

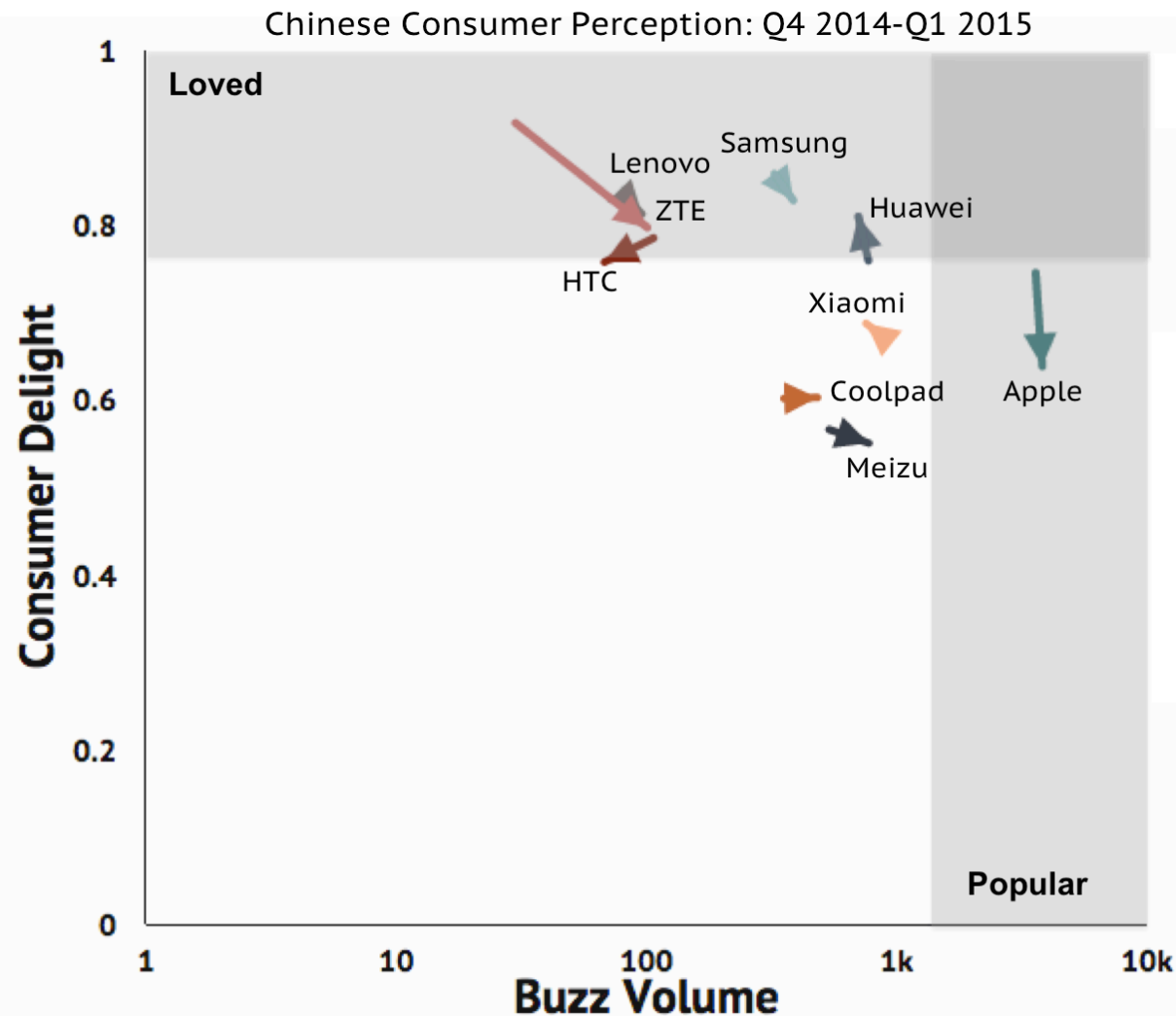


2015 Q1 Smartphone Consumer Demand Snapshot

John Feland, CEO

