

Traditional PC Shipments in India Declined by 17% YoY in 1Q20 Despite Strong Demand from Enterprises, Reports IDC India

NEW DELHI, 13th May 2020 – The India traditional PC market inclusive of desktops, notebooks, and workstations declined by -16.7% year-over-year (YoY) in the first quarter of 2020 (CY 1Q20), with a total of 1.8 million shipments, according to new data from the [International Data Corporation \(IDC\) Worldwide Quarterly Personal Computing Device Tracker](#).

This decline was registered across all product categories and can be attributed largely to the supply issues faced by the vendors due to COVID-19, which impacted the manufacturing and logistics arms of vendors in China. The nationwide lockdown in India from the second half of March aggravated the problems further for PC vendors since it resulted in a complete halt of retail and commercial orders.

Notebooks recorded a -16.8% decline due to significant YoY contractions in the consumer and education segments. The private sector, however, posted much better results with companies advising their employees to work from home in March. In anticipation of an upcoming lockdown, many businesses increased their orders for notebooks, which resulted in a 7.1% YoY increase for this segment. The growth would have been even higher, if not for supply constraints which affected the industry in February and March and caused some of the orders to be delayed until 2Q20. The desktop category had relatively better inventory since most of it is assembled in India but saw a decline in demand and contracted -15.9% YoY in the first quarter of 2020.

“Enterprises across all segments seem to be preferring notebooks over desktops during the current scenario of work from home under the lockdown,” said [Bharath Shenoy](#), Market Analyst, PC Devices, IDC India. “As companies and employees try to adjust to remote working requirements, the immediate task is to make the workforce functional

with minimal losses in productivity. Hence, the demand for notebooks in the enterprise segment is expected to remain strong in the coming quarters,” adds Shenoy.

Top 3 Company Highlights: 1Q20

HP Inc. retained the top position in the overall PC market with a share of 28.2% in 1Q20. HP struggled with supplies of desktops, which led to fewer shipments than expected, and a 16.4% YoY decline in total shipments. Its notebooks also saw a marginal decline of 2.4% YoY in 1Q20. However, HP maintained its lead in this category.

Dell Technologies replaced Lenovo in the second position despite witnessing a 16.5% decline in its overall shipments. Dell was able to secure supplies for certain categories on time, which helped the vendor to gain new orders that came to support the remote working requirements.

Lenovo finished the quarter in the third-place while declining 33.6% YoY. In 1Q19, Lenovo had ELCOT as a large education project in its portfolio that the vendor was unable to replace in 1Q20. Additionally, a few deals were postponed, and supply constraints limited the delivery of new wins. This resulted in a sharp decline in its shipments when compared to the same time a year ago.

India PC market, Top three companies, Market Share, Year-over-Year Growth 1Q20 (Shipments are in thousands of units)					
Company	1Q20 Shipments	1Q20 Market Share	1Q19 Shipments	1Q19 Market Share	Year-over-Year Unit Change (1Q20 vs 1Q19)
1. HP Inc.	506	28.2%	605	28.0%	16.4%
2. Dell Technologies	466	25.9%	557	25.8%	16.5%
3. Lenovo	360	20.0%	543	25.2%	33.6%
Others	465	25.9%	453	21.0%	2.7%
Total	1,797	100.0%	2,158	100.0%	16.7%
Source: IDC Worldwide Quarterly Personal Computing Device Tracker, May 2020					

Commenting on the COVID-19 impact, [Jaipal Singh](#), Associate Research Manager, Client Devices, IDC India states, “There has been a huge uptake in learning and working from home in India during this countrywide shutdown as students, parents, working executives, and companies come to terms with the new reality during this period. On the other hand, small and medium businesses are significantly impacted because of the shutdown with buying trend expected to remain low throughout the year. Thus, vendors must be ready to capture these pockets of

growth in the next few quarters to offset the sluggish demand.”

“Additionally, this will bring changes in the procurement pattern of PCs going forward with more companies preferring mobility and endpoint security among the key requirements in their next purchases. Vendors should prioritize these features in their new offerings,” concludes Singh.

Notes:

- Shipments include shipments to distribution channels or end-users. OEM sales are counted under the company/brand under which they are sold.
- Traditional PCs include Desktops, Notebooks, and Workstations and do not include Tablets or x86 Servers. Detachable Tablets and Slate Tablets are part of the Personal Computing Device Tracker but are not addressed in this press release.

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