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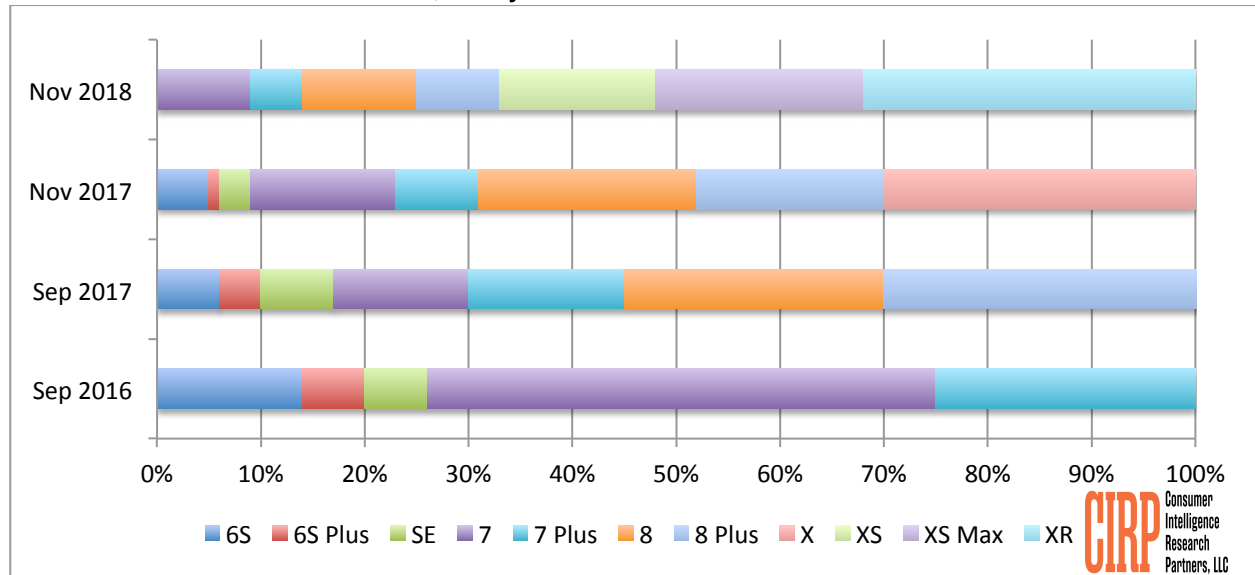
iPhone XR Takes 32% of Sales in First Month of Availability

Lower Price Point, Features Attracts Android Users

CHICAGO, IL – Wednesday, December 26, 2018: Consumer Intelligence Research Partners, LLC (CIRP), today released analysis of the results from its research on Apple, Inc. (NASDAQ:AAPL) for the 30-day period following the launch of the iPhone XR in October 2018.

CIRP finds that the new iPhone XR accounted for 32% of total US iPhone sales in the 30-day period, while the XS and XS Max together accounted for 35% (Chart 1).

Chart 1: iPhone Models US Sales Mix, 30 days after launch



“Based on the initial sales, iPhone XR took the same share of iPhone sales as earlier models in their first month on the market,” said Josh Lowitz, CIRP Partner and Co-Founder. “Of course, comparisons are difficult, because of how Apple sequenced new model launches in the past two years. Last year, Apple launched the evolutionary iPhone 8 and 8 Plus first. This year, Apple launched the more expensive models earlier, presumably trying to catch early demand from the most loyal customers. The 32% share

of iPhone sales for the XR model compares favorably to the 30% share for iPhone X in the similar timeframe last year, but lags the combined share of iPhone 8 and 8 Plus during that period last year. Then, the similarly-priced models accounted for 39% of units, and after they had been available for a month before the iPhone X was released.”

Among iPhone buyers, 82% upgraded from an iPhone, while 16% upgraded from an Android phone. At the November 2017 launch of iPhone X, 86% upgraded from an iPhone, and 11% upgraded from Android. Following the September 2017 launch of iPhone 8 and 8 Plus and before the iPhone X was available, 87% upgraded from an iPhone, while 12% upgraded from Android.

“It appears that iPhone XR did serve to attract current Android users,”, said Mike Levin, CIRP Partner and Co-Founder. “Of course, Apple doesn’t just state plainly its launch strategy. But, based on the pricing and features, we can infer that Apple positioned the iPhone XR to appeal to potential operating systems switchers from Android.”

CIRP bases its findings on its survey of 165 US Apple customers that purchased an iPhone in the US in the 30 days following the launch of iPhone XR on October 26, 2018. 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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