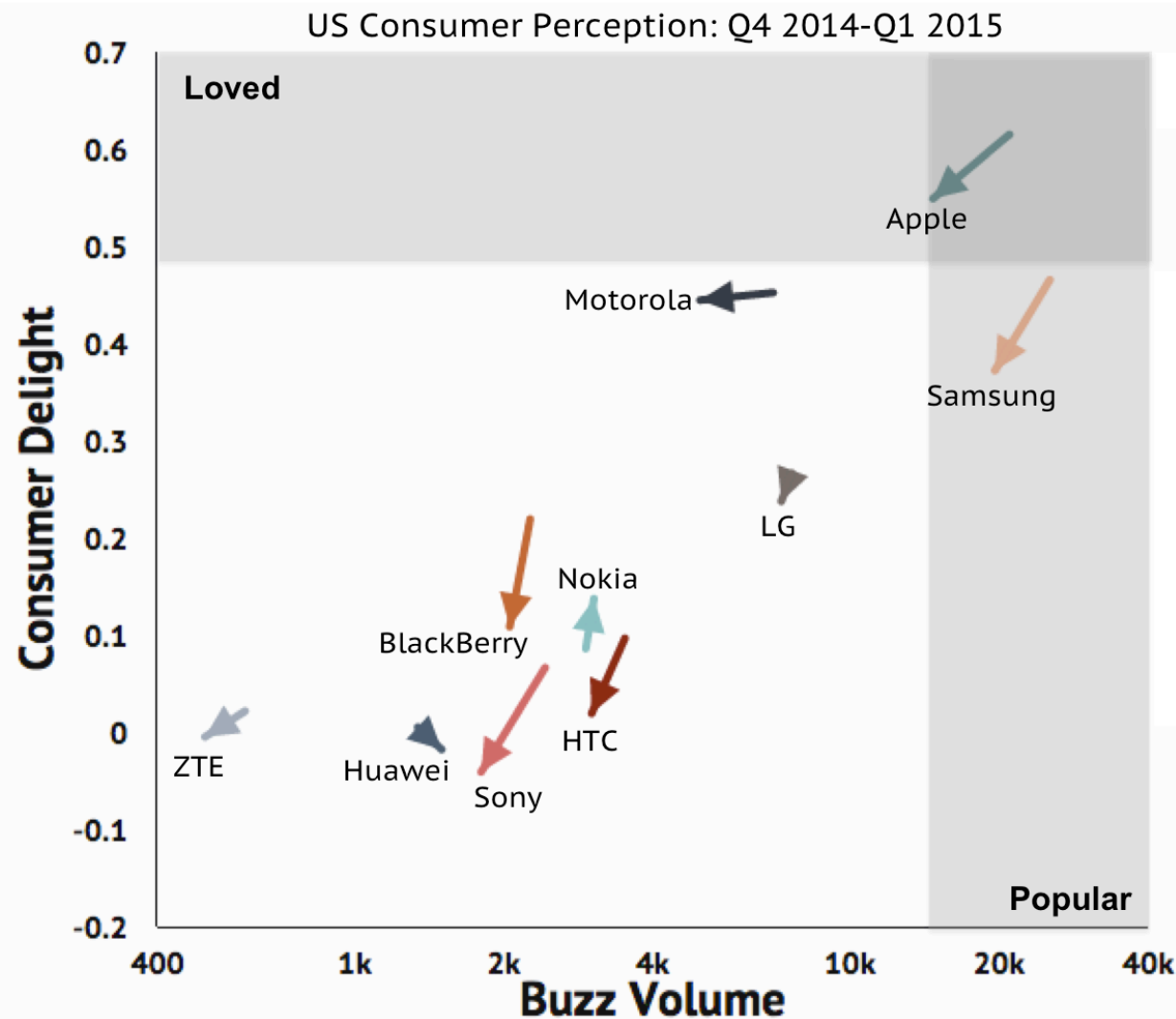
Smartphone Global Snapshot with Quarterly Trend Information

