



FEATURE

## **Deloitte's 2019 global mobile consumer survey**

Tracking consumers' digital behavior around the world

Paul Lee, Mark Casey, Craig Wigginton, and Cornelia Calugar-Pop

## Smartphones are now the world's most ubiquitous digital device. Just how are consumers using all those smartphones, and the apps and accessories that go with them?

IN THE HALF-DOZEN years since they became mainstream, smartphones have become the world's most ubiquitous and most-used consumer electronic device. According to Deloitte's 2019 global mobile consumer survey, in most developed markets, about 90 percent of adults own a smartphone, with around 95 percent of those smartphones used daily. As a result of its phenomenal success, the smartphone market has reached maturity, with adoption levels nearing their natural plateau in most developed markets. Over the next 12 months, growth in smartphone adoption is likely to be immaterial, and the market will level off in terms of units sold.

The survey, which polled 44,150 respondents in 28 countries across six continents, also found that consumer spend on smartphone apps and accessories is taking off. Together, sales of smartphones, along with smartphone apps and accessories, are expected to total nearly US\$1 trillion in 2020.

How are consumers using all those smartphones, apps, and accessories? This year's survey focused on five key themes:

**The smartphone has become integral to many people's lives.** Smartphones are embedded into many people's daily routines, not just because of the applications available for smartphones themselves, but also because of the growing array of devices that smartphones enable. Smartphones are used to configure smart speakers, display data collected by fitness trackers, relay images from security cameras, process data shown

on smartwatches, store music played on earbuds, and to configure smart lights. The more such ancillary devices a consumer acquires, the more vital and used the smartphone becomes.

## In 2019, about 1.4 billion smartphones will be shipped—far more than any other device.

The smartphone is also likely to remain the focus of investment budgets for many years to come. In 2019, about 1.4 billion smartphones will be shipped—far more than any other device.<sup>1</sup> The vastness of the market means that investments in new processors, machine learning capabilities, computational photography, display technology, and connectivity are likely to focus more on smartphones than on any other type of device, such as tablets.

### **The market for smartphone apps and accessories is gigantic and growing fast.**

Even if smartphone unit sales are leveling off, the broader smartphone economy—sales of hardware, content, and services for this ubiquitous device—is booming. We expect that such “smartphone multiplier” sales will drive US\$459 billion in revenue in 2020 alone,<sup>2</sup> 15 percent (US\$58 billion) higher than the prior year.<sup>3</sup> With smartphone unit sales expected to generate US\$484 billion in revenue in 2020,<sup>4</sup> the entire smartphone ecosystem—smartphones plus smartphone multipliers—will be worth more than US\$900 billion.

The smartphone multiplier's aggregate value should grow in the medium term, as two of its major product categories—wireless headphones

and wireless charging—remain in their relative infancy, with only a minority of smartphone owners having acquired these products so far.

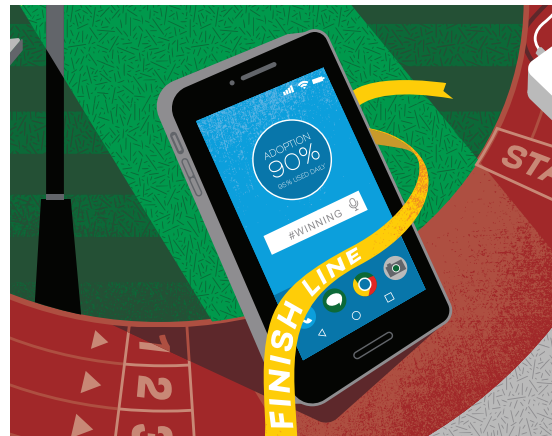
**Users don't seem worried about controlling their smartphone use.** As smartphones have become more integral to people's lifestyles, a great deal of research has focused on how, when, and why people use them. Past survey results reveal that most consumers reach for their phones within half an hour of waking, while those in younger age groups admit to overusing their phones at night, *after* lights out.

Given this, it's not surprising that a large proportion of our survey respondents perceive that they overuse their smartphones. This year, in developed markets, 48 percent of smartphone users state that they overuse their phones. But interestingly, these are the same proportions as in last year's survey and even the year before that.

