Many New Phones Coming, but Samsung Hogs Limelight

Anick Jesdanun, AP Technology Writer

Barcelona, Spain (AP) — Sony unveiled a new waterproof phone that can take ultra-high-definition video. Nokia introduced three Android smartphones aimed at emerging markets. And Lenovo announced one with an all-glass exterior.

Yet most of the attention will be on Samsung, which on Monday evening is expected to announce a successor to its flagship Galaxy S4 smartphone. That's bad news for all the other phone makers trying to get noticed at the Mobile World Congress wireless show, which opened Monday in Barcelona, Spain.

"It's increasingly difficult to get attention for your mobile device in a very crowded marketplace," said Dan Hays, U.S. wireless advisory leader at the consulting firm PwC.

It's even more difficult when one of the competing devices comes from Samsung Electronics Co., which already announced two new computerized wristwatches on Sunday. Apple is the only company that might be able to overshadow Samsung, but it isn't attending or announcing anything at the show.

Samsung is "going to take the oxygen out of the room," said Roger Entner, an analyst with the Recon Analytics research firm in Boston.

Entner said the S4 and its predecessor, the Galaxy S III, were both blockbuster phones and have helped Samsung surpass iPhone maker Apple Inc. as the world's largest smartphone maker. According to Gartner, Samsung had a 31 percent market share last year, compared with 16 percent for Apple. No other company had more than 5 percent.

More important than having well-made phones, however, "is that they are spending a significant amount on advertising," Entner said.

Samsung spent nearly 4.6 trillion won ($4.3 billion) in advertising in the 12 months through September, about four times the $1.1 billion Apple spent in the same period, the latest for which figures were available. Although Samsung also makes TVs, refrigerators and other products, analysts believe much of the marketing is for newer products such as phones.

In a November interview with The Associated Press, Motorola Mobility CEO Dennis Woodside said Samsung has shown "that marketing can really create a product and create a phenomenon. We're never going to have the money that they have to market our products."

The only other company that comes close to matching Samsung's muscle is Apple. The iPhone's debut in 2007 showed the world that phones can do much more than calls and messages. Since then, each new iPhone release has taken on an aura of a rock concert, with the most devoted Apple fans lining up at stores for hours or days to buy one.

Apple typically skips trade shows, however, and prefers holding its own events.

In fact, Samsung also typically holds its own events. Last year's Galaxy S4 announcement came in New York a few weeks after the Barcelona show. But timing this year's unveiling to the show is a good opportunity for Samsung to make deals with wireless carriers and other partners.

Sony Mobile President Kunimasa Suzuki said that with Apple and Samsung so dominant, the real battle is for No. 3. He said that means marketing that is focused by country and product line.

"It doesn't mean we just directly compete with the big giants," he said in an interview Monday.

Despite all the marketing power, Samsung will have to give people a reason to upgrade. It must shatter the notion that phone improvements these days are incremental rather than innovative, said Will Stofega, program director for mobile phones with research firm IDC.

In the past, Samsung has tried to appear innovative by packing its Android phones with a slew of features, such as automatic scrolling of content when the phone or user's head is tilted. But these features don't always work as promised and come across as disjointed from one another.

People will be looking for Samsung to "really redesign and create an experience that feels less packed," Stofega said.

Samsung also has been updating phones by making their screens larger. The S4's

display measures 5 inches diagonally, compared with 4.8 inches on the S III and 4 inches on the original S from 2010. The iPhone's screen has stayed steady at 4 inches since 2012.

Meanwhile, Sony Corp. said its new Xperia Z2 smartphone will have noise-cancelling technology that works with an in-ear headset sold separately. It will be able to capture video in the emerging 4K resolution, which offers four times the details as current high-definition video. Sony also announced a companion tablet and a cheaper, mid-range smartphone.

Nokia Corp. is targeting emerging markets with its Nokia X line of phones, starting at 89 euros ($122). It uses Google's Android operating system rather than the Windows Phone software from Microsoft, which is about to buy Nokia's handset business. But Nokia will replace many Google services on Android with Microsoft services and a Windows-like home screen.

Lenovo Group Ltd. announced three new smartphones, including the $269 glass-exterior S850 targeted at "fashion-conscious users." The other two phones promise longer battery life.

But even phones with spectacular features and designs might still go unnoticed if they aren't from Apple or Samsung.

"We've got really two companies that capture the lion's share of revenue and profit," Hays said. "There's lots of attention lavished on them because they have the most to lose."

Source URL (retrieved on *08/21/2014 - 10:29am*):
http://www.wirelessdesignmag.com/news/2014/02/many-new-phones-coming-samsung-hogs-limelight