Chinese Market Saw Demand For Apple Increase Over Q4 2015, But With Disappointed Users



- Even as demand for the iPhone 6 and 6 plus dwarfed all other handsets, new Apple customers in Q1 were disappointed by their new handsets
- Meizu stole mindshare from Xiaomi and Huawei to become the second most discussed brand
- Xiaomi is now viewed better than Apple in terms of delight, but remains behind Huawei, Samsung, and even HTC
- Lenovo and ZTE saw small gains while HTC continues to slide out of Chinese consumers minds and shopping carts

US Smartphone Demand Fell for Apple & Samsung while Nokia saw a Boost



- After a very strong holiday, Apple, Moto and Samsung all saw drops in both demand and delight
- Motorola is now second only to Apple in terms of delighting consumers
- Nokia was the only brand to see an increase in both consumer demand and delight
- Samsung, Blackberry, Sony, and HTC all disappointed consumers more in Q1 2015 than Q4 2014

For period 1/1/15 thru 3/31/15, Sources included: Reviews

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China Saw Apple Maintain Dominance and Meizu Rise to Challenge Xiaomi

	Qtr1 2015		Qtr4 2014		
Manufacturer	Quarterly Mindshare	Consumer Delight	Quarterly Mindshare	Consumer Delight	Trend
Apple	53.07%	0.677	53.54%	0.783	↓
Meizu	10.74%	0.6	8.05%	0.624	→
Xiaomi	10.47%	0.726	12.49%	0.731	↘
Huawei	9.76%	0.841	11.70%	0.79	→
Coolpad	6.70%	0.664	5.29%	0.664	→
Samsung	5.37%	0.862	4.91%	0.88	↘
ZTE	1.40%	0.821	0.47%	0.922	↓
Lenovo	1.33%	0.867	1.30%	0.833	→
HTC	0.94%	0.817	1.62%	0.819	↘
Sony	0.12%	1	0.50%	0.833	↑
Nokia	0.10%	0.714	0.12%	0.643	↗

N = 13,957

Apple Continues to Delight American Consumers but increasingly threatened by Motorola and Nokia as Smartphone Demand Slows and Fragments

	Qtr1 2015		Qtr4 2014		
manufacture	Quarterly Mindshare	Consumer Delight	Quarterly Mindshare	Consumer Delight	Trend
Samsung	29.03%	0.44	31.32%	0.524	↓
Apple	21.88%	0.62	26.11%	0.675	↓
Blu	12.35%	0.11	7.26%	0.207	→
LG	10.81%	0.28	9.54%	0.305	↗
Motorola	7.39%	0.49	8.69%	0.488	↗
Nokia	4.50%	0.18	3.58%	0.145	↑
HTC	4.49%	0.04	4.37%	0.139	↓
BlackBerry	2.85%	0.26	2.63%	0.374	↓
Sony	2.65%	-0.01	3.01%	0.088	↓
Huawei	2.25%	-0.02	1.69%	0.002	↗
Kyocera	0.99%	-0.22	1.01%	-0.204	↗
ZTE	0.71%	0.08	0.72%	0.096	↗
Lenovo	0.10%	0.05	0.08%	0.131	↓

N = 147,356

Additional Data

China Saw Apple Maintain Dominance and Meizu Rise to Challenge Xiaomi

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Nokia	0.10%	0.714	0.12%	0.643

