

Press release

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Smart TVs gaining ground

Nuremberg, August 30, 2017 – More and more consumers also want to access online video content on their television too, so they are opting to buy a Smart TV. In the first half of 2017, these purchases already made up half of all television set sales worldwide*. The sales of Ultra HD/4K appliances and TVs with OLED technology continued to rise. These are GfK's findings for the global TV market on the occasion of IFA 2017 in Berlin.

About 59 percent of all of the television sets sold in the first six months of 2017 worldwide* were Smart TVs, which means that they can be connected to the internet and allow access to apps and browsers. Last year the percentage was still at 51 percent. The pioneer of this trend is China. There 89 percent of all of the televisions sold between January and June were already Smart TVs. In Europe during the same period it was 56 percent, compared to 46 percent in the first half of 2016.

Simplified controls and the growing importance of streaming services and other online offers are making Smart TVs increasingly appealing to German consumers as well – a trend that affects all classes of society. In the first half of the year, already ten percent more Smart TVs were sold than in the same period last year. Overall, the percentage of Smart TV appliances of all of the TV sets sold in Germany is now 66 percent.

Average spending on TV sets increases

An increasing sales value is currently recorded worldwide. In the first half of this year, the value increase had reached more than one percent. GfK also predicts this rate of growth for the rest of the year. Global sales of TVs will likely surpass 100 billion euro.

Average spending on a TV has increased globally to 448 euro (from 431 euro last year). The reason for this development is consumer desire for larger and better equipped televisions that can satisfy individual needs.

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Picture quality as a sales argument

New and improved technologies are also driving the TV market. Especially in terms of picture quality, a lot has happened in the past twelve months. HDR (High Dynamic Range) for improved contrast and WCG (Wider Color Gamut) for improved spectrum of colors have further increased picture quality on Ultra-HD/4K TVs. Premium LED TV sets achieve a significantly higher brightness.

Already 29 percent of all TVs sold in the first half of the year were Ultra HD sets. A further increase is expected in the second half of the year, so that for 2017 as a whole every third TV sold will be an Ultra HD set. Because the Ultra HD TVs generate significantly higher value than appliances that don't have Ultra HD, they now constitute 48 percent of TV market sales.

OLED technology is also continuing to succeed and is being offered by more and more manufacturers since this year. 478,000 of these TVs were sold worldwide in the first six months of 2017. That represents an increase of 94 percent.

Germany benefiting from switching off

Germany has been a "beacon of light" in 2017 on the European TV market. Despite a lack of major soccer events in the first half of the year, three percent more TVs were sold overall. This development was pushed along by two events primarily: the end of DVB-T in late March of 2017 and the analogue cable signals being switched off in Baden-Württemberg, Hessen and North Rhine Westphalia. Consumers took advantage of both of these occurrences to go out and purchase a new TV.

About GfK's methods

Through its retail panel, GfK regularly collects data in more than 75 countries worldwide on the sale of televisions. The GfK retail panel receives reports from 425,000 individual retailers in over 120 different sales channels. All figures are related to the overall market, i.e. all of the televisions sold in a country.

*excluding North America

GfK activities at the IFA, September 1-6, 2017, Berlin:

- 1) The **GfK Info Point** at the IFA press center provides all the information published by GfK during IFA.
- 2) Come and chat with our experts in the **GfK office** at the IFA (VIP Room 2, Großer Stern).

- 3) **GfK Technical Innovation Conference** "Digital Transformation" on August 31, 1-3 pm, IFA, Marshall Haus Trade Fair Grounds Berlin. You can download the agenda here:

<http://www.gfk.com/insights/event/ifa-2017-digital-transformation/>

On the occasion of IFA 2017, GfK will be publishing press releases relating to the sectors IT, TV, Smartphone & Wearables, Audio, Small Domestic Appliances and Major Domestic Appliances. All information is available here: <http://www.gfk.com/de/presse/press-releases/>

About GfK

GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK's long-standing data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers' experiences and choices.

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