

Report Price: £3695 | \$4995 | €4400

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:

For emerging technology products (eg smart speakers, wearable tech), brand reputation, reviews, and performance specifications provide shoppers with the information needed to feel confident to make a purchase. For products that have stronger interactive and sensory components (eg gaming consoles, TVs, computers) store visits to experience a product firsthand remain a necessary step along the path to purchase.

- Online shoppers expect to pay less
- Negative reviews, poor content deter online purchasing
- Online storefronts aren't enough to convince most electronics shoppers to buy



"Electronics is among the most successful categories in online retail and is second only to clothing for purchase among online shoppers. Unlike other categories where fit, style and quality are more varied (eg clothing, accessories, footwear, home décor), electronics can be more effectively evaluated online based on descriptions."

– Matt Lindner, Senior eCommerce Analyst

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

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



Table of Contents

OVERVIEW

- What you need to know
- Scope
- Terms

EXECUTIVE SUMMARY

- Overview
- The market is shifting

Figure 1: Most recent electronic product purchase (difference)*, in-store vs online, January 2019

The shopping experience is evolving

Figure 2: Consumer behavior/sentiment toward online electronics purchasing, March 2015 and January 2019

- What this tells us
- · The electronics category is changing
- Retail evolution
- Technology evolution
- Key issues and opportunities in online electronics retailing
- Issue: Online shoppers expect to pay less
- Opportunity: Add value to the post-purchase experience
- Issue: Negative reviews, poor content deter online purchasing
- Opportunity: Respond quickly and use product content to educate shoppers
- Issue: Online storefronts aren't enough to convince most electronics shoppers to buy
- · Opportunity: Strengthen the ties between online and offline
- What it means

THE MARKET - WHAT YOU NEED TO KNOW

- Online could account for nearly 40% of electronics retail in 2019
- · Retail chains see sales shift to online
- Shoppers are more likely to buy emerging technology online
- Favorable economic conditions paint an optimistic picture
- Refurbished electronics will drive more online sales in the future

STATE OF THE MARKET

 Electronics is the second most popular category with online shoppers

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

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



Figure 3: How consumers buy products (by category) – Any online, November 2018

- Online could account for nearly 40% of retail electronics sales in 2019
- Share of electronics sales online estimated at four times the share for retail overall

Figure 4: US growth indices – ecommerce, technology and communications, electronics retail sales, 2013–23

Visitation to bricks and mortar electronics stores in steep decline

Figure 5: Shopped at an electronics store in the last 3 months, 2008-18

Retail chains see a measurable shift from stores to online

Figure 6: Online share of Best Buy's overall revenue, 2013-18

Figure 7: Online share of Target's overall revenue, 2014-18

MARKET BREAKDOWN

Emerging tech, smaller devices present the greatest opportunity online

Figure 8: Electronic items most recently bought online, January 2019

MARKET FACTORS

- Internet connectivity is near universal, increasingly smartphone driven
- What it means:

Figure 9: Devices used to access the internet, February 2019

- Fewer electronics specialty stores may be driving more shoppers online
- Strong and stable macroeconomic environment supports overall growth
- Unemployment and underemployment remain relatively low Figure 10: Unemployment and under employment, January 2007-February 2019
- Disposable personal income continues to rise
 Figure 11: Disposable Personal Income change from previous period, January 2007-December 2018

MARKET DRIVERS

Online shopping has become a habit for most
 Figure 12: Change in online shopping compared to last year,
 by online shopping frequency, November 2018

People who shop online more are more likely to buy electronics online

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

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



Figure 13: Online electronics purchasing, by change in online shopping vs last year, November 2018

• Why would shoppers buy electronics online instead of in store?

Figure 14: TURF Analysis – Future online electronics shopping drivers, January 2019

ANALYST PERSPECTIVE

Look for online retailers to aggressively market refurbished electronics

Figure 15: SmartHome refurbished Insteon electronics promotional email, March 2019

Physical stores will have an advantage at the high end
 Figure 16: Abt Electronics, event announcement, March 2019

RETAILERS - WHAT'S WORKING?

- Key takeaways
- Amazon sets the bar
- Walmart adds tablets to its private label electronics line
 Figure 17: Walmart customer acquisition email, February 2019
- Newegg uses YouTube to engage
 Figure 18: Newegg YouTube video, "Build your PC the right way with Rosewill," February 2019
- Best Buy gets personal, leverages its stores as a competitive advantage
- Samsung shows online shoppers in-store product availability
- · Why this works:

RETAILERS – WHAT'S STRUGGLING?

- Key takeaways
- Once-bankrupt electronics retailers look for new life online
 Figure 19: Circuit City customer acquisition email, March 2019
- Convincing online electronics shoppers to pay full price
 Figure 20: Attitudes toward paying full price, by electronics purchasing behaviors, January 2019

 Figure 21: Amazon Prime Day marketing email, July 2018
- Geo-located pricing offers could alienate electronics shoppers

Figure 22: Target price switch story, January 2019

RETAILERS – WHAT'S NEXT?

Key takeaways

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
Americas China	+1 (312) 943 5250 +86 (21) 6032 7300

Report Price: £3695 | \$4995 | €4400

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



- Online-only electronics retailers, brands will open smaller physical storefronts
- Physical stores will fulfill more online electronics orders
- 5G will drive shoppers to upgrade connected devices
- Visual search will drive more purchasing through apps
- Voice-activated speakers will (eventually) impact more electronics purchasing decisions

THE CONSUMER - WHAT YOU NEED TO KNOW

- Early adopters are confident in their knowledge of technology
- Most electronics shoppers do at least some online shopping
- Stores play a key role
- Products that aren't widely available in stores draw online shoppers
- Targeted content can create a "need"
- Carry familiar brands and make it easier to compare

KNOWLEDGE LEVEL OF TECHNOLOGY AND ELECTRONICS

 Nearly half of adults are Tech Savvy
 Figure 23: Knowledge of the latest technology and electronics, January 2019

• Who are the Tech Savvy?

Figure 24: Tech Savvy – more knowledgeable, by key demographics, January 2019

Tech Savvy electronics shoppers are more engaged online
 Figure 25: Online electronics shopping prompts, by
 knowledge of technology and electronics, January 2019

HOW PEOPLE SHOP FOR ELECTRONICS ONLINE

- Six in 10 ultimately buy online, stores remain an influence
- Mintel recommends:

Figure 26: Online electronics shopping habits, January 2019

 Electronics purchasers are more likely to be onlinedominant browsers, store-dominant buyers

Figure 27: Where electronics buyers typically browse for electronics, January 2019

Figure 28: Where electronics buyers typically buy electronics, January 2019

 Older and rural shoppers start, end online – but for different reasons

Figure 29: Online electronics shopping habits, by generation and urban area, January 2019

Parents of younger children are omnichannel shoppers

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

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



Mintel recommends:

Figure 30: Shopping habits for electronics online and smartphone use in store, by parent status and child(ren) ages, January 2019

BROWSING AND BUYING - DEVICE USAGE

- Mobile gains on desktop with online electronics shoppers
- Mintel recommends:

Figure 31: Devices and interfaces used to browse for and buy electronics online, January 2019

- Use mobile apps to engage Millennials
- Mintel recommends:

Figure 32: Mobile app usage, by generation, January 2019

RETAILERS USED FOR ELECTRONICS PURCHASES

- More than half have bought electronics on Amazon
 Figure 33: Retailers purchased from, January 2019
- Store-based retailers can compete with Amazon by making stores more digital friendly
- Mintel recommends:

Figure 34: Retailers purchased from, by electronics purchasing behaviors, January 2019

PRODUCTS MOST LIKELY TO BE BOUGHT ONLINE

- Shoppers go online for the latest technology
- TVs and smartphones lag the field

Figure 35: Location of most recent purchase, by product category, January 2019

- Tech Savvy shoppers drive online electronics purchasing
- Mintel recommends:

Figure 36: Most recent purchase – Any online, by knowledge of technology and electronics, January 2019

ATTITUDES TOWARD SHOPPING FOR ELECTRONICS ONLINE

 In-home assembly and AR (augmented reality) gives retailers an edge

Figure 37: Attitudes toward shopping online for electronics, by electronics purchasing behaviors, January 2019

Familiar brands appeal to Tech Savvy and Tech Static alike
Figure 38: Online electronics searching behavior, by
knowledge of technology and electronics, January 2019

ONLINE SHOPPING PROMPTS

Use content to convince shoppers it's time to upgrade

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
Americas China	+1 (312) 943 5250 +86 (21) 6032 7300

Report Price: £3695 | \$4995 | €4400

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



Figure 39: Online shopping prompts, January 2019

Higher income households have more need to upgrade
 Figure 40: Online shopping prompts – need to upgrade, by household income, January 2019

 Video, social media content appeal more to younger men and Hispanics

Figure 41: Content-related online electronics shopping prompts, by age and gender, by Hispanic origin, January 2019

BARRIERS TO PURCHASE

- Cost, experience, product information, last mile concerns hinder purchasing
- Cost
- Experience
- Product information
- Last mile

Figure 42: Barriers to buying electronics online, January 2019

- Negative reviews and low-quality images paint an unfavorable picture with younger shoppers
- Mintel recommends:

Figure 43: Barriers to buying online – Product information, by generation, January 2019

 Tech Savvy shoppers are more likely to be turned off by bad reviews than almost anything else

Figure 44: Barriers to buying electronics online, by knowledge of technology and electronics, January 2019

FUTURE ONLINE ELECTRONICS SHOPPING DRIVERS

Going beyond price

Figure 45: Future online electronics shopping drivers, January 2019

Younger online shoppers want to be more informed

Figure 46: Future online electronics shopping drivers, by generation, January 2019

 Parents want electronics retailers to provide more assistance

Figure 47: Future online electronics shopping drivers, by parental status, January 2019

APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Data sources
- Market data
- Consumer survey data

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
Americas China	+1 (312) 943 5250 +86 (21) 6032 7300

Report Price: £3695 | \$4995 | €4400

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
- TURF analysis Methodology

Figure 48: Table - TURF Analysis - Future online electronics shopping drivers, January 2019

APPENDIX - THE MARKET

Figure 49: Total US retail sales and forecast of electronics, at current prices, 2013-23

Figure 50: Total US ecommerce retail sales and forecast, at current prices, 2013-23

Figure 51: Total US technology and communications sales and forecast, at current prices, 2013–23

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
Americas China	+1 (312) 943 5250 +86 (21) 6032 7300



About Mintel

Mintel is the **expert in what consumers want and why.** As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit mintel.com.