

Press release

An outstanding increase in smartphones led Turkish technical consumer goods market grew by 16% in Q1 2018.

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GfK TEMAX results for Turkey, Q1 2018

Istanbul, May 18, 2018 – The technical consumer goods (TCG) market in Turkey grew by 16.2 percent in Q1 2018, compared to the same quarter in 2017 and generated revenue of 13,6 billion TL. Telecommunication extensively contributed into the overall growth of the market. When we exclude the growth of telecommunication from the total TCG market, it is seen that the total market grew by only 5.6%.

The negative growth experienced in Photo and MDA sector in the first quarter of 2018.

Turkey: Technical consumer goods – sales value by category

	Q2 2017 in Mio. TL	Q3 2017 in Mio. TL	Q4 2017 in Mio. TL	Q1 2018 in Mio. TL	Q1 2018/ Q1 2017 +/- %	Q1-Q1 2018 in Mio. TL	Q1-Q1 2018/ Q1-Q1 2017 +/- %
Consumer Electronics	1.547	1.670	1.989	1.751	16,2%	1.751	16,2%
Photo	30	26	24	23	-23,5%	23	-23,5%
Major Domestic Appliances	3.604	4.895	2.842	2.575	-6,5%	2.575	-6,5%
Small Domestic Appliances	1.181	1.125	1.292	1.213	20,4%	1.213	20,4%
Information Technologies	1.016	1.184	1.460	1.275	8,2%	1.275	8,2%
Telecommunication	5.579	5.940	6.862	6.658	29,8%	6.658	29,8%
Office Equipment & Consumables	106	113	155	135	7,9%	135	7,9%
GfK TEMAX Turkey	13.063	14.954	14.624	13.630	16,2%	13.630	16,2%

Source: GfK Turkey

Telecommunications

In Q1 2018, the telecommunication sector maintained positive growth rate by 30% compared to the same quarter in 2017 and has generated a revenue of 6.7 Bill. TL. Due to the launch of 5.5 inches smartphones in Q4 2017, the revenue for Telecom substantially increased.

All categories within the sector generated strong double digit growth rates. Especially, smartphones' growth rate is aligned with the Telecom sector and supported the dramatic rise. Headsets are also important contributors into the sectors' revenue.

New trend "smartwatches" grew by double digits in contrast to previous quarters where three digit growth rates were recorded.

Information Technology

The overall IT sector recorded growth rate by 8% during the 1st quarter of the year and generated 1.3 billion TL. Main positive contributors were desktop computers, mobile computers, keying and pointing devices; all of them with double digit positive growth compared to Q1 2017.

After a long break, monitors achieved single digit growth rate. Especially gaming related products sustained their positive contribution into the sector. The decline in media tablets and visual cams remained the same.

The value growth is mostly triggered by gaming products and accessories. However, the impact of semester holiday campaigns and the increase in prices should not be neglected when interpreting the results.

Office Equipment and Consumables

Turkey's OE sector recorded a single digit growth by 8% in Q1 2018, compared to the same quarter in 2017 and had a value of 135 million TL. The positive growth rate was substantially sustained from multifunctional devices with double digits.

At the same period, printers showed decline in revenue whereas inkjet cartridges struggled the most in the first quarter of 2018. The laser cartridges managed to achieve single digit growth.

Major Domestic Appliances

The introduction of special consumption tax privileges on MDA was realized in February 2017 and changed the seasonality of all MDA categories in 2018. After its termination in Q4 2017, the numbers have drastically decreased and

in the first quarter of 2018, the sector shrank by 6,5% with a revenue generated, 2,6 billion TL.

In major domestic appliances sector, %36 of the revenue came from cooling products. The decline in this category led to de-growth of the overall MDA sector.

Tumble dryers recorded single digit growth rates where all other categories suffered from severe de-growth.

Small Domestic Appliances

The SDA sector grew by 20% in Q1 2018, compared to the same quarter in 2017 and generated 1.2 bill. TL.

The highest growth is recorded by hot beverage makers, food preparation, sandwich/waffle/grill and vacuum cleaners that contributed the most into the excessive growth of the sector.

The increase of the demand for multi-functional and high segment products have increased the interest for Turkish coffee makers and power blender segments.

Consumer Electronics

Consumer Electronics managed to achieve double digit growth rate by 16% in the first quarter of 2018. The generated value was almost 1,8 billion TL.

Taking a closer look at the categories; it can be stated that Sound bars and Bluetooth speakers sustained double digit growth rates in the first quarter of 2018. The most important category PTV's growth rate was aligned with the overall sector performance.

Especially 55+ inched TV products with UHD technology favored the most by Turkish consumers. The share of UHD TVs within the category rose to 50% in value.

Photography

The photo sector experienced a substantial drop in the first quarter of 2018 and shrank by 24% with a result of 23 million TL.

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

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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.

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