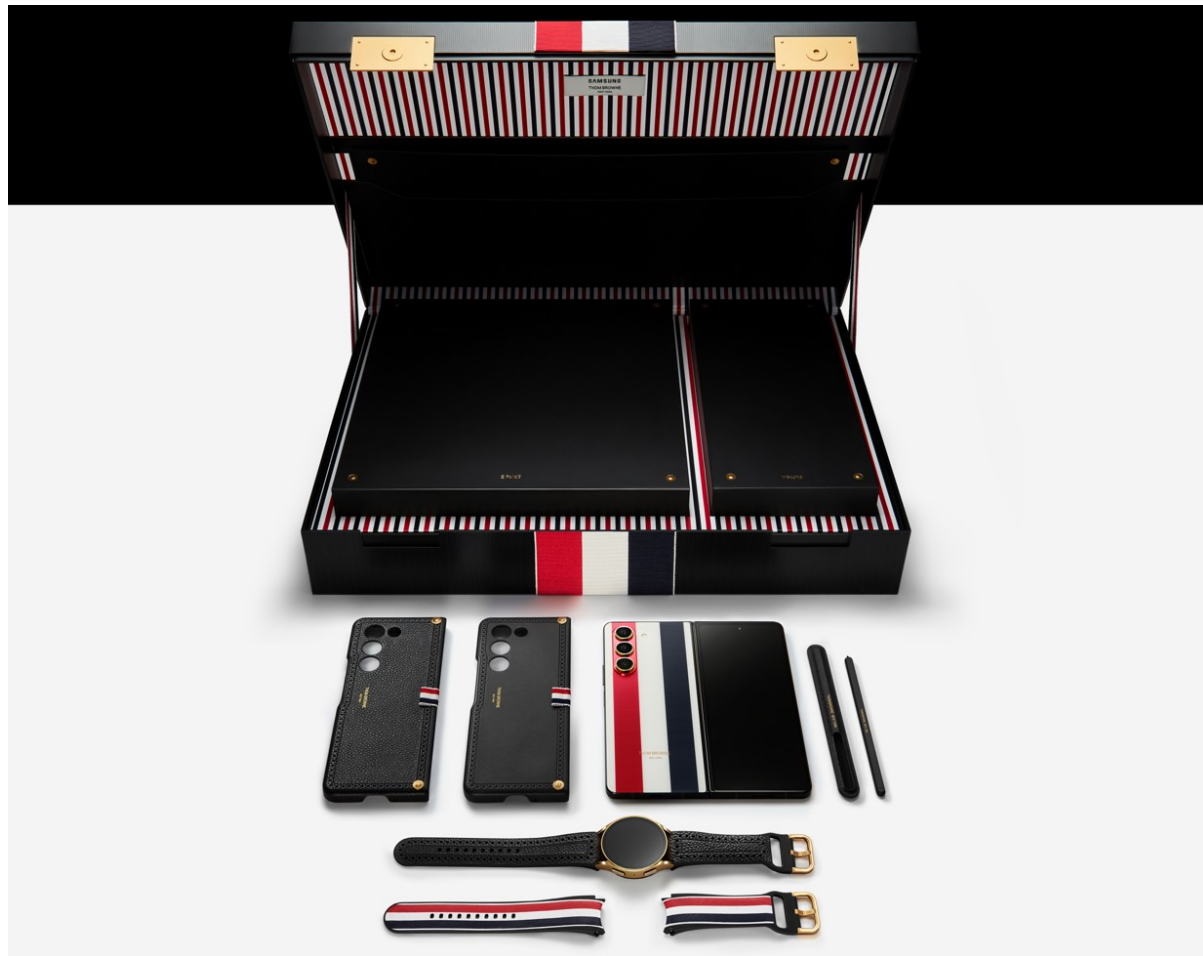
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[Top](#)

Samsung Launches Limited Galaxy Z Fold5 5G Thom Browne Edition

Samsung Electronics is continuing its longstanding work with Thom Browne through the release of the Galaxy Z Fold5 5G Thom Browne Edition. The inspiration for the limited edition Galaxy Z Fold5 5G smartphone is the “grand luxury of a black-tie event,” and the model comes bundled with additional accessories, including a special C

Watch6, that “bring a level of sophistication fit for a table at the most exclusive gala.” This latest limited edition is a continuation of the brand’s prior collaboration through Thom Browne Editions of Samsung’s [earlier foldables](#), which align the series even more toward status-seekers and stylish buyers. Samsung indicates that the Galaxy Z Fold5 5G and Galaxy Watch6 Thom Browne Edition will be available “in limited numbers” starting on September 12, 2023 in select markets including South Korea and at Samsung.com. Pricing was not disclosed for the special edition bundle, but it is expected to carry a premium of \$200 to \$300 over the standard Fold5.