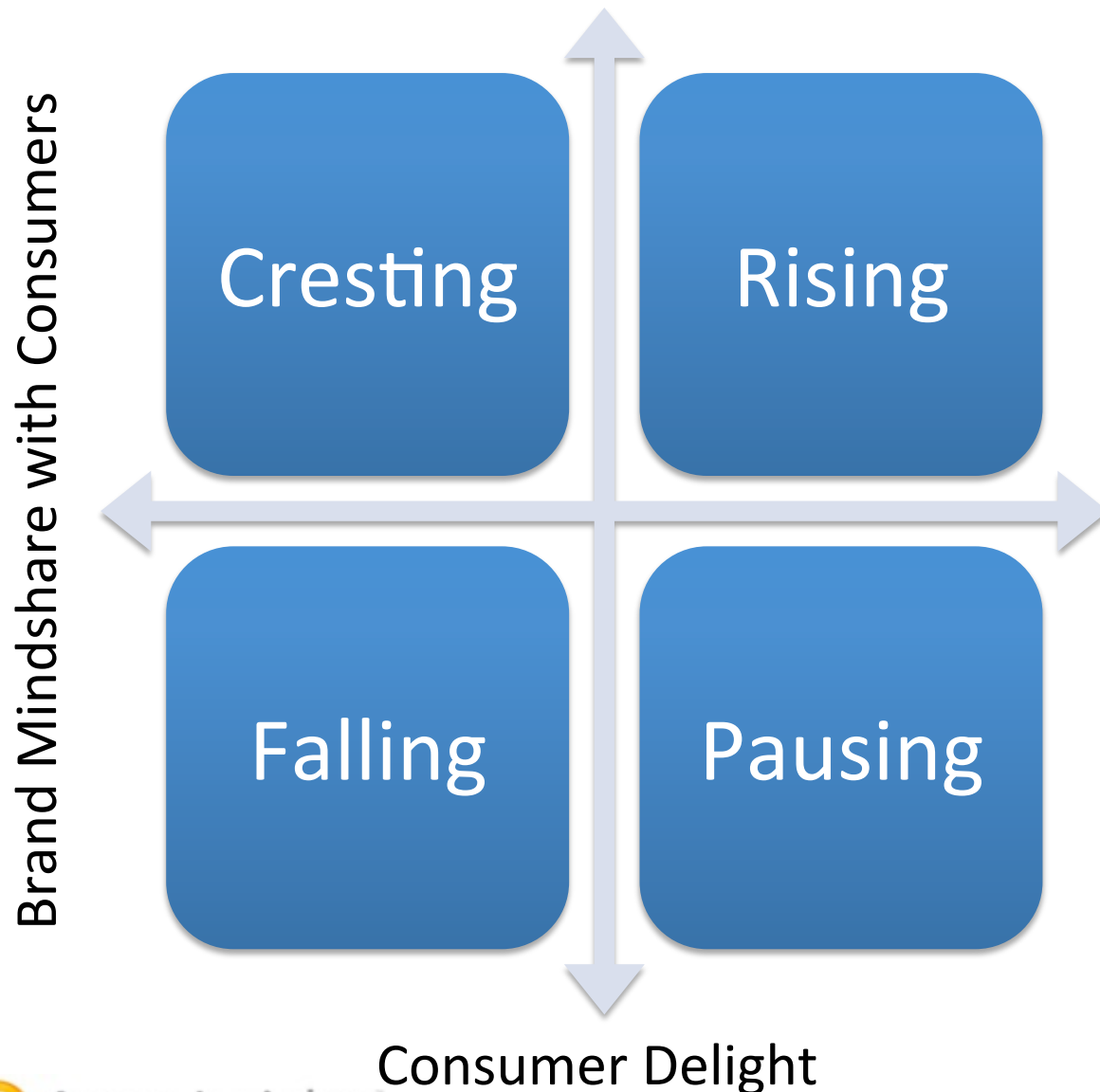
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Nokia	4.50%	0.18	3.58%	0.145
HTC	4.49%	0.04	4.37%	0.139
BlackBerry	2.85%	0.26	2.63%	0.374
Sony	2.65%	-0.01	3.01%	0.088
Huawei	2.25%	-0.02	1.69%	0.002
Kyocera	0.99%	-0.22	1.01%	-0.204
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Argus Insights Momentum Trending Framework



