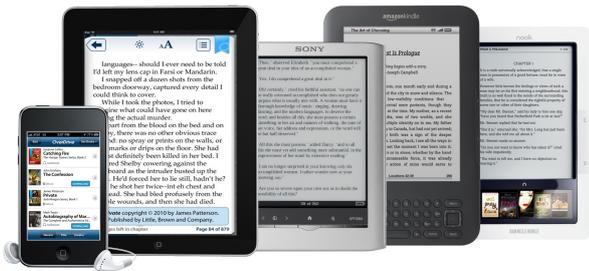


Imminent Collapse for eReaders?

Written by Marco Attard
14. December 2012

Will eReaders go the way of the dodo within the next few years? IHS iSuppli believes exactly that, reporting the market is "in an alarmingly precipitous decline."



That the devices will collapse soon after a fairly spectacular rise might not surprise some-- not when tablets are breaking records for both customers' hearts and wallets.

According to iSuppli 2012 eReader shipments will drop by -36% to 14.9 million units, down from 23.2m in 2011, before contracting even further by -27% (to 10.9m units) in 2013 and to just 7.1m units by 2016.

If such totals are the case, no wonder the analyst describes 2011 as the peak year for eReaders. The numbers also represent a shift from growth to collapse unprecedented even in a market as notoriously volatile as CE. The eReader took consumer space by storm on 2006, with shipments growing from 1m to 10.1m (up by a factor of 10) from 2008 to 2010.

But again, the collapse was inevitable-- eReaders are uni-function devices in a world demanding multitasking devices. Just like the smartphone devoured the digital camera, GPS system and MP3 player, the tablet will devour the eReader, even if the aforementioned devices did manage to spend a longer time on the market...

iSuppli forecasts point out 2012 tablet shipments will reach 120m units before hitting 340m by 2016. Such growth is, of course, chiefly thanks to that Apple behemoth, the iPad, which hit the market just 2 years ago.

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How longer will the eReader survive? Perhaps a few more years. Amazon will continue peddling Kindles, making up for losses through eBook sales. Other vendors might try selling ultra-low-cost eReaders like the Txxr Beagle, a 5-inch device set to launch sometime during 2013 rumoured to cost just \$13 (alongside operator subsidies).

But ultimately the CE market represents an artificial form Darwinism, writ large. Or simply demand-and-supply economics. Whichever way you look at it, the eReader is set to become an outdated curio within the next few years.

Go [eReaders: Device to Go the Way of Dinosaurs? \(IHS iSuppli\)](#)