The new Galaxy Z Fold5 5G Thom Browne Edition features both Samsung’s latest foldable technology and Thom Browne’s signature design elements, which are seen in the smartphone’s black pebble leather and grosgrain fabric texture, the signature red, white, and blue stripes, fabric texture etched on the back glass, a black frame with gold hinge, and a black leather strap with gold buckle.

around the camera assembly. The limited-edition version also ships with two distinct leather pouch cases and a limited-edition of the S Pen.

The special Galaxy Watch6 also carries Thom Browne's aesthetic with a gold-tone body, complementary watch face, engraved logo on the side, plus a buckle with red, white, and blue colors. The theme is also carried over to the Galaxy S25W travel adapter, coin-style watch charger, and fabric USB-C cable.

Samsung also gives attention to the packaging of the Galaxy Z Fold5 5G Thom Browne Edition, which boasts a Thom Browne briefcase as a collectable item that "turns a typical unboxing into the upgraded experience of opening a briefcase."

[Top](#)

INDUSTRY REPORTS

Qualcomm & Apple Extend 5G Chip Supply Agreement

Qualcomm [announced](#) the extension of its modem supply agreement with Apple until 2026, revealing that the chipmaker will continue to rely on Snapdragon 5G Modem-RF Systems for several more generations. Qualcomm's extended agreement with Apple, which was originally set to expire this year, reinforces a "track record of supply chain leadership across 5G technologies and products," while news of the ongoing relationship confirms that the chipmaker is facing more delays in the development of its own 5G modems.

Apple has worked toward making its own custom 5G modem chips for several years, and it aimed for a 2022 rollout of the technology within earlier plans. After [settling a lawsuit](#) in 2019 over Qualcomm's patent licensing practices, Apple [purchased](#) a majority of Intel's smartphone modem business and made its initiative to replace Qualcomm components known. Noting that the iPhone maker had always envisioned a gradual rollout of its new components, Apple's built 5G modems could appear before its agreement with Qualcomm expires in 2026. Qualcomm says that it is expecting to supply 20% of the 5G modems used in Apple iPhones by the end of the agreement, which is the same proportion it was envisioning for 2023 at the time it established the original deal in 2019.

[Top](#)

Target Expands Next Day-Delivery Capabilities with New Sortation Facility

Last month, Target established its tenth sortation facility in Miami, continuing the expansion of its next-day capabilities. Testing of the idea began in April 2021, where a pilot facility in Minneapolis aimed to streamline the process of completing and shipping online orders by moving the sorting process out of the backend of stores.

The business announced plans in February to invest \$100 million into the expansion network, with the goal of opening more than 15 locations by the end of 2026. Target stated in a [press release](#) that since the commencement of sortation center operations, the facilities have contributed to more than a 150% increase in the number of next-day deliveries.

In an effort to expedite deliveries even more, the retailer established its first "Target Last Mile Delivery" extension in Smyrna, GA in June. Target's Atlanta sortation center sends local, pre-sorted parcels to the facility, where they are staged for pick-up and next-day delivery by drivers to further communities via the Shipt platform. In partnership with Shipt, Target has expanded options for drivers where they can use larger-capacity vehicles, which can hold up to 10 times more packages per route. The TLMD extension, which was constructed for less than the price of a full sortation center, allows the store to offer next-day delivery to over 500,000 more customers in the greater Atlanta area. All of the company's sortation center locations now offer "Target Last Mile Delivery".

[Top](#)

Amazon's Hercules Robot is Key Component to its Fulfillment Centers

Building on a 10-year history of developing robots that work alongside people inside its warehouses and fulfillment centers, Amazon is sharing the details of its Hercules robot. Hercules travels around Amazon facilities retrieving shelves of products that are delivered directly to employees who pick specific items to ship. The robot is designed to reduce walk time in large buildings and improve the quality of employees' workflows. Amazon announced in a [blog post](#) that Hercules is the company's representation within a new gallery of items from innovative companies at Nasdaq's new headquarters in New York City, highlighting the foundational impact that it has to the [ongoing expansion](#) of Robotics Fulfillment.



Hercules has a 3D camera and uses a grid of encoded markers on the floor in order to navigate, position itself relative to any product shelf. Hercules takes overall direction from centralized planning software, but can make key decisions on how it moves independently, including how to identify humans who wear WiFi-equipped Tech Vests and coordinate to plan safe routes around them. Amazon says that thousands of Hercules robots are coordinating how they move in a connected fleet at each of its fulfillment sites.

Amazon is currently using over a dozen types of robotic equipment across its global supply chain, including the latest generation fully autonomous mobile robots Proteus and Cardinal, which it implemented [earlier this year](#). Hercules is joined by other smart robots within Amazon's fulfillment centers, as the company works to streamline processes and move the demanding work away from distribution center employees.

