

# Chip shortages, high demand for PCs, and looming price hikes push Windows 11 into the back seat

Article

**The news:** The newly released Microsoft Windows 11 OS was barely mentioned at Canals Forum, a conference of the leading PC-makers, vendors and resellers, [per](#) The Register.

Senior executives from **Lenovo**, **HP**, and **Dell**, the three biggest PC makers, took to the virtual stage at a conference last week to discuss the most pressing issues and developments in their industry—namely, logistics and the supply chain, product availability, and meeting pent-up demand.

**What this means:** The PC sector is still catching up with demand resulting from the pandemic and the ensuing large-scale switchover to remote work and learning.

- The added pressure of a global [component shortage](#) put undeniable constraints on the industry which “had to satisfy historic demand for devices..that met the remote and hybrid moment,” said **Vlad Rozanovich, president of Lenovo North America** in an [interview](#) with Insider Intelligence.
- Microsoft’s Windows 11 OS, launched a week ago, was not a key topic during the event. This marks a dramatic shift from years past, when PC makers, businesses, and consumers considered a big Windows release to be a major inflection point requiring them to upgrade.
- PC shipments are estimated to grow **14.2%** in 2021 to 347 million units, [per](#) IDC. This was lower than the **18%** forecasted in May but PC demand still far outstrips supply.

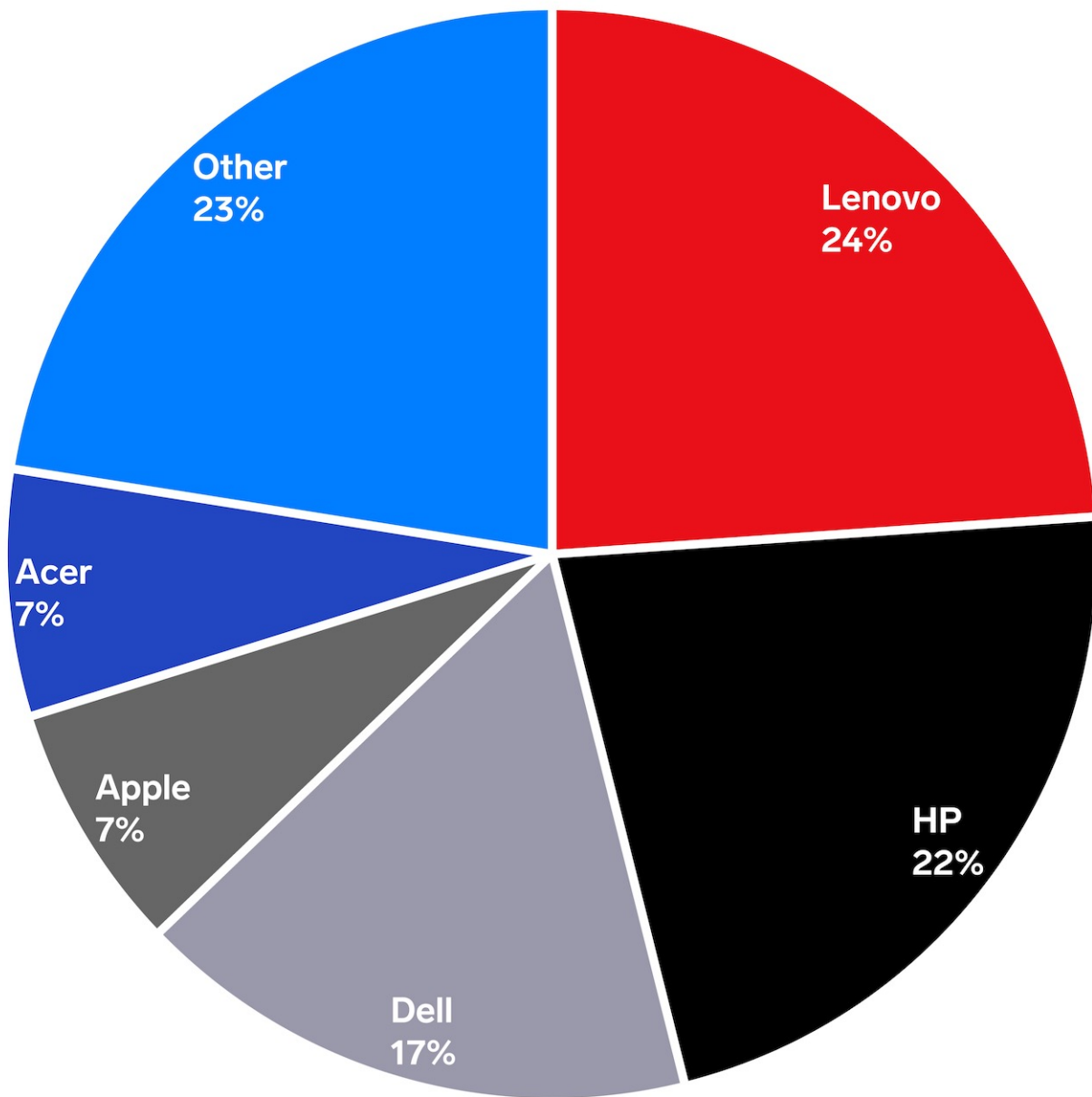
**The problem:** Windows OS releases are no longer the focal point in the PC upgrade cycle. This year in particular differs from previous years: PCs are in high demand and short supply, and PC sales don’t need additional stimulus from the changeover to a new operating system. In addition, reviewers say Windows 11 is functionally identical to Windows 10, with some incremental features and a visual refresh of the user interface.

- Windows 11’s tough hardware requirements have locked a number of fairly recently released PCs out of the upgrade cycle, [upsetting](#) users.
- Windows 11 is viewed as a simpler and more streamlined evolutionary update, [per](#) Tom’s Guide. But it’s also unfinished. Various promised features, including the ability to run Android apps, were missing at launch.
- Microsoft’s [Windows 365](#) service is a virtual Windows PC, allowing users to access Windows 10 or Windows 11 desktops from PCs, Macs, iPads and Android devices. This may indicate that the separation of hardware and OS software could come sooner, rather than later.

**What's next:** Strong PC sales are expected to continue into the new year as vendors work to fill demand. Windows 11 may not be a huge factor for new adopters, but could become more important next year—or it could mark further separation of the OS from hardware as cloud computing services become more ubiquitous.

# Global PC Market Share

% by manufacturer, Q2 2021



Note: Figures may not add up to 100 due to rounding.

Source: IDC, 2021

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