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Sony Ericsson to go low-end in 2008

Will team with Sagem to launch affordable mobiles to challenge Nokia

by Amy-Mae Elliott published on 11 July 2007

Reports from Dubai are suggesting that from the first quarter of 2008, Sony Ericsson, currently the world's fourth biggest mobile phone firm, will launch a range of affordable phones to challenge Nokia's success in the entry-level markets.

Sony Ericsson mobiles have always been fairly high end, including their well received converged ranges of both the Walkman phones that focus on music playing abilities, and the Cybershot range that offers quality photography features.

Apparently in March Sony Ericsson signed a deal with budget handset company Sagem who will produce Sony Ericsson's new range of entry level mobile phones. The price for these new handsets is set to be around £30.

As we've previously reported, growth in the mobile phone industry is currently being led by emerging markets that demand low cost products.

65% of all mobile phone manufactured this year are predicted to be sold in countries like Africa, India and China.

Nokia are the leaders in this area, offering a wide range of cheap handsets, while Vodafone recently launched own-branded versions for these markets (pictured).

"This move is extremely important because we cover a wide area in the Middle East and North Africa where countries are developing", said Husni El Assi, general manager of Sony Ericsson Middle East and North Africa.

"You see a clear demand for entry level products. In some countries it makes up over 80 per cent of the market."

