According to Gartner higher PC, ultramobile and mobile phone ASPs will lead to 2017 end-user spending worth nearly $600 billion, a 2% increase, even if unit shipments are to remain essentially flat.

Gartner forecasts ASPs for computing devices and mobile phones will increase by 2% in 2017. The reasons boil down to two-- increasing component prices (mainly for PCs but also phones) and customer interest in value and higher quality phones overriding the want for a bargain.

Table 1. Worldwide End-User Spending by Device Type, 2016-2019 (Millions of Current U.S. Dollars)

Device Type	2016	2017	2018	2019
Traditional PCs (Desk-Based, Ultramobile Premium and Notebook)	163,906	163,351	166,259	169,192
Mobile Phones	382,859	399,497	408,170	423,558
Ultramobiles (Basic and Utility)	40,436	36,286	35,171	34,411
Total Device Market	**587,201**	**599,134**	**609,601**	**627,161**

Source: Gartner (April 2017)

"Across the world, the device market is becoming less price-sensitive," the analyst remarks. "Consumers and businesses are seeking better products that suit their lifestyles, rather than just opting for the cheapest products."

In fact, the analyst says end-user spending on mobile phones will reach $400 million in 2017, a 4.3% increase driven by customers replacing basic phones with better-quality and more feature-rich options from the improved portfolios of the likes of Huawei and Oppo. However one

has to keep in mind such customers are mainly from emerging markets, and still stick with basic phones due to the leap to premium phones being out of reach for most.

"We expect users to continue to look for higher-value phones this year, which will lead to another rise in ASP," Gartner continues. " "The high-end smartphone ASP will continue to soar, given the announcement of the Samsung Galaxy 8 and the release of the 10th anniversary Apple iPhone later this year."

Table 2. Worldwide Device Shipments by Device Type, 2016-2019 (Millions of Units)

Device Type	2016	2017	2018	2019
Traditional PCs (Desk-Based and Notebook)	220	205	196	191
Ultramobiles (Premium)	50	60	72	82
PC Market	**270**	**265**	**268**	**273**
Ultramobiles (Basic and Utility)	169	161	158	157
Computing Device Market	**439**	**426**	**426**	**430**
Mobile Phones	1,893	1,910	1,920	1,954
Total Device Market	**2,332**	**2,336**	**2,346**	**2,384**

Note: The ultramobile (premium) category includes devices such as Microsoft Windows 10 Intel x86 products and the Apple MacBook Air.

The ultramobile (basic and utility) category includes devices such as the Apple iPad and iPad mini, Samsung Galaxy Tab S2, Amazon Fire HD, Lenovo Yoga Tab 3 and Acer Iconia One.

Source: Gartner (April 2017)

PC ASPs are also on the rise in 2017 (specifically by 1.4%), the result of increasing component costs, especially DRAM.

When it comes to shipments, PCs, ultramobiles and mobile phones are projected to total 2.3bn in 2017-- flat growth from 2016.

Go Gartner Forecast: PCs, Ultramobiles and Mobile Phones WW 2015-2017 Q1 2017 Update