

Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



This report looks at the following areas:

- The state of the market
- The role of technology
- Where consumers are shopping
- The path to purchase
- How consumers make a final decision

"Buoyed by a relatively stable economy, the CE (consumer electronics) retailing industry is enjoying an upward sales trajectory with no end in sight. In the future, digitally native electronics retailers – including Amazon – will venture more into the physical retail space, while brick and mortar retailers will improve at creating a seamless shopping experience across channels." Diana Smith, Assoc Director - Retail & Apparel

BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

_{АРАС} +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

V	Vhat you need to know
D	Definition
Exe	cutive Summary
С	Dverview
Т	he state of the market
۷	Vhat you want to know
v	Vhat we see
Т	The role of technology
v	Vhat you want to know
v	Vhat we see
v	Vhere consumers are shopping
v	Vhat you want to know
v	Vhat we see
Т	The path to purchase
v	Vhat you want to know
v	Vhat we see
H	low consumers make a final decision
v	Vhat you want to know
V	Vhat we see
V	Vhat it means

Bright future lies ahead

Some of the largest product categories are declining

Ecommerce is strong in electronics retailing, outpacing other categories

Positive economic climate supports the sector

Expected population growth among 25-44s could boost future sales

Market Size and Forecast

Steady growth trajectory

Figure 1: Total US retail sales and fan chart forecast of electronics,* at current prices, 2013-23

Figure 2: Total US retail sales and forecast of electronics,* at current prices, 2013-23

Market Breakdown

Product categories

Computers and phones dominate sales, but both are in decline Figure 3: Household technology ownership, May 2018

Figure 4: Personal technology ownership, May 2018

.

BUY THIS REPORT NOW



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Retailers

Electronics retailers finally see a gain after years of declines Figure 5: Total US revenues of electronics retailers, at current prices, 2013-23

Channel

Ecommerce a substantial part of electronics retailing

Figure 6: Ecommerce sales, by top types of products, 2017

Market Factors

Economy

Macroeconomic indicators paint optimistic picture

Figure 7: GDP change from previous period, 2016-18

Figure 8: Disposable personal income change from previous period, 2016-18

Figure 9: Consumer confidence and unemployment, 2000-19

Impact of tariffs could lead to price increases

Population

Growth anticipated among key electronics buyers (25-44s) and prospects (65+)

Figure 10: Population aged 18 or older, by age, 2013-23

Figure 11: Electronics purchased - Any (net) and knowledge level with technology and electronics, by age, January 2019

Household dynamics

More young adults living at home means more shared devices

Figure 12: Percentage of young adults living in parental home, by age, 2008 and 2018

Number of households with children reaches lowest point in a decade

Figure 13: Households, by presence of own children, 2008-18

Homeownership could hamper smart home/security device sales

Figure 14: Purchase incidence and intent of smart home or other security devices, by housing situation, January 2019

The bigger the household size, the more electronics, but household size is shrinking

Figure 15: Households by number of members as of 2018 and repertoire of items purchased – Any (net), by household size, January 2019

Connectivity

More ways to jump online

Figure 16: Devices used to access the internet, December 2017

Key Players – What You Need to Know

Dollar stores see gains, while office supply stores see losses

Best Buy wants to coexist with Amazon, not necessarily defeat it

Smart assistants are everywhere

Wearables: yes, no, maybe?

5G brings the future to the forefront

More "things" bring more risk

What's Trending?

Top 10 retailers remain mostly intact

BUY THIS REPORT NOW



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 17: Top 10 US consumer electronics retailers, 2018

Best Buy holds its ground in the age of Amazon

Mass merchandisers launch private label electronics lines

Digital assistants are everywhere, and here for good

What's Struggling?

Office supply stores in transition

Wearables remain out of reach for most consumers

Figure 18: US manufacturer shipments of wearable technology, 2013-18

Will streaming media make Blu-ray and DVD players obsolete?

Figure 19: US revenue of various video components, 2013-18

Digital cameras and camcorders give (significant) way to mobile device cameras

Figure 20: US revenue of digital imaging, 2013 and 2018

What's Next?

Here comes 5G

Figure 21: Samsung 5G prototype smartphone, January 2019

Figure 22: Verizon "First to 5G" TV Commercial, September 2018

Figure 23: Attitudes toward mobile networks – 5G, by gender and age, January 2019

Internet of Things brings selling opportunities, but also heightens security risk

Catering to the needs of seniors

Samsung wants to go after Apple, plans to open three stores

GameStop 2.0

The Consumer – What You Need to Know

Keeping up with tech trends

Amazon "bests" Best Buy

Three out of four consumers are multichannel shoppers

"Big three" products comprise majority of electronics purchases

"I know what I want" versus "I need help figuring out what I want"

Knowledge Level with Technology and Electronics

Knowledge leads to purchases

Figure 24: Knowledge level with technology and electronics, January 2019

Figure 25: Attitudes and opinions about technology, by age and gender, October 2017-November 2018

Young men claim to know the most

Figure 26: Knowledge level with technology and electronics, by gender, January 2019

Don't underestimate the seniors

Figure 27: Knowledge level with technology and electronics, by age, January 2019

More people = more electronics

Figure 28: Knowledge level with technology and electronics, by household size and parental status, January 2019

Retailers Shopped

BUY THIS REPORT NOW



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Amazon sits alone at the top

Figure 29: Retailers shopped, January 2019

Figure 30: Retailers shopped, by knowledge level with technology and electronics, January 2019

Women will shop based on advice

Figure 31: Retailers shopped, by gender, January 2019

Best Buy faces increased competition for 18-34s

Figure 32: Retailers shopped, by age, January 2019

What Consumers Have Bought or Intend to Buy

Phones, TVs, and computers are most popular items

Figure 33: Items purchased or planned to purchase, January 2019

Tech Savvy consumers go "all in" on the emerging tech products

Figure 34: Items purchased, by above average knowledge level of technology and electronics, January 2019

Figure 35: Comfort level with tech, by repertoire of items purchased, January 2019

Smart speakers see gains

Figure 36: Items purchased – Smart speakers, by age and income and household size, January 2019

Connected home technologies fuel new demand

Method of Shopping

Three out of four consumers are multichannel shoppers

Figure 37: Electronics browsing versus buying methods, January 2019

Figure 38: Electronics shopping versus buying methods – Nets, January 2019

Ecommerce plays major role in electronics retailing

Figure 39: Location of last purchase by item, January 2019

More often than not, shopping process begins online

Figure 40: Online shopping frequency, by method of shopping, January 2019

Product familiarity and purchase motivation influence preferred shopping methods

Figure 41: Items purchased, by purchasing method among multichannel shoppers, January 2019

Who's shopping online?

Figure 42: Purchasing method, by knowledge level about technology and electronics, January 2019

Reasons for Buying

Four in 10 purchases are replacements

Figure 43: Reasons for buying, January 2019

Having knowledge about tech doesn't always correlate with ownership

Figure 44: Reasons for buying, by knowledge level of technology and electronics, January 2019

18-24s buy mainly to upgrade rather than to replace

Figure 45: Reasons for buying, by age, January 2019

Electronics make great gifts

Purchase Influencers

Product reviews and recommendations hold significant weight

BUY THIS REPORT NOW



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 46: Purchase influencers, January 2019

Figure 47: Pre-purchase process for electronics and appliances, March 2018

Tech Statics heed the advice of others, while Tech Savvies educate themselves

Figure 48: Purchase influencers, by knowledge level of technology and electronics, January 2019

Don't underestimate social media

Figure 49: Influence of social media on purchase decisions, by generation, January 2019

T-Mobile

Figure 50: T-Mobile social media posts, October-November 2018

Verizon

Figure 51: Verizon social media posts, October 2018

Hispanics lean more on in-store tactics and social media

Figure 52: Purchase influencers, by Hispanic origin, January 2019

Important Product and Service Features

Most of the time, price wins out

Figure 53: Top five important product features/services – Any rank (net), January 2019

Nearly half pay full price

Figure 54: Price tolerance, by select demographics, January 2019

Shipping speeds and customization options can help retailers get past the price barrier

Figure 55: Secondary product features/services – Any rank (net), January 2019

Focus on price increases as knowledge level decreases

Figure 56: Secondary product features/services – Any rank (net), January 2019

Men interested in tech aspects, while women seek advice and assurance

Figure 57: Important product features/services – Any rank (net), by gender, January 2019

Base sales strategies on consumer knowledge and motivation

Figure 58: Important product features/services - Any rank (net), by generation, January 2019

Behaviors and Attitudes

Half of consumers have preconceived notions about what they want

Figure 59: Research and shopping behaviors, by knowledge level of technology and electronics, January 2019

Consumers are loyal to brands, not retailers

Figure 60: Loyalty to brands and retailers, by knowledge level of technology and electronics, January 2019

More information surrounding recycling programs is necessary

Figure 61: Interest in recycling programs, by generation and race and Hispanic origin, January 2019

Appendix – Data Sources and Abbreviations

Data sources Sales data Fan chart forecast Consumer survey data Repertoire analysis methodology

BUY THIS REPORT NOW



Report Price: £3254.83 | \$4395.00 | €3662.99

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Direct marketing creative Abbreviations and terms Abbreviations Terms **Appendix – The Market** Figure 62: Total US retail sales and forecast of electronics,* at inflation-adjusted prices, 2013-23 Figure 63: Percentage of total electronics sales by category, at current prices, 2018 (est) Figure 64: Median household income, in inflation-adjusted dollars, 2007-17 **Appendix – Key Players** Apple comes on strong in 2019 **Appendix – The Consumer** Figure 65: Home solutions revenue, 2013-18 Figure 66: Online shopping frequency, by comfort level with technology and electronics, January 2019 Figure 67: Online shopping frequency, by purchasing method, January 2019 Figure 68: Items purchased, by reasons for buying, January 2019 Figure 69: Purchasing decisions for home electronics, October 2017-November 2018 Figure 70: Attitudes and opinions about technology, by age and gender, October 2017-November 2018

BUY THIS REPORT NOW