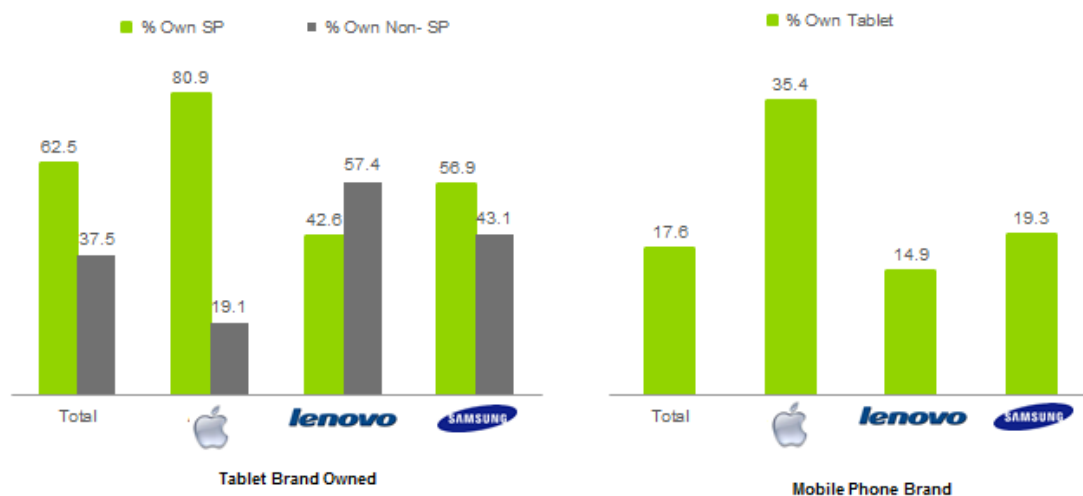


Eco-system is the key for Smart Device multi-screen strategy

For either Android or iOS, there is an app for almost everything nowadays, as a result, mobile device like tablet plays an important role in our life. Desktop computers and laptops have been tossed aside, as many tasks that were traditionally done on a computer are now performed on tablets. We are no strangers to below scenes, At home, we often pick up a tablet on the table, or from the sofa and start reading or streaming videos. At work, we are leaving our documents or notepad behind, attend meetings with only a tablet. Is there any relation between the tablet we use and the mobile phone we own?

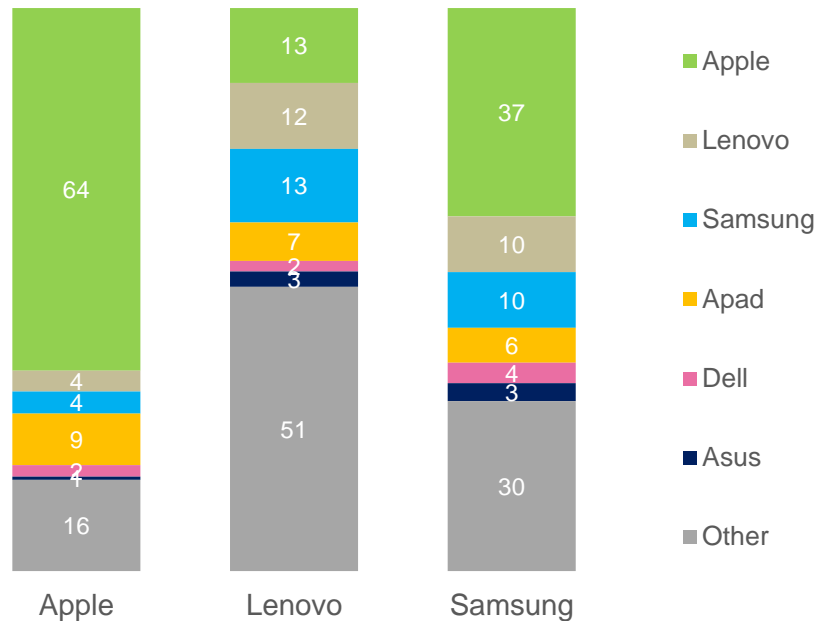
The recent Kantar Worldpanel ComTech report shows, by December 2013, amongst Apple, Samsung and Lenovo tablet users in Urban China, over 62% own a smartphone device, this ratio is particularly high for Apple iPad users at 80.9%, followed by Samsung with 56.9% which is slightly higher than Lenovo's 42.6%. If we look at tablet penetration by mobile phone brands, 35.4% iPhone users own a tablet, and Samsung and Lenovo mobile users have a tablet penetration of 19.3 and 14.9 respectively. Therefore, in comparison, iPad users are more likely to use a Smartphone device, and tablet penetration is higher for iPhone users. This implies, the high cost of Apple products naturally recruits high value customers, and they are more likely to lead the trend of multi-screen adoption.



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Source: Kantar Worldpanel ComTech

With Apple, Samsung and Lenovo all offering mobile and tablet products, their cross-products penetrations have a close tie with Operating Systems(OS) like Android and iOS that used in their devices. In the recent Kantar Worldpanel ComTech report, by the end of 2013, for those iPhone users who also own a tablet device, 64% of them are using iPad (iOS). In the same period, Android tablet's penetration is 63% among those Samsung Smartphone users who also have a tablet. Those numbers suggest, Apple and Samsung mobile users' tablet purchase decisions is linked with their mobile phone OS. If mobile and tablet are running the same OS, it usually deliveries some sort of convenience to users with easier data synchronization and better user experience, and regardless Android or iOS, users are likely to choose a tablet that runs the same OS to their mobile phone.



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Source: Kantar Worldpanel ComTech

This is particular good news for Apple, as they can upsell and retains users' business once they have exposed to iOS, whereas for Samsung, when competing against so many other Android tablet manufactures, Android mobile users are spoiled with choice for tablets that running on Android, hence Samsung tablet penetration is merely 10% among those Samsung mobile users who currently own a tablet. As a result, for mobile brands, especially for those manufacturing Android devices, to stand out in the competition, they will need an unique eco-system that can deliver better user experience. This eco-system could be a brand new operating system, or a variation of Android in conjunction of connecting mobile Application, but it needs to run on all type of devices. This approach will not only attract/retain consumer to mobile phone product lines, but also encourage consumer to purchase other smart devices in the same eco-system.