

## India HCP Market Observes Sharpest YoY Decline of 22.5% in CY 1Q20 Following Supply Chain Disruption, IDC India Reports

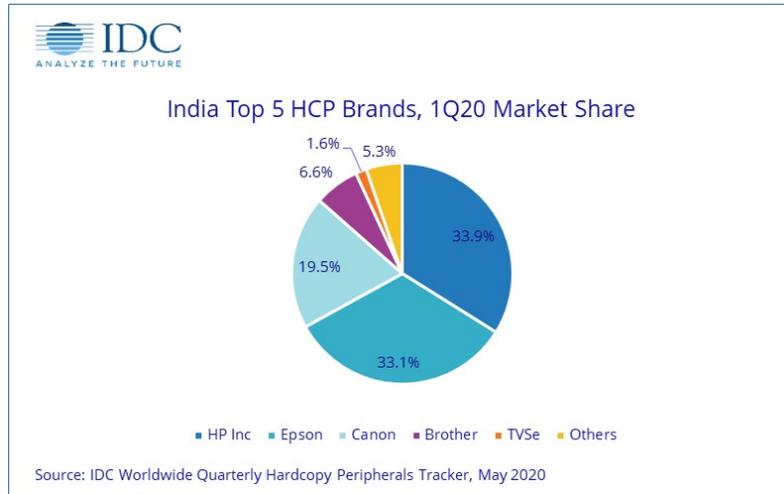
NEW DELHI, 15<sup>th</sup> May 2020 – India HCP market registered shipments of 0.66 million units in CY 1Q20, with a decline of 22.5% year-over-year (YoY), according to the latest [IDC Worldwide Quarterly Hardcopy Peripherals Tracker](#), 1Q20. Following the disruption in supply chain and demand shock due to COVID-19, the HCP industry observed the sharpest quarter-over-quarter (QoQ) decline of 16.5%, to date.

Supply was disrupted since most of the vendors have their manufacturing in China. As a result, the shipments to India were heavily impacted in February and beginning of March. This was further accentuated by the countrywide lockdown from 24<sup>th</sup> March, leading to further disruptions in the market from both supply and demand perspectives. This resulted in a sharp YoY decline in the Inkjet and Laser segment (Including the Copier segment) by 22.4% and 22.6%, respectively. Moreover, many orders, which were supposed to be executed in the 2<sup>nd</sup> half of March, could not be delivered to channel leading to reverse invoicing in a few cases.

“Laser Copier segment witnessed maximum impact, declining by 48.7% YoY. Also, to sever supply challenges, many orders remain unbilled since most of the orders in this segment are typically executed in the second half of March. Furthermore, Q1 typically sees strong demand from the government which was impacted majorly, leading to multiple orders being either put on hold or canceled. While the overall inkjet market declined, the Ink tank segment gained market share by 4.5% YoY. SOHOs and consumer segment particularly continue to swiftly adopt ink tank over ink cartridge-based models,” says [Bani Johri](#), Market Analyst, IPDS, IDC India.

Overall HCP\* Market:

Figure 1



### Top 3 Brand Highlights:

HP Inc. (excluding Samsung) maintained its leadership in HCP with a market share of 33.9% while its shipment declined by 30.0% YoY. It faced severe supply issues as its manufacturing units are based in China. While the Laser Printer segment declined by 20.5% YoY, the inkjet segment declined by 46.5% YoY. HP dropped to the 3rd position in the Inkjet segment owing primarily because of its supply issues. On the Laser printer front, HP continued to maintain its number 1 position with a 61.0% market share.

Epson maintained its 2nd position in the overall HCP market with a market share of 33.1%. Like other vendors, Epson was also forced to close its books early in March which led to a decline in shipment by 17.8% YoY. Apart from a couple of models, Epson did not face severe supply issues. It also strengthened its leadership position in the inkjet

segment by registering its highest unit market share of 60.4%, to date.

Canon recorded a YoY decline of 5.8% while maintaining its 3rd position in the HCP market and capturing a 19.5% market share. In the inkjet segment, while Canon declined YoY by 8.5% as a result of supply issues, it played a key role in increasing the market share of the overall ink tank segment. In the Laser Copier segment, although Canon declined by 37.2% YoY, yet it continues to lead the copier market with 29.3% market share as a result of its wide product portfolio and a strong foothold in the corporate segment.

IDC India Market Outlook:

“Due to COVID-19 pandemic resulting in multiple tranches of nationwide lockdown, there is a lot of uncertainty resulting in frequent changes to the outlook for the coming quarters. However, under the assumption that things become normal from 3Q20 onwards, vendors are still likely to face a slowdown in consumer demand as they prioritize their spending towards essential goods. However, despite weakness in consumer demand, IDC expects the India HCP market to start showing signs of recovery from 3Q20 onwards as economic growth starts rebounding. Vendors are likely to go aggressive with their marketing and promotional campaigns

during 4Q20 to cash in on the festive season. IDC also expects brands to make a significant push towards online sales as the fears around COVID-19 are likely to play on consumer's minds while considering a visit to retail stores. Commercial printing demand is also likely to witness a slowdown in the aftermath of lockdown as organizations might look to continue with remote working post lockdown as well," says [Nishant Bansal](#), Senior Research Manager, IPDS, IDC India.

-Ends-

#### About IDC Trackers

[IDC Tracker](#) products provide accurate and timely market size, company share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly excel deliverables and on-line query tools. The IDC Tracker Charts app allows users to view data charts from the most recent IDC Tracker products on their iPhone and iPad.

#### About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events

for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly-owned subsidiary of International Data Group (IDG), the world's leading tech media, data and marketing services company. To learn more about IDC, please visit [www.idc.com](http://www.idc.com). Follow IDC on Twitter at [@IDC](https://twitter.com/IDC) and [LinkedIn](https://www.linkedin.com/company/idc). Subscribe to the IDC Blog for industry news and insights: [http://bit.ly/IDCBlog\\_Subscribe](http://bit.ly/IDCBlog_Subscribe).

All product and company names may be trademarks or registered trademarks of their respective holders.

IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. Additional information can be found at [www.idc.com](http://www.idc.com). All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:

Shivani Anand  
sanand@idc.com  
+91 9910466896