



Press Release

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Contact Mehryar Hamid
Tel. +44 0870 603 8143
Email Mehryar.hamid@gfk.com
www.gfkr.com/uk

Projecting a bright future **June 2011**

The first quarter of 2011 has been one of global chaos and turmoil. From the devastating earthquake that hit Japan, to the economic woes of the Eurozone and the political turmoil in the Arab world, the global markets grow more unpredictable by the day.

Although the UK economy managed to grow by 0.5% in Q1 2011 following a poor Q4 last year, the spiraling oil prices coupled with rising inflation, government budget cuts, severe deficit problems in Spain, Portugal and Greece and the rising component prices from Japan due to disrupted supply in the aftermath of the earthquake, have led to some unexpected and turbulent times for the IT industry.

Whilst the outlook may seem quite gloomy, in reality Q1 2011 has been quite a reasonable quarter for the IT market with growth seen across several product categories. One such example is the Projectors market which has witnessed continued growth since Q3 last year.

After several months of declining sales, August 2010 had been a breath of fresh air as the projectors market finally showed signs of growth for the first time in the past 18 months. Surprisingly, this growth has continued over the past two quarters with the market up 14% in April 2011. In value terms this represents a gain of more than £1 million in comparison to April last year. This period of continuous growth therefore heralds the return of the projectors market, projecting a bright future for this product category.



Whilst the traditional business channels continue to dominate the market, the consumer channels are becoming increasingly important with more and more manufacturers starting to cater to this side of the market as well. With the development of new technologies in the consumer electronics industry, newer models with HD and 3D compatibility are now gradually becoming much more influential on the consumer side of the projectors market.

As of April 2011, 12.3% of the projectors sold in the UK market were HD ready, accounting for 20.5% of the market's value. Similarly the boom in 3D technology has also crept into the projectors market with 3D ready projectors now making up 9.1% of the total sales in the UK market, a 99% increase since last year.

Another key driver within this market has been the portable projectors market consisting of LED Mini and LED Micro (Pico) projectors. As of January this year, these devices have grown on average by more than 220% and 133% respectively, accounting for 12% of total UK sales.

The ASPs (average selling price) for projectors in general have remained quite stable over the past year. However, those of the 3D and LED Mini segments have risen by 38% and 30% respectively, significantly adding to the product category's value.

As we move towards the end of the first half of 2011, we expect the projectors market to continue its smooth recovery in these most turbulent of times, pushing the product category into a much more reasonable position by the end of the year.



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