

Press Release

The Turkish technical consumer goods market grew 7.5% in the first quarter of 2019.

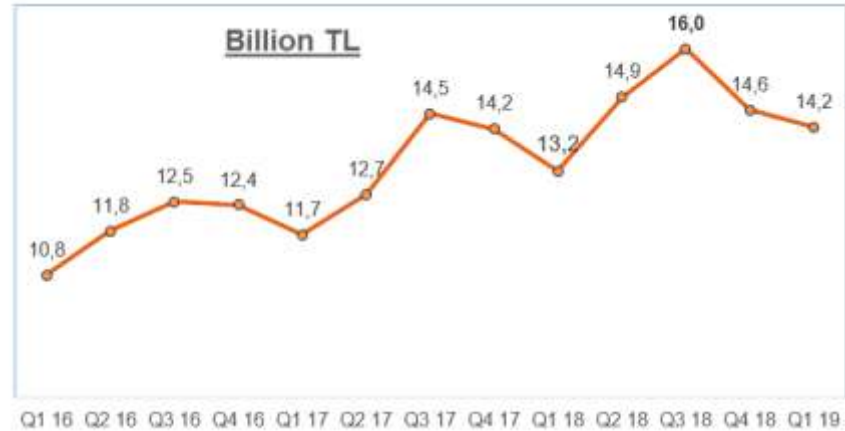
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GfK TEMAX results for Turkey, Q1 2019

Istanbul, May 16, 2019 – The technical consumer goods (TCG) market in Turkey grew 7.5% in Q1 2019, compared to the same quarter in 2018 and generated revenue of 14,2 billion TL. Major domestic appliances sector was the main driver of this growth while small domestic appliances contributed to growth as well.

Turnover Development



Telecommunications: Started to decline

In the first quarter of 2019, the telecom sector contracted by 6.4% compared to the same period of the previous year and fell to TL 6.5 billion. The biggest share in this contraction is with in smartphone category due to installment regulations and high USD exchange rates.

Smart watches and headphones were able to grow in value with over 40% turnover compared to 2018 Q1.

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Information technology: Slowdown in gaming

The overall IT sector tightened 15.5% during the 1st quarter of the year compared to same period in 2018 and generated 1 billion TL. This shrinkage is caused by the fluctuation of the exchange rate and the negative impact of smartphone usage on IT product groups.

The drop in sales mostly triggered from the mobile computers, desktops and tablets due to the price increases. At the same time, mouse and keyboard product groups had one digit decline rates compared to Q1 2018.

Although gaming segment had two digit growth in 2018 vs 2017 comparison, it performed similar to other IT product groups in Q1 2019 and had two digit decline compared to Q1 2018.

Office equipment and consumables: Printers have a positive contribution

Turkey's OE sector recorded two digit decline by 10,4% in Q1 2019, compared to the same quarter in 2018 and had a value of 117 million TL.

When the first quarters of 2019 and 2018 are compared, main loss is coming from printers, MFD and cartridges with double-digit decline rates.

Although CISS segment grew in 2018 due to price / performance ratio, it has shrunk double digits in the first quarter of 2019. Comparing Q1 2019 to Q1 2018, small photo printers had a double-digit growth.

Major domestic appliances: Positive effect of SCT reduction continue

Special Consumption Tax (SCT) reduction, which started in November'18, had positive effect on Q1 2019. Especially in March, sector experienced high sales figures.

In the first quarter of 2019, sector generated 3.5 billion TL and showed 35% growth in terms of value compared to Q1 2018.

All product groups of major domestic appliances recorded double-digit growth rates while only cooking growth rate level was lower.

Small domestic appliances: Innovation brings growth!

The SDA sector grew by 16% in Q1 2019, compared to the same quarter in 2018 and generated 1.4 billion TL.

The developments in technology helps to enhance the models offered in the market which led to an increase in demand. Consumers seek for practical, high-tech products.

The new generation Turkish coffee makers, filter coffee machines and irons are categories who grew most.

Power blenders keep growing whereas hair dryers and hair stylers are growing under the category average.

Consumer electronics: UHD TV continues growth trend

Consumer electronics sector recorded 1.7 billion TL in the first quarter of 2019 and had a slight decrease compared to the first quarter of 2018.

Although TV had slight decline compared to first quarter of 2018, it outperformed better than other product groups in consumer electronics.

UHD TVs continues to contribute positively to the product group with two-digit growth rate while 51'-59' inch and 70 inch+ TV products drive this growth.

Summary: OTV discounts continue to drive the growth

The technical consumer goods market grew by 7.5% in Q1 2019, compared to the same quarter in 2018.

With the help of OTV discounts that started in November and continued in Q1 2019, major domestic appliances achieved double digit growth rates and drive the growth of the market. Small domestic appliances achieved double digit growth rates as well while all other sectors experienced decline.

Turkey: Technical consumer goods – sales value by category

TEMAX Q1-2019

	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q1 2019 vs Q1 2018	2019 (milyar TL)	Q1 2019 vs Q1 2018
Consumer Electronics	1.779	1.722	1.999	1.690	-3,5%	1.690	-3,5%
Photo	23	22	18	19	-19,2%	19	-19,2%
Major Domestic Appliances	3.644	5.047	4.417	3.483	35,3%	3.483	35,3%
Small Domestic Appliances	1.453	1.328	1.486	1.407	16,4%	1.407	16,4%
Information Technologies	1.060	1.116	1.127	1.042	-15,5%	1.042	-15,5%
Telecommunication	6.832	6.625	5.418	6.487	-6,4%	6.487	-6,4%
Office Equipment & Consumables	118	128	144	117	-10,4%	117	-10,4%
GfK TEMAX Turkey	14.909	15.988	14.610	14.246	7,5%	14.246	7,5%



Source: GfK Turkey

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