AI technology - automatically scans packages

Cardinal - large mechanical arm picks up & handles packages, putting them in carts, reducing physical work for warehouse employees

Proteus - intelligently moves around warehouses autonomously, carries cart of packages, can distinguish between humans & inanimate objects

Robin - helps lift & sort customer orders

Sparrow - intelligent system that recognizes, chooses, & handles specific products in inventory

[Top](#)

NRF: Economy Continues to Grow, But is Losing Momentum

The US economy is still expanding, but not as fast as it was earlier this year, according to National Retail Federation (NRF) chief economist Jack Kleinhenz. The economy is slowing but not halting, with progress made on controlling inflation, however higher prices still remain. Consumer spending favors services over retail goods, and there is momentum going into the third quarter. The NRF forecasted 2023 retail sales to increase between 4% and 5% but the interest rate increases have slowed the economy, and sales are likely to end up in the lower range of that forecast. Gross domestic product grew at a 2.1% annual rate adjusted for inflation in the second quarter, while gross personal income rose by a more modest 0.5% annual rate.

The economy added 187,000 jobs in August, but the unemployment rate jumped 0.3 points to 3.8%. Personal consumption expenditures increased 0.8% month over month in July, and the savings rate dipped to 3.5% in July from 4.3% in June. Consumer confidence took a hit in August as high prices and interest rates weighed on shoppers' decisions. The Personal Consumption Expenditures Price Index was up 0.2% month over month in July for the second month in a row. Additionally, the Conference Board's Consumer Confidence Index fell to 106.1 in August from 114 in July.

[Top](#)

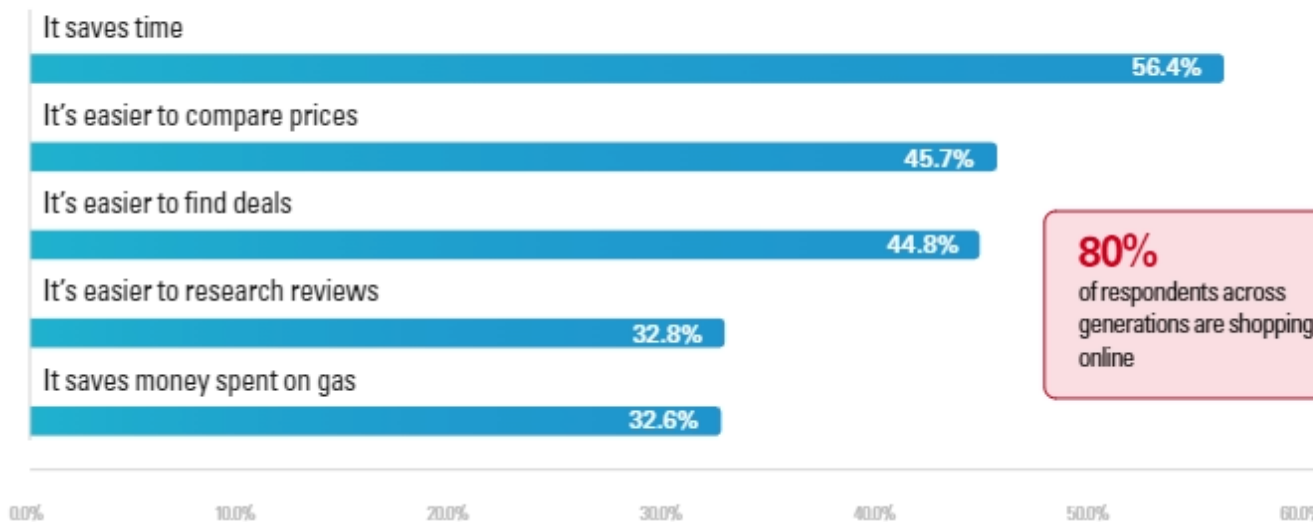
Report: Gen Z Twice as Likely to be Omnichannel Shoppers

Gen Z shoppers are more likely to utilize two or more channels during their purchase journey compared to other generations and have higher expectations for brands and merchants, [according to Near Intelligence's The Generation Shopping Divide Report](#). Four-fifths of respondents shop online, but there's a difference in overall approach. Compared to 33% of Boomers taking an omnichannel approach (using two or more channels), 63% of Gen Z

