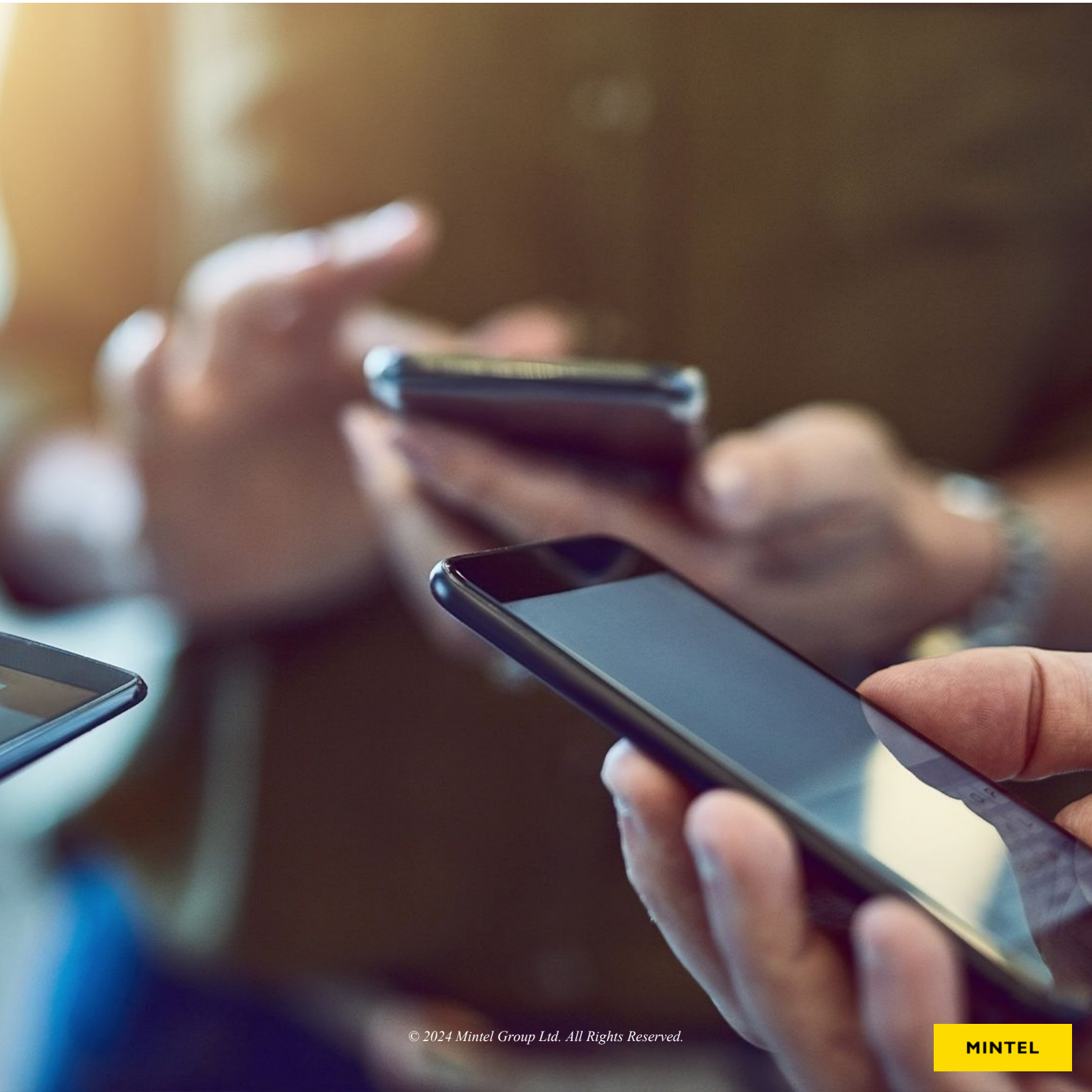


# SMARTPHONES – GERMANY – 2023

AI gives smartphone brands an opportunity to spark excitement and encourage younger consumers to upgrade, capitalising on the growth potential of the German market.



Jan Urbanek, Principal Analyst



# Smartphones – Germany – 2023

## This report looks at the following areas:

- Smartphone brands owned by German consumers
- Ways German consumers pay for their smartphones
- German consumers' willingness to pay for smartphones
- Frequency German consumers use different types of apps on their smartphone, including social media and retail apps
- Impact of the rising cost of living on smartphone purchasing
- Behaviours regarding smartphones, including use of ad blockers and reliance on recommendations when buying a smartphone



AI gives smartphone brands an opportunity to spark excitement and encourage younger consumers to upgrade, capitalising on the growth potential of the German market.

## Overview

While younger Germans, as digital natives, are highly engaged with smartphones, they don't decide on their next smartphone solely on their own. **53% of Germans aged 16-24 who own a smartphone rely on recommendations** from friends/family when choosing a smartphone. Brands and retailers can capitalise on this, for example, by placing peer-like expert reviews on their websites or by engaging in long-term partnerships with influencers.

While the German smartphone market continued to grow in value over the past years, upgrading frequency is declining with limited perceived innovation. Sustainability-related EU regulations are further threatening upgrading frequency, **calling for brands to innovate and**

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**explore alternate business models** to capitalise on the growth potential of the German market.

Besides offering devices for rent, brands can **tap into younger Germans' AI-enthusiasm** by including access to personal AI assistants in their devices or locking access behind subscription services. AI assistants could be used to address younger Germans' prioritisation of mental wellbeing and their urge to disconnect by offering personalised recommendations on how to improve their wellbeing and establish healthier digital habits.

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# Report Content

## EXECUTIVE SUMMARY

- The five year outlook for the smartphone category

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- Advances with AI to enhance smartphone utility
- EU pushes for sustainability with smartphones

### Mintel predicts

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- Continued value growth despite declining market volume
- Market size & forecast

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- Help consumers with more meaningful smartphone experiences
- Fortify your value proposition

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## Smartphones – Germany – 2023

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- Apple launches iPhone 14, 14Plus, 14 Pro and 14 Pro Max
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