



# Digital Trust: Is the Secondary Device Market Playing Russian Roulette with Customer Data?

# Secondary Device Market: A Seismic Opportunity



## Lucrative

Secondary mobile device market by 2022\*

**\$57B**

## Growth

Device collection by 2022\*\*

**140M** 2017  
Devices

**290M**  
Devices

## HUGE Value

Average return for every used device traded in\*

**\$155** Present  
(£122)

**\$173**  
(£136)

**Secondary market returned \$2.26 billion to US consumers in 2018\*\*\***

\* IDC \*\* Counterpoint Research \*\*\* HYL

## Critical to operators, OEMs to fill revenue gap

U.S. Smartphone  
Sales Fall Q4:2018\*

**23%**

Y-o-Y

U.K. Device Shipment Q4:2018\*



**SAMSUNG**

**700k**

Fewer iPhones

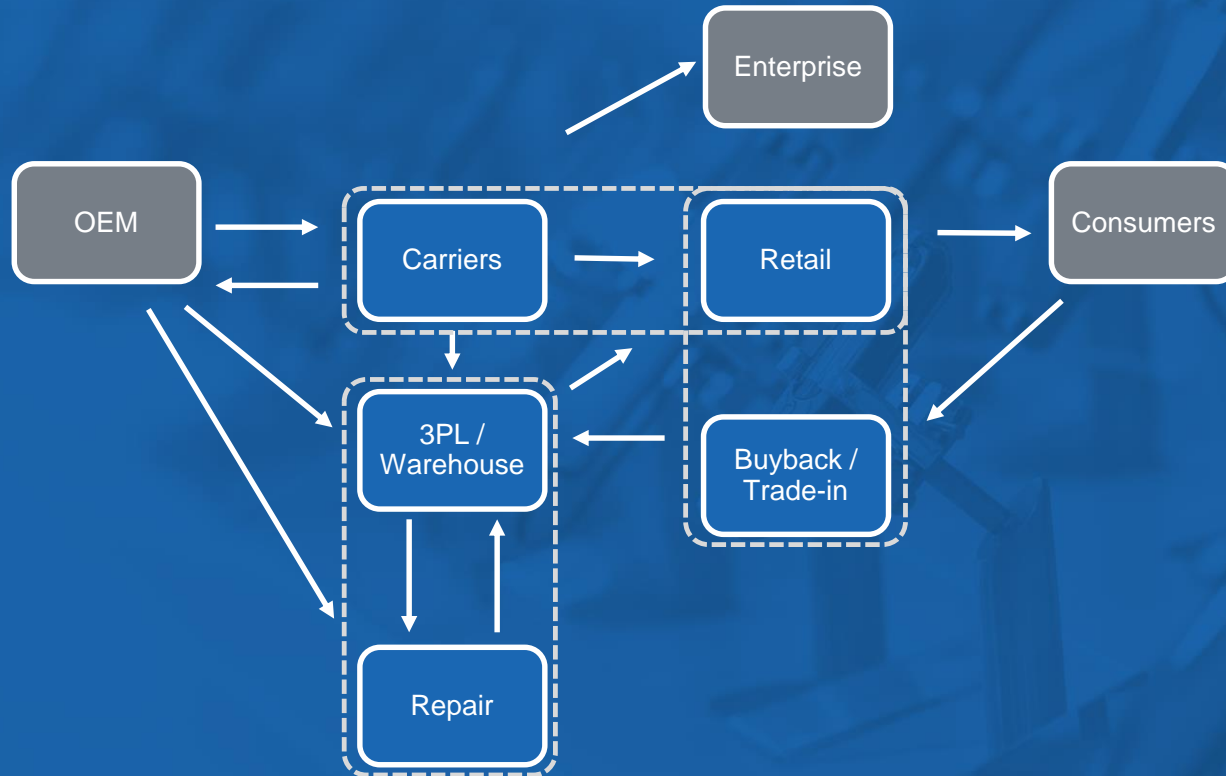
**400k**

Fewer Devices

19% Drop

\* Strategy Analytics

# Mobile Ecosystem: Complex Supply Chain



**Time = Money.** Speed + Complexity = Risk.



The Mobile Device Ecosystem is a market built on speed & efficiency.



Many stakeholders in the secondary device ecosystem are reluctant to follow data security best-practice.



With 5G device availability, upgrades are set to spike, a flurry of used devices will hit the secondary market.

# A Risk Not Worth Taking

Sensitivities around potential data misuse prevents many consumers from engaging with the secondary device market, however consumers are willing to engage with the secondary market in return for greater assurances and tighter controls around data privacy that result from supply chain complexity.

66%

Global consumers showing some level of concern that their data might be accessed or compromised after trade-in.\*

40%

Expect organizations to follow stringent processes and guidelines around data security.

58%

Have never traded in a device.\*

\* Blancco





## No room for complacency



Brands take a lifetime to build but seconds to destroy.

26%

Consumers concerned with data stored on their old devices being accessed or compromised.\*

64%

Consumers would trade in a device if greater assurances were made around responsible data security.\*

40%

Consumers experiencing a data breach would switch operator / provider.

59%

Consumers called for stronger regulation to prevent breaches of their personal information.

\* Blancco



What does data security best practice currently look like in the second hand mobile market?



Little to  
no regulation



Ripe for abuse and  
malicious attack



Unethical providers to  
undermine the whole  
supply chain



Consumer  
confidence



# Research Study:

## The Critical Importance of Consumer Trust in the Second-Hand Mobile Market



Blanco Technology Group is a leading global provider of mobile device diagnostics and secure data erasure solutions.

**100+**

MILLION LICENSES SOLD AND  
DEVICES SECURELY ERASED

**>30%**

F100 RELY ON BLANCCO

**15+**

CERTIFICATIONS &  
REGULATORY BODIES

**50+ Million**

TERABYTES OF DATA  
SECURELY ERASED

**20+ Years**

FIRST DATA ERASURE  
PRODUCTS 1997

<https://www.blancco.com/resources/rs-the-critical-importance-of-consumer-trust-in-the-second-hand-mobile-market/>

