

## Russia's 'iPhone Killer' Sells Under 1,000 Smartphones in First Year

March 23, 2023



An AYYA T1. Rostec

Russia's AYYA T1 smartphone brand has sold fewer than 1,000 units since it came to market over a year ago, the Vedomosti business daily <u>reported</u> Thursday, citing unnamed sources close to retailers.

Only 905 AYYA T1 devices have been purchased since retail chains began selling them in October 2021, just 18% of the 5,000 AYYA T1 smartphones produced to date for the Russian market.

Developed by a subsidiary of Russia's Rostec defense industry conglomerate, Smartecosystem, and assembled in China, the AYYA T1 had been seen by Russian officials as a potential replacement for the iPhone following Apple's decision to suspend its sales to Russia in response to the invasion of Ukraine last year.

Reacting to the low uptake among Russian consumers, Denis Kuskov, CEO of the Telecom Daily research agency, compared the 905 units sold to a "statistical error" in the context of the 24.5 million smartphones bought in Russia last year.

## Embed:

Meanwhile in Russia, Maria Butina is busy promoting the homegrown AYYA T1 smartphone after Apple announced it was halting sales here

"Well my dears, we're facing yet another challenge. Apple has stopped selling its smartphones in Russia. But that's not a problem at all!" <a href="mailto:pic.twitter.com/p58FbRoRkh">pic.twitter.com/p58FbRoRkh</a>

— Francis Scarr (@francis\_scarr) March 2, 2022

The AYYA T1's dismal sales figures forced retailers to lower its price tag to an estimated breakeven price of 11,000 rubles (\$140) in March 2023, according to Vedomosti.

A representative of Smartecosystem, the AYYA T1's developer, told the publication that the discounted price for the phone, which has been nicknamed a "trust-phone" due to it offering users the option to physically cover its camera and microphones, had been a "special promotion" and emblematic of the company's "desire to grant a wide range of users access to secure technology."

Some 2,000 AYYA T1 smartphones are currently in use by Russian law enforcement agents as well as by staff at Rosatom, the country's nuclear power agency. These corporate versions run on Russia's Aurora operating system, with their unpopular retail counterparts running on Google's Android 11 OS.

Some retailers defended the AYYA T1's sales numbers, however, telling Vedomosti that the majority of units had been supplied to state employees, leaving relatively few available for sale to the public.

The news of the AYYA T1's low domestic sales follows reports that Kremlin officials have been ordered to stop using iPhones by April 1 due to espionage concerns.

## Original url:

https://www.themoscowtimes.com/2023/03/23/russias-iphone-killer-sells-under-1000-smartphones-in-first-year-a80585