

Press release

Gaming as an opportunity for the IT market

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Nuremberg, August 31, 2016 – The private customer-oriented market for computers and tablets faces challenges. Individual sectors, however, are showing positive trends: Along with computing tablets, convertible notebooks and ultra-mobile devices, the current gaming trend offers great opportunities for stationary and portable computing. These are GfK's findings for the global IT market on the occasion of IFA 2016 in Berlin.

After a mixed year overall in 2015, the computing sector has continued its downward trend in global trade into 2016. From January to June 2016 the B2C computing market – including desktops as well as mobile computers and tablets – experienced a drop in sales of 20 percent compared with the same period in the previous year, representing around 15 million devices. At the same time, revenues dropped by 16 percent, or around €4.5 billion. The ongoing weak performance is caused by the negative trend in stationary computers (unit sales: minus 20 percent; revenues: minus 17 percent) on the one hand, and the falling demand for portable computers (unit sales: minus 15 percent; revenues: minus 12 percent) on the other. Furthermore, consumers are also buying fewer media tablets (iOS/Android tablets). Windows tablets have not yet been able to buck this trend.

Niche segment gaming continues global growth

The gaming sector showed growth in both market share and revenue last year. In 2016 this niche segment continues to demonstrate global growth. In the field of stationary computers, gaming PCs saw revenues increase by 75 percent, with a growth in sales of 58 percent. Demand for portable gaming PCs increased by 95 percent in terms of unit sales and 46 percent in terms of revenue.

The market for gaming peripherals shows excellent earning potential. Gaming keyboards, mouses and headsets experienced strong growth in the first half of 2016. Gaming keyboards were particularly popular among consumers, recording a growth in revenue of 23 percent to over €86 million in the first half of 2016. Headsets sold equally well, with revenue increasing by 19 percent.

Gaming products also proved an attractive category for manufacturers and retailers. Almost half of portable gaming computers sold in 2016 so far exceeded the price of €800. For stationary gaming PCs this figure was as high as 70 percent. In the non-gaming segment, on the other hand, the share of this premium segment stood at 16 percent for portable and 14

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percent for stationary devices.

Growing interest in virtual reality

In the gaming sector, all players in the market are currently facing technical developments that could fundamentally change the future of this market environment. Full-blown virtual reality devices, which can be either PC or console-based, are a prime example of this trend. These could revolutionize the gaming market in the next few years. The first, relatively simple devices – such as virtual reality glasses offered with a smartphone upgrade – have already whetted the appetite of consumers. Initially, the next generations of virtual reality devices will appeal primarily to early adopters due to their high prices and the hardware required for their optimal use. In contrast, the further development of these devices also appears to be driving the purchase of PC hardware and harmonizing gaming accessories, such as headsets.

About the method

GfK regularly collects point-of-sale data through its retail panel in over 100 countries worldwide regarding IT hardware and software as well as accessories. This data is analyzed in terms of current developments in consumer demand in the international, European and German IT markets in the first half of 2016. Since 2014, GfK has been integrating the data of distributors, retailers and IT solutions providers in a single database. This consistent pool of data is used to identify the potential within supply chains for improvement and greater efficiency and to create competitive and profitable distribution strategies.

GfK activities at the IFA, September 2–7, 2016, Berlin:

- 1) The **GfK Info Point** at the IFA press center provides all the information published by GfK during IFA
- 2) Come and chat with our experts in the **GfK office** at the IFA (VIP Room 2, Großer Stern).
- 3) **GfK Technical Innovation Conference** "The Connected Consumer" on September 1, 1-3pm, IFA, Marshall Haus Messegelände Berlin. You can download the agenda here: <http://www.gfk.com/insights/event/ifa-2016-2/>

In occasion of IFA 2016 GfK publishes press releases relating to the sectors IT, TV, Smartphone & Wearables, Audio, Small Domestic Appliances and Major Domestic Appliances. All information are available on the website: <http://www.gfk.com/press-room/press-releases/>.



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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