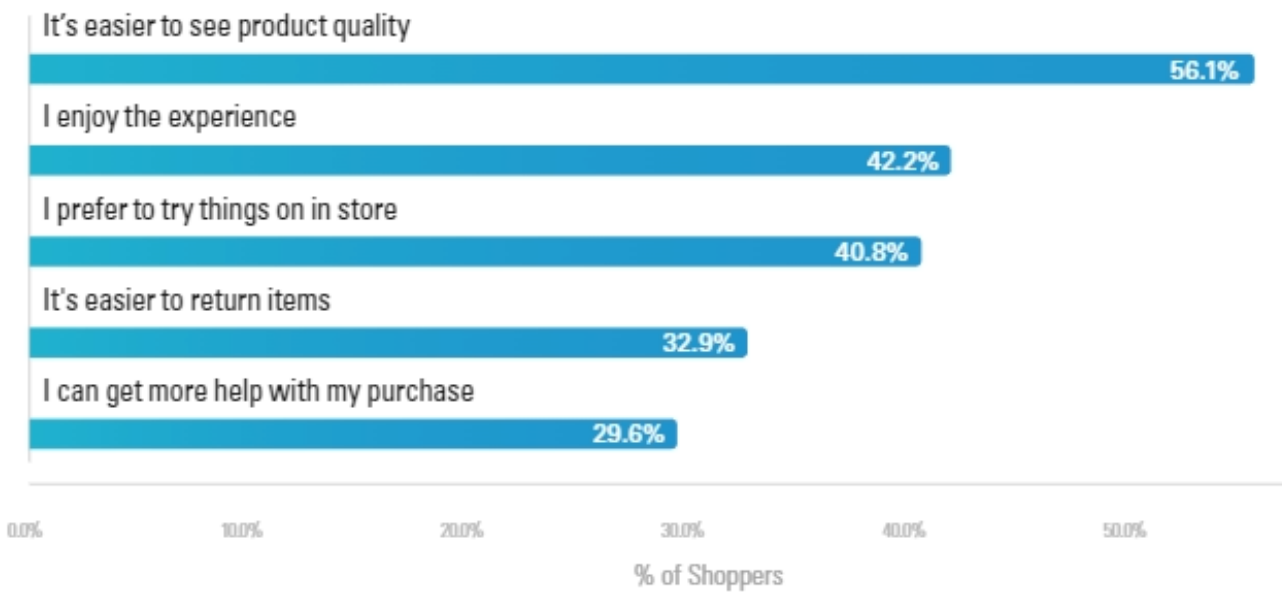
millennials use this option; overall, 52% of those surveyed use an omnichannel approach. The report surveyed people in the US, UK, and Australia in July. Other insights include:

- Customer engagement is key for younger generations
 - 88% of Gen Z and millennials want to engage with their favorite shopping center compared to 61% of Boomers
 - 84% of Gen Z and millennials are more likely to shop at stores with personalized recommendations based on their shopping history, compared to 59% of Gen X and Boomers
- Spending is on the rise this year for some groups
 - 52% of Gen Z and 48% of millennials plan to spend more during the rest of the year
 - In contrast, only 29% of Gen X and 21% of Boomers will spend more
 - 42% of millennials and 43% of Gen X say the overall economy is affecting their spending, compared to 31% of Gen Z and 34% of Boomers

Top Reason Shoppers Are Motivated to Shop Online



Top Reason Shoppers Are Motivated to Shop In-Store



[Top](#)

Survey: Economic Conditions Expected to Impact US Consumers' Holiday Purchase Behaviors

The "[2023 Holiday Trends: Grocery and Everyday Spend](#)" survey from Inmar Intelligence revealed that the current economic conditions and rising cost of living will influence what consumers buy and how they purchase. The survey contained responses from 1,000 US consumers. Nearly 49% of respondents expressed pessimism about the growing cost of living, and 48% expressed a pessimistic attitude toward the economy.

Most respondents (73%) anticipate reducing their holiday expenditure due to the financial situation. Affordability and choosing gifts (44%) are the two aspects of the holiday season that people consider the most stressful. Nearly 60% of respondents state they will look for discounts or promotional codes before making holiday purchases. In the current economy, more than half (53%) of respondents are buying fewer presents this year, and eight out of ten (81%) would look into more affordable alternatives.

Inmar Intelligence discovered generational disparities in reactions while examining holiday spending trends in detail. Survey participants between 18 and 44 anticipate spending more on presents and other holiday-related items this year than last year, and those over 45 anticipate spending roughly the same amount or less.

The survey also uncovered trends around holiday payment and shopping technology use, including a large increase in consumers planning to utilize Buy Now, Pay Later (BNPL). Around 38% of consumers plan to utilize BNPL for holiday expenses, an increase from 23.2% the previous year. Reflecting the relaxed attitude younger generations have towards debt amidst the state of the economic environment, 56.3% of Millennial respondents plan to utilize BNPL, an increase from 29.8% the previous year.

Additional findings:

- 60% of respondents plan to shop online and in-store during the holidays
- Only 50% of respondents are members to retail loyalty programs that offer coupons or rewards during the holiday season
- 61% cited social media influencers as a reason for their holiday purchases

[Top](#)

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