What's more, overusers appear to be apathetic about better controlling their smartphone use—despite the growing range of tools that are available to manage excessive usage. Only 6 percent of smartphone users, for instance, use screen time trackers—far fewer than the 48 percent who self-report as overusers. It may be that worries about overexposure to smartphones, or even screens in general, have been overblown.

**Smartphones are great for playing games.** Mobile phones and games have always made a compelling pair. Even in the era of “candy bar” GSM phones, with their monochrome screens and numeric keyboards, a preloaded game became a differentiator. Games mattered then, and they continue to matter today: Our phones never leave our side, and games are a welcome distraction.

Smartphone owners play mobile games at all times of the day. In this year's survey, of the individuals who said they play games on their smartphones, 15 percent said that they play as soon as they wake



up; a quarter play while commuting; and 65 percent play while relaxing at home. Among UK respondents, men and women play video games on their smartphones in equal numbers, but the genre of the game varies by gender. Women are much more likely than men to prefer casual games such as *Candy Crush*. On the other hand, 18 percent of men who play smartphone games enjoy sports titles, as opposed to 3 percent of game-playing women; meanwhile, car racing games such as *Asphalt 9* are played by 16 percent of game-playing men versus 4 percent of game-playing women.

**Consumers are sharing a lot of data, sometimes without being aware of the terms and conditions.** The past year has seen an increase in the number and gravity of negative stories regarding data privacy. European countries have also completed their first year under the GDPR (General Data Protection Regulation), and one of its main purposes is to make it easier for citizens to understand how their data is being used.

Neither the news nor the introduction of GDPR appear to have affected consumer behavior, however. In the last 12 months, according to our research, the volume and range of the data that consumers share has grown in most countries. This may be partly because the number of connected devices each individual owns is growing, and the vast majority of these devices share data with third parties. However, consumers' scrutiny of the terms

and conditions associated with apps or devices remains scant: About 80 percent of adults rarely, if ever, read them.

Social network usage has also held steady or gone up marginally. Our survey found that the majority of people who stated that they never share their names online use at least one social network. Similarly, most of those who stated that they never share their phone numbers online use at least one instant messaging site.

A rise in data-sharing is not necessarily negative. News coverage tends to focus primarily on the downsides of data-sharing rather than the benefits.

Every application of technology can be benign, malign, or anything in between. A smartwatch that relays health data to medical staff in case of a heart attack can help save a life; a hijacked smartphone or PC camera can cause harm. A smartwatch could be used for covert surveillance. A webcam can allow office workers to see and talk to their pets or children during the day. All rely on data-sharing, but with opposing intents.

**Bottom line:** The future trajectory for the smartphone is changing, but it remains positive. The revolution is far from complete: The smartphone economy is just getting started.

#### **ABOUT THE DELOITTE GLOBAL MOBILE CONSUMER SURVEY**

The Deloitte mobile consumer survey is the world's largest multicountry survey of digital behavior trends. Launched in 2010 at the dawn of the smartphone revolution, this annual survey has tracked the accumulating impact of this totemic device. In earlier years, when smartphones were new, we tracked how people acquired them, the networks they connected to, and the applications they used. In the mid-2010s, we also started tracking the impact of ancillary devices to smartphones. These included products such as consumer internet of things (IoT) devices such as smart speakers, which are typically configured and controlled by smartphones, and wearables, such as smartwatches and fitness trackers, whose utility is greatly enhanced by pairing them with smartphones. In the past few years, as smartphones became well-nigh ubiquitous in emerging as well as developed markets, we have also tracked some of their societal impacts.

Reports for most countries participating in the survey, as well as a regional roll-up for the major Scandinavian countries, are available at [www.deloitte.com/insights/mobile-survey](http://www.deloitte.com/insights/mobile-survey). Each country-specific report contains a subset of all the data gathered. Additional data sets are also available upon request.

