

Report: Amazon Preparing 3D Smartphone, Other Hardware

Andrew Berg

As one of the major players in the tablet market, Amazon is again generating rumors that it's ready to take the next step and offer its customers a branded smartphone.

Amazon is reportedly developing a range of new hardware, including a glasses-free 3D-capable smartphone, according to a Wall Street Journal report published yesterday that cited people familiar with the matter. The report mentions the development of 2 smartphones and an audio-only streaming device.

Although Amazon is aiming to release these devices this year, the people cited in the report say "performance, financial or other concerns" could shelve the devices.

That Amazon might developing more hardware isn't a surprise. An Amazon smartphone has been rumored for a while, and earlier this month multiple outlets said the company was working on a set-top box.

Amazon's business model is the polar opposite of Apple's. Amazon's Kindle tablets and eReaders are sold near to cost as vehicles for selling more digital and physical goods. Meanwhile, Apple sells high-margin hardware, using its content to create stickiness. Still, Amazon's extensive content ecosystem, existing customer base and billing systems, could make it a contender in the smartphone game.

Amazon has already proved it can compete with its tablets. In the first quarter of 2013, the company's Kindle Fire tablets controlled 3.7 percent of the total global tablet market. That's up 157 percent over the same quarter of 2012. Still, Amazon has a long way to go. Apple currently takes 39.6 percent of the total market, while Samsung holds 17.9 percent.

Shares of Amazon remained relatively flat in early trading Friday at just over \$260.

Source URL (retrieved on 06/12/2013 - 4:37am):

<http://www.wirelessweek.com/news/2013/05/report-amazon-preparing-3d-smartphone-other-hardware>