

Press release

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New Potential for the Imaging Market

GfK Findings for the Global Photography Market – First Half of 2016

Nuremberg, September 19, 2016 – Action cams, drones, head cams and smart glasses – all of these innovative applications are now as much a part of imaging as taking photos with conventional cameras or smartphones. Areas of application also include the automotive sector, security and medical technology. Across this broad range, global sales of imaging equipment to consumers will rise to 1.6 billion units in 2016. These are GfK's latest findings on the occasion of photokina 2016 in Cologne.

A wide variety of imaging options, younger target groups, and changing requirements regarding image use and image quality ensure that the global imaging market will continue to develop dynamically with an increasing number of new applications.

This year, action cams and camera drones will generate global sales of over 2 billion euros with their new target groups. Camera drones for the consumer market are recording particularly strong growth, with 10 million being sold in 2016 for the first time. This equates to a global growth in volume of 150 percent and an increase in sales of 160 percent.

The global action cam market will also continue to grow in 2016 with sales exceeding 10 million units. The number of units sold and sales will each increase by 25 percent. This growth is supported by constant product innovations in this segment. Virtual reality is creating an ecosystem of action cams, drones and video glasses, offering new possible links. Although the share of sales held by virtual reality action cams is still in single digits, their share of the market is growing rapidly.

Growth Opportunities for High-Quality Cameras by Standing Out from Smartphone Photography

The developments in the imaging sector continue to pose a challenge to the conventional camera sector, as demonstrated by global market trends in the hardware sector, with digital cameras now accounting for only 36 million units in the global imaging market. This corresponds to a share of 2.3 percent. Total global sales will fall by 15 percent to 13.4 billion euros, a trend that is predominantly due to the SLR segment and simple compact cameras. The Smartphone is increasingly replacing simple compact cameras as the new entry-level camera.

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Product concepts with significant added value compared to the smartphone offer promising potential growth in the camera market, with a stable trend in sales and clear growth.

For example, sales of high-quality WiFi-enabled travel zoom cameras in a price range between 250 and 500 euros remain stable in comparison to the previous year. They account for 10 percent of total compact camera sales. There is also a solid trend for compact cameras priced above 500 euros. They already have a 21-percent share of sales. Compact system cameras costing over 1,000 euros are growing by 42 percent and now have a 37-percent share of sales of all mirrorless cameras. Sales of 4k cameras have quadrupled in comparison to the previous year. Their share of sales has thus increased to 11 percent.

Trading-Up in the Market for Individually Sold Lenses

The aftermarket for interchangeable lenses is closely interlinked with developments in the camera market. The rate of 0.5 lenses for every camera body sold in 2013 will rise to 0.64 in 2016. The size of the market now already accounts for half of all sales of interchangeable-lens cameras. Nevertheless, the global market for individually sold lenses is under just as much pressure as the camera market. However, the decline in lens sales is only 5 percent, leading to expectations of a global market volume of 4.2 billion euros for 2016. Models for system cameras have a positive impact in this respect with continued clear growth of 14 percent. Their share of sales in the total lens market has increased from a fifth last year to a quarter. The average sales price of all lenses has continually risen in the last three years to the latest price of 510 euros. There is also a visible trend for high-quality solutions in this area.

Opportunities and Challenges for the Industry

These trends indicate what potential exists in the industry, with the extended imaging context creating opportunities for all providers to forge ahead into new segments or to develop them.

It is also important to develop the areas of growth in the high-quality camera segment; maximum image quality, connectivity, simple handling and attractive product design are keywords if these cameras are to stand out from the smartphone as the "new entry-level camera". Easier product handling and simple re-use of images are also important to attract younger target groups. These are also the findings of a global consumer survey conducted by GfK: 54 percent of respondents lose interest if a product is not simple to use.

About the Method

GfK regularly collects data on digital cameras, interchangeable lenses and other photographic equipment from its retail panel in over 60 countries



worldwide. This evaluation is based on information on market trends in the camera sector in 65 countries and on market trends in the lens sector in 27 countries in the first half of 2016.

Further information:

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About GfK

GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK's long-standing data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers' experiences and choices.

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