## Endnotes

1. Anthony Scarsella and William Stofega, "Worldwide smartphone forecast update, 2019–2023," International Data Corporation, June 2019.
2. Deloitte Global estimates based on various sources, including: Zenith, "Advertising expenditure forecasts, September 2019," accessed October 23, 2019; App Annie, *The state of mobile 2019*, January 2019; International Federation of the Phonographic Industry, "IFPI global music report 2019," press release, April 2, 2019.
3. IDC forecasts smartphone sales to increase by 39 million units in 2020. IDC also forecasts a five-year CAGR of 2.9 percent for the smartphone average selling price (ASP). Based on this CAGR, the smartphone ASP will reach US\$331 in 2019 and US\$341 in 2020. The variation in units and ASP gives us a total market value of US\$484.1 billion for 2020, US\$26.6 billion greater than that of 2019. For units, see Scarsella and Stofega, "Worldwide smartphone forecast update, 2019–2023." For ASPs, see Anthony Scarsella and William Stofega, "Worldwide smartphone forecast update, 2018–2022," International Data Corporation, June 2018.
4. This figure is based on IDC's units forecast of 1.42 billion smartphones that are expected to ship in 2020. IDC also forecasts a five-year CAGR of 2.9 percent for the smartphone ASP. Based on this CAGR, the smartphone ASP for 2020 will reach US\$341, yielding a total value of US\$484.1 billion. For units, see Scarsella and Stofega, "Worldwide smartphone forecast update, 2019–2023." For ASPs, see Scarsella and Stofega, "Worldwide smartphone forecast update, 2018–2022."

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## About the authors

**Paul Lee** | [paullee@deloitte.co.uk](mailto:paullee@deloitte.co.uk)

Paul Lee is a UK partner and the global head of research for the technology, media, and telecommunications (TMT) industry at Deloitte. In addition to running the TMT research team globally, Lee manages the industry research team for Deloitte UK. He is a frequent speaker at industry and closed-door conferences and was on the organizing committees of the Royal Television Society's Cambridge and London conferences. Lee has written five books, including *Convergence Conversations* and *Digital Dilemmas*. He is based in London.

**Mark Casey** | [markcasey@deloitte.nl](mailto:markcasey@deloitte.nl)

Mark Casey is the global leader for Deloitte's Telecommunications, Media & Entertainment practice. He has more than 25 years of experience in providing operational and technology-enabled solutions across the TM&E ecosystem. Casey is active in the M&A domain for media companies and in the transformative changes for newly acquired businesses and their back-office evolution. In addition, he helps companies internationalize their businesses to deal with market entry and expansion considerations and identify partnership opportunities to accelerate their growth. He is based in Amsterdam.

**Craig Wigginton** | [cwiggington@deloitte.com](mailto:cwiggington@deloitte.com)

Craig Wigginton, Deloitte & Touche LLP, is a US vice chairman and the Technology, Media & Telecommunications Industry leader for the Americas. A veteran of the telecommunications industry, Craig has nearly 30 years of experience in helping clients in the telecom sector, including carriers, equipment and handset manufacturers, and others in the mobile ecosystem. He serves as a key advisor to senior executives to address their critical issues, especially as it relates to the challenges and opportunities brought forward by the changing role of connectivity. He is based in New York.

**Cornelia Calugar-Pop** | [ccalugarpop@deloitte.co.uk](mailto:ccalugarpop@deloitte.co.uk)

Cornelia Calugar-Pop is the lead TMT researcher for Deloitte LLP in the United Kingdom. She publishes thought leadership on a range of issues in the TMT space as well as providing internal research support.

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### Practice leadership

**Paul Lee**

Partner | Deloitte LLP  
+44 20 7303 0197 | paullee@deloitte.co.uk

**Cornelia Calugar-Pop**

Manager | Deloitte LLP  
+44 20 7007 8386 | ccalugarpop@deloitte.co.uk

### Industry leadership

**Mark Casey**

Partner | Deloitte Netherlands | Global leader | Telecom, Media & Entertainment  
+31 65 007 8582 | markcasey@deloitte.nl

**Vincent Fosty**

Partner | Deloitte Belgium | NSE Telco, Media & Entertainment lead  
+32 27 495 656 | vfosty@deloitte.com

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