

Press release

A stable quarter in the Western Europe Technical Consumer Goods market

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GfK TEMAX® results for Western Europe, Q1 2016

Nuremberg, June 3, 2016 – In the first quarter of 2016, the Western European Technical Consumer Goods (TCG) market remained stable, with a mixture of ups and downs in the seven sectors, compared to Q1 2015. There were sales value increases in the Major Domestic Appliances (MDA), Small Domestic Appliances (SDA) and Telecommunications (TC) sectors. In all other sectors sales value declined, although very marginally. The overall TCG market in Western Europe in Q1 2016 generated €50.8 billion.

Western Europe: Technical consumer goods – sales value by category

	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016 / Q1 2015 / +/- %	Q1 2016	Q1 2016 / Q1 2015 +/- %
	M. EUR	M. EUR	M. EUR	M. EUR		M. EUR	
Consumer Electronics (CE)	5,919	6,428	9,794	7,173	-1.4%	7,173	-1.4%
Photography (PH)	1,353	1,369	1,525	1,145	-8.5%	1,145	-8.5%
Major Domestic Appliances (MDA)	7,661	8,415	8,928	8,283	4.1%	8,283	4.1%
Small Domestic Appliances (SDA)	3,647	3,896	5,697	4,221	1.0%	4,221	1.0%
Information Technology (IT)	12,268	13,427	17,184	13,340	-2.4%	13,340	-2.4%
Telecommunications (TC)	11,629	12,297	16,719	12,177	2.5%	12,177	2.5%
Office Equipment & Consumables (OE)	4,400	4,333	5,014	4,486	-3.0%	4,486	-3.0%
GfK TEMAX® Western Europe	46,877	50,165	64,861	50,825	-0.0%	50,825	-0.0%

Source: GfK TEMAX® Western Europe, GfK

Consumer Electronics

The CE sector remained in negative territory in Q1 2016 – down by 1.4 percent, compared to the same quarter in 2015.

There was significant value growth in France as TV broadcasters switched from standard-definition television (SDTV) to high-definition (HD) signals. This stimulated demand in the TVs category.

Video game consoles, loudspeakers, and docking mini speakers all achieved double-digit growth in Q1 compared to the same period last year. For European consumers, using gaming devices and products for listening to music became more common than watching TV.

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Photography

In Q1 2016, the PH sector was worth €1.1 billion – down by 8.5 percent on the same period in 2015.

Fixed-lens devices registered a double-digit decline – down by 16 percent in value terms compared to Q1 2015. High-value products, such as interchangeable-lens cameras and single lenses, registered a fall of just 7 percent.

Major Domestic Appliances

The overall sector grew by 4.1 percent in Q1 2016, compared to 2015's Q1. The sales value in all product groups increased with the exception of freezers.

All countries registered an increase of sales value in Q1 2016 compared to the same period last year. Denmark, Greece and Portugal reported double-digit growth of 14.1 percent, 11 percent, and 13 percent, respectively.

Smart connect products continued to grow in terms of sales value in Q1 2016, but on a limited basis.

Small Domestic Appliances

In the first quarter of 2016, the SDA sector registered a modest increase of 1 percent, compared to Q1 2015.

There was a double-digit increase in the Danish market compared to last year's Q1 (up by 14.8 percent).

The overall value of the SDA sector in Western Europe was €4.2 billion in Q1 2016.

Information Technology

IT was the Western European market's biggest sector in Q1 2016 – worth around €13.3 billion – although it was slightly down on the same period in 2015. In Greece, the sales value declined 38.1 percent, compared to Q1 2015.

Core IT categories continued to struggle, although the mobile computing products segment did well, supported by sales of convertibles and computing tablets. Larger models and desktop computing products were down in terms of value growth.

Finally, media tablets continued their decline, and the limited growth of hardware products had a detrimental effect on sales of peripherals.

Telecommunications

In Q1 2016, the TC sector rose by 2.5 percent, compared to Q1 2015. With a value of €12.1 billion it is the TCG market's second largest sector.

There was mixed success in the smart and mobile phones market. Several territories suffered from the market saturation of smartphones – including Denmark, Spain and Greece. On the other hand, the UK, France, Italy, and the Benelux countries enjoyed sales value growth.

Wearables are a growing product group in the TCG market. In some instances, sales value growth of more than 100 percent has been reported.

Office Equipment and Consumables

With a decline of 3 percent in Q1 2016, the year started badly in the OE sector, compared to the same period in 2015.

There was a small fall in demand for printing hardware, while inkjet multifunctional devices (MFDs), inkjet cartridges, and laser toners also lost market share.

Only sales of laser MFD (color) printers continued to increase.

View the GfK TEMAX® reports for all 41 individual countries, including data tables: <http://temax.gfk.com/reports/>

Note to editors

GfK TEMAX® tracks the sales of technical consumer goods across 41 countries. The findings are based on GfK's retail panel, comprising data from around half a million retail outlets worldwide. GfK continually works to ensure its panel data is as accurate as possible, in terms of its representation of the end market.

About GfK

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