- Shifts in Consumer Mindshare and Consumer Delight are proving leading indicators of demand
- **Rising** shows increasing Mindshare and Delight, increased likelihood that demand will increase next quarter
- **Pausing** defines brands where fewer happy consumers are making purchases
- **Cresting** indicates brands that have increased demand but disappointed consumers, indicating the brand may be waning
- **Falling** are those brands where fewer consumers are sharing their mounting frustrations

Globally, Coolpad, Nokia and ZTE are Growing Their Small Share while Major Brands Are Slowing After the Holiday Rush

Manufacturer	Quarterly Mindshare	Consumer Delight	Market Momentum	Rate of Change
Apple	24.26%	0.630	Falling	Slow
BlackBerry	2.52%	0.274	Cresting	Fast Due To Shifts In Delight
Blu	10.77%	0.108	Cresting	Fast to Shifts in Mindshare
Coolpad	0.64%	0.664	Rising	Fast to Shifts in Mindshare
HTC	4.04%	0.060	Falling	Fast Due To Shifts In Delight
Huawei	2.94%	0.261	Cresting	Fast to Shifts in Mindshare
Kyocera	0.87%	-0.211	Falling	Slow
Lenovo	0.22%	0.519	Cresting	Fast to Shifts in Mindshare
LG	9.63%	0.283	Cresting	Slow
Meizu	1.02%	0.600	Cresting	Fast to Shifts in Mindshare
Motorola	6.63%	0.498	Pausing	Slow
Nokia	6.01%	0.401	Rising	Fast to Shifts in Mindshare
Samsung	26.19%	0.447	Falling	Slow
Sony	2.49%	0.040	Falling	Fast Due To Shifts In Delight
Xiaomi	0.99%	0.726	Cresting	Slow
ZTE	0.78%	0.219	Rising	Fast Due To Shifts In Delight

N = 147,356

Nokia is Experiencing Rising Demand While Other Brands Are Slowing Or Peaking

Manufacturer	Quarterly Mindshare	Consumer Delight	Market Momentum	Rate of Change
Apple	21.88%	0.62	Falling	Slow
BlackBerry	2.85%	0.26	Cresting	Fast Due To Shifts In Delight
Blu	12.35%	0.11	Cresting	Fast to Shifts in Mindshare
HTC	4.49%	0.04	Cresting	Fast Due To Shifts In Delight
Huawei	2.25%	-0.02	Cresting	Fast to Shifts in Mindshare
Kyocera	0.99%	-0.22	Falling	Slow
Lenovo	0.10%	0.05	Cresting	Fast to Shifts in Mindshare
LG	10.81%	0.28	Cresting	Slow
Motorola	7.39%	0.49	Pausing	Slow
Nokia	4.50%	0.18	Rising	Fast to Shifts in Mindshare
Samsung	29.03%	0.44	Falling	Slow
Sony	2.65%	-0.01	Falling	Fast Due To Shifts In Delight
ZTE	0.71%	0.08	Falling	Slow

N = 165,756

Apple Clearly Dominates China With The Larger Screen Iphones, While Meizu Starts To Challenge Xiaomi's Number 2 Position In The Market

manufacturer	Quarterly Mindshare	Consumer Delight	Market Momentum	Rate of Change
Apple	53.07%	0.677	Falling	Slow
Coolpad	6.70%	0.664	Rising	Fast to Shifts in Mindshare
HTC	0.94%	0.817	Falling	Fast to Shifts in Mindshare
Huawei	9.76%	0.841	Pausing	Slow
Lenovo	1.33%	0.867	Rising	Slow
Meizu	10.74%	0.600	Cresting	Fast to Shifts in Mindshare
Nokia	0.10%	0.714	Pausing	Slow
Samsung	5.37%	0.862	Cresting	Slow
Sony	0.12%	1.000	Pausing	Fast to Shifts in Mindshare
Xiaomi	10.47%	0.726	Falling	Slow
ZTE	1.40%	0.821	Cresting	Fast to Shifts in Mindshare

N = 13957

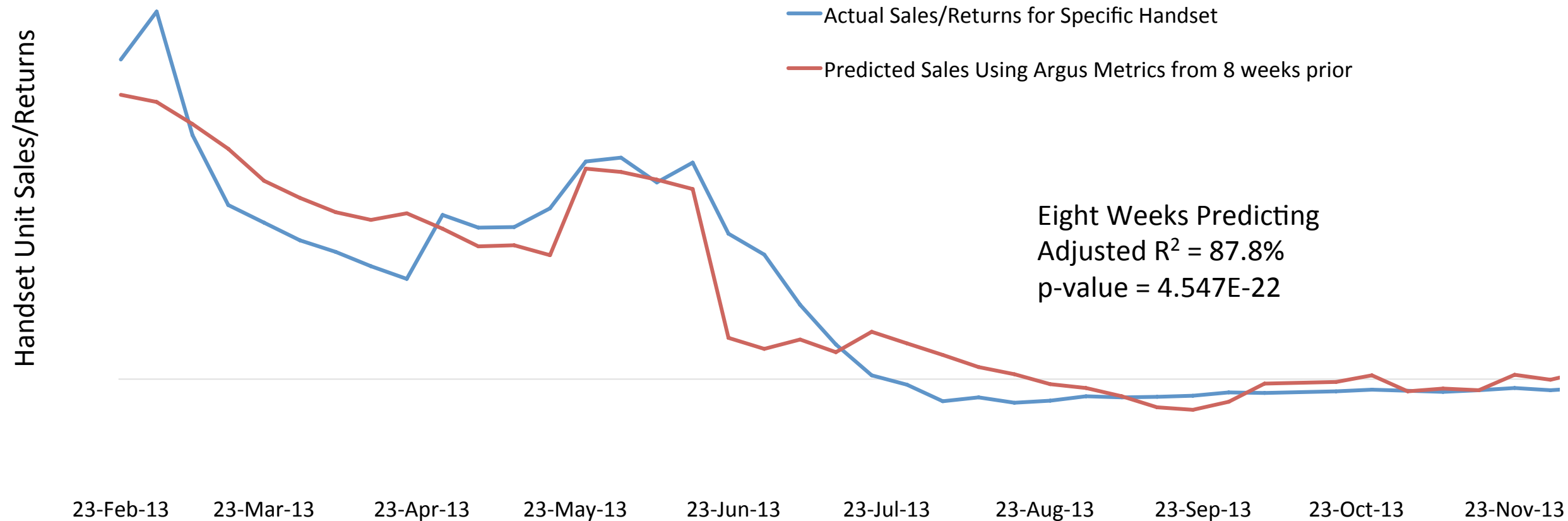
Argus Insights Methodology

Argus Insights Monitors Consumer Feedback Improve Products & Predict Demand

- Continuously collect consumer generated content from around the world
- Analyze why some products succeed and others fail with human curated models of user experience
- Proven predictor of market adoption
 - Beat Wall Street analysts predictions of iPhone sales almost every quarter for four years
 - Developed predictive sales model for Huawei competitor, forecasting handset sales **8 weeks in the future** using only Argus metrics and retail price
- Started by award winning smartphone product designers
 - Focused on turning insight to action
 - Begin with questions to be answered, not “what data do we have”
- Deep delivery to drive action
 - Has the world’s largest database of smartphone consumer opinions
 - Proprietary analytics platform focused on understanding consumer behavior
 - World class analysts providing insights and recommended actions tailored to client
- Delivered to clients through a custom SaaS analytics tool that ensures Big Data doesn’t have to be a big Headache

Argus Insights Proprietary Metrics Are Proven Predictors of Consumer Demand

Mapping Handset Consumer Buzz Metrics to Actual Handset Sales



Using only our consumer metrics and retail pricing, Argus Insights was able to predict handset sales volume eight weeks into the future for a major smartphone brand

Questions?

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