

Press Release

The Turkish technical consumer goods market grew 2.5% in the second quarter of 2019.

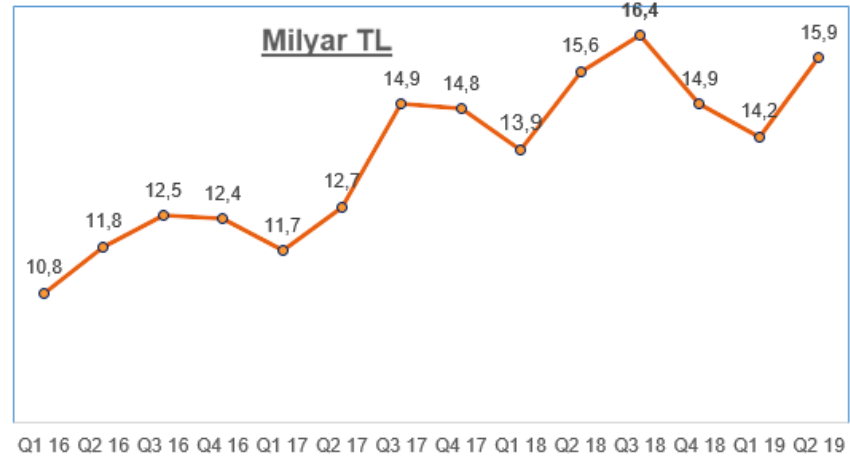
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GfK TEMAX results for Turkey, Q2 2019

Istanbul, August 5, 2019 – The technical consumer goods (TCG) market in Turkey grew 2.5% in Q2 2019, compared to the same quarter in 2018 and generated revenue of 15,9 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: Decline continues

In the second quarter of 2019, the telecom sector contracted by 10.3% compared to the same period of the previous year and reached TL 6.7 billion turnover. The SCT increase in the smartphone product group was effective in this contraction.

Smart watches and headsets were able to maintain their performance in the previous quarter with over 30% turnover growth.

Information technology: Slowdown in gaming

The overall IT sector tightened 16.6% during the 2nd quarter of the year compared to same period in 2018 and generated 884 million 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, monitor, mouse and keyboard product groups had one digit decline rates compared to Q2 2018.

Although gaming segment had two digit growth in 2018 vs 2017 comparison, it performed similar to other IT product groups in Q2 2019 and had two digit decline compared to Q2 2018.

Office equipment and consumables: CISS continues to grow

Turkey's OE sector recorded two digit decline by 21.7% in Q2 2019, compared to the same quarter in 2018 and had a value of 96 million TL.

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

CISS segment had two digits growth in 2018 due to price / performance ratio, it has single digit growth in the second quarter of 2019. Comparing Q2 2019 to Q2 2018, small photo printers had a double-digit decline.

Major domestic appliances: Positive effect of SCT reduction continue

Special consumption tax reduction on categories for Major Domestic Appliances had been introduced in the beginning of November and had positive effect on sales in second quarter of 2019. Due to June was the last month of special consumption taxes period, sales reached the highest level in June 2019.

In the second quarter of 2019, sector generated 4.8 billion TL and showed 30% growth in terms of value compared to Q1 of 2018.

All product groups of major domestic appliances recorded double-digit growth rates, especially freezer product group has the highest growth rate due to seasonality. For the washing machine product group, 7 KG reached quite high growth rate especially in June 2019.

Small domestic appliances: Innovation brings growth!

The SDA sector grew by 17,6% in Q2 2019, compared to the same quarter in 2018 and reached 1,7 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, espresso & filter coffee machines and toasters are categories who grew most.

Consumer electronics: UHD TV continues growth trend

Consumer electronics sector recorded 1,7 Billion TL in the second quarter of 2019 and remained stable compared to the first quarter of 2018.

In the sector, only PTV and Mini Bluetooth speakers product groups showed growth. While mini bluetooth speakers product group performed better than the other product groups in consumer electronics of growth with 12,4%, PTV showed slight increase with 0,3% in terms of value.

UHD TV's continued to show double-digit growth rates in the second quarter of 2019. Especially +60 inch display size had the highest growth rate in PTV product group.

Summary: OTV discounts continue to drive the growth

The technical consumer goods market grew by 2.5% in Q2 2019, compared to the same quarter in 2018.

With the help of OTV discounts that started in November and continued until the end of Q2 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 Q2-2019

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q2 2019 vs Q2 2018	2019 (milyar TL)	Q1-Q2 2019 vs Q1-Q2 2018
Consumer Electronics	1.722	1.999	1.695	1.780	0.1%	3.475	-1.6%
Photo	22	18	19	19	-14.9%	38	-17.0%
Major Domestic Appliances	5.047	4.417	3.483	4.759	30.6%	8.242	32.5%
Small Domestic Appliances	1.333	1.491	1.407	1.715	17.6%	3.122	16.9%
Information Technologies	1.117	1.127	1.042	884	-16.6%	1.926	-16.0%
Telecommunication	7.041	5.666	6.487	6.732	-10.3%	13.219	-8.4%
Office Equipment & Consumables	132	152	117	96	-21.7%	214	-17.3%
GfK TEMAX Turkey	16.414	14.871	14.250	15.987	2.5%	30.237	2.7%

Source: GfK Turkey

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