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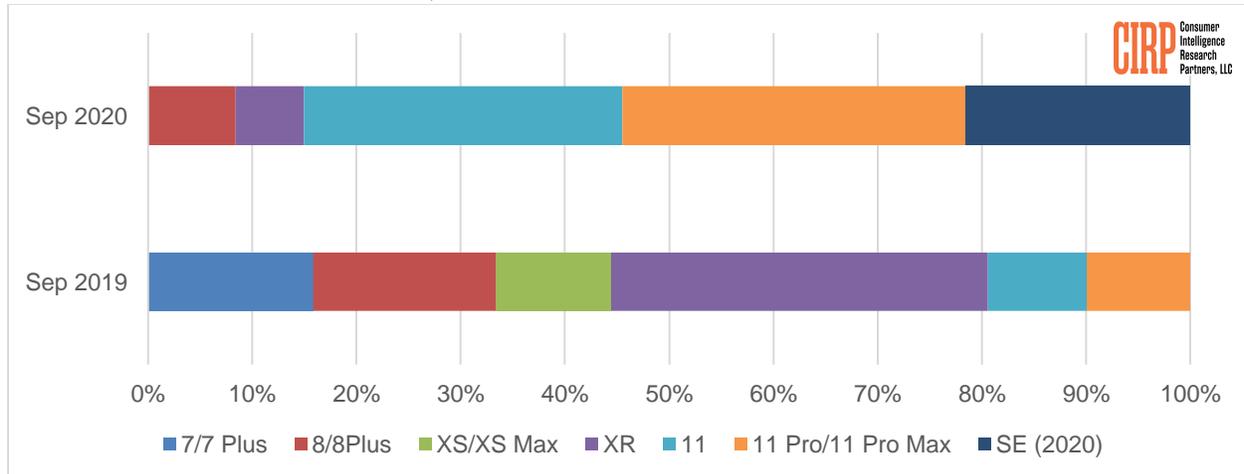
Apple Adapts to COVID-19

Low-Priced iPhone SE Sells Well, as Apple Moves Online

CHICAGO, IL – Monday, October 26, 2020: Consumer Intelligence Research Partners, LLC (CIRP), today released analysis of the results from its research on Apple, Inc. (NASDAQ:AAPL) for the fiscal quarter that ended September 26, 2020.

CIRP finds that the new iPhone SE model accounted for 22% of US iPhone sales during the quarter ending September 2020. The year-old iPhone 11, 11 Pro, and 11 Pro Max accounted for 64% of US iPhone sales during the quarter (Chart 1).

Chart 1: iPhone Models US Sales Mix, Fiscal Quarters



“In its first full quarter of sales, the \$399 iPhone SE accounted for almost one-quarter of iPhone sales,” said Josh Lowitz, CIRP Partner and Co-Founder. “During a challenging quarter, with COVID-19 altering the retail landscape and delaying launch of new 2020 flagship models, the new SE model succeeded in attracting customers with old phones in need of an upgrade. Last fall’s iPhone 11 family of phones continued to sell well, with iPhone 11 remaining the biggest single model, and one-third of customers opting for the premium-priced iPhone Pro and Pro Max.”

Apple stores, both retail locations and online, increased their share of total iPhone sales in the quarter to 21%, compared to 13% in the year-ago quarter (Table 1).

Table 1: US iPhone Retail Channel and Outlet Shares

	Sep 2019			Sep 2020		
	retail	online	total	retail	online	total
Apple	6%	7%	13%	8%	13%	21%
Best Buy	6%	2%	8%	3%	1%	4%
carrier	51%	23%	74%	48%	23%	71%
other	3%	2%	5%	1%	3%	4%
total	67%	33%	100%	60%	40%	100%

“Apple’s retail operation increased its share of total iPhone sales in the quarter compared to last year,” said Mike Levin, CIRP Partner and Co-Founder. “At 21% of total sales, it was among the best quarters we’ve seen in the past few years, and definitely the best September quarter, when iPhone customers are typically waiting to buy new models. And, Apple increased its share primarily through online sales, which for the first time exceeded retail store sales. COVID-19 disrupted consumer buying behavior, and Apple shut its physical retail shops for a period of months. Apple took share from both mobile phone carriers and Best Buy. Both maintained online sales at one-quarter to one-third of total sales.”

CIRP bases its findings on its survey of 500 US Apple customers that purchased an iPhone, iPad, Mac computer, or Apple Watch in the July-September 2020 period. For additional information, please contact Mike Levin (mike@cirpllc.com) or Josh Lowitz (josh@cirpllc.com) at 312.344.3664. Further information on CIRP, which provides securities research to the investment community using advanced consumer market research strategies, methods, and techniques, is at www.cirpllc.com.

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