



Press Release

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Record sales of Portable Navigation Devices in Europe

Findings of the GfK study on European specialist retail sales

Nuremberg, 02. March 2009 – With 18.1 million units sold in 2008, demand for Portable Navigation Devices (PNDs) increased by 3 million units compared to 2007; a 20 percent rise. In quarter 4 the economic crisis took its toll on the market. The industry defied falling prices through a variety of innovations.

Never before have so many Portable Navigation Devices been sold in Europe as in 2008. With 18.1 million units purchased, 2008 volumes surpassed those of 2007 by 3 million, or 20 percent. Germany led the way as the most important market in Europe, with 4.375 million PNDs sold – a growth rate of 22 percent compared to 2007. Sales in Eastern Europe increased by 600 thousand to reach 1.5 million, compared to 16.6 million in Western Europe (up from 14.5 million the previous year) – a growth rate of 15 percent.

However demand weakened during the fourth quarter of 2008. From mid October, at the same time as the first wave of negative reports reached a peak, the boom dwindled; resulting in a 4 percent decrease in demand for PNDs in Europe compared to the same period in the previous year.

On the world market, estimated at 40 million units in 2008, the European market accounts for approximately 45 percent, just ahead of America at 41 percent and far ahead of the Asia/ Pacific region (13 percent).

Industry ignites a firework of innovations

Manufacturers invested heavily in technical features such as new attractive graphics for three dimensional buildings and landscapes which aid orientation, as well as complex solutions to take into account the time of day and the most up-to-date travel conditions for route calculation. Likewise devices with maps for the whole of Europe were in trend (share of total demand in 2008: 57 percent vs. 2007: 47 percent), PNDs with larger displays in 16:9

format (2008: 45 percent vs. 31 percent in 2007), as well as devices which speak street names (2008: 13 percent vs. 2007: 3 percent).

Such innovations could not completely halt the considerable price erosions, which were already -27 percent in the prior year, however price levels largely remained stable during the first three quarters of 2008 with an average price of approximately 200 Euros. In quarter 4 the average price sank to 170 Euros, caused by an increase in retail promotions; once again down by 27 percent on volumes of the fourth quarter in 2007. This put the yearly average at 192 Euros for the purchase of a PND in Europe. The price span between the markets with the lowest average price revenue (Great Britain at 164 Euros, Portugal and Spain at 177 Euros) and those countries in which consumers dug deepest into their pockets for a Portable Navigation Device (Belgium: 239 Euros, Czech Republic: 278 Euros and Slovakia: 282 Euros) was vast. With an average price of 198 Euros for PNDs in Germany, this market took a mid-field position.

Demand and growth of Portable Navigation Devices in Europe in 2007 and 2008 (Status February 2009)

Western Europe	2007	2008
Germany	3.600	4.375
Great Britain	2.770	2.997
France	2.500	2.715
Italy	1.700	1.950
Spain	1.150	1.199
Netherlands	775	927
Belgium	507	535
Sweden	360	351
Denmark	259	383
Switzerland	220	275
Finland	182	243
Portugal	195	254
Austria	214	277
Ireland	35	102
Luxembourg	23	29
Western Europe	14.490	16.612
South-/Eastern Europe	2007	2008
Poland	220	620
Russia		250
Czech Republic	150	210
Greece	52	180
Hungary	120	156
Slovakia (Slovak Republic)	21	37

Source: GfK Retail and Technology Germany, 2009

For the year 2009 GfK market experts predict a further increase in demand for PNDs. A volume of almost 19 million units is predicted in Europe and on the world market approximately 46 million devices are expected to be sold.

The Study

GfK Retail and Technology now continuously tracks market developments of Portable Navigation Devices in 22 European countries: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Great Britain, Ireland, Italy, Luxemburg, Netherlands, Portugal, Spain, Sweden, Switzerland, Czech Republic, Poland, Russia, Slovakia, Turkey und Hungary. Outside of Europe GfK tracks sales in Australia, Brazil, Israel, New Zealand, China, Korea, Taiwan, