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HTC pins its hopes on M8 to make money

TAIPEI, TAIWAN: Once a star of the intensely competitive smartphone sector, Taiwan's HTC has seen its fortunes collapse - but the success of its latest model provides a glimmer of hope for the company.



ONET'S Nic Healey says the new HTC One MB is an exceptionally versatile phone. Image: ONET

HTC started out as a contract smartphone manufacturer for major foreign companies including Microsoft and only began developing its own brand of handsets in 2006.

It quickly built up a loyal following as the first to use Google's Android operating system - now the most popular OS for mobile devices and adopted by global smartphone leader Samsung.

But from stellar performances in 2011, HTC has nose-dived as Samsung, Apple and strong Chinese brands like Lenovo and Huawei surge ahead.

In the first quarter of this year, it posted a net loss of Tw\$1.88bn while sales hit a fiveyear low of Tw\$33.1bn.

Now, though, there's a much-needed buzz around the brand following the launch of the HTC One M8 handset in March.

"It's offers genuinely functionality and is a real statement device," said Nic Healey of leading technology review site CNET.

"Something like the M8 is a really outstanding phone," he said.

Reviewers and consumers have praised the M8 for its high-quality design, with a brushed aluminium case, powerful speakers and a dual-lens camera for special effects on photos.

M8 gets widespread praise

Healey says the look and feel of HTC's on-screen menu system was previously criticised as over-complicated, but the M8 has improved the interface.

Another widely respected technology news site <u>The Register</u> described it as the "Alfa Romeo" of the smartphone world.

HTC would not comment on sales figures for the M8, but says it expects to swing back into profitability in the next quarterly results, doubling its revenues in the three months to June.



The new HTC One M8 smartphone. Image:<u>TechGeez</u>

"We believe that we are on course for a strong 2014," said Chief Executive Peter Chou.

"The M8 is selling fast across global markets," Sascha Pallenberg of technology consultancy <u>Mobile Geeks</u> told AFP. "In terms of the build quality and the materials this is the most sophisticated phone on the market."

"HTC also ensured the device was immediately available to consumers after its media launch in New York, London and Paris, rather than waiting to bring it to market," said Pallenberg.

"They've made an attempt to be cleaner and clearer with the One M8, but we're still talking about a marketing budget that

barely even scratches what Apple and Samsung can throw at a device," says CNET's Healey.

"HTC needs to emphasise its uniqueness. It's not being bold enough," added Pallenberg.

And where the Android operating system used to be a defining feature, some say it could now be a disadvantage.

The M8 typically sells for between \$600 and \$700.

Source: AFP via I-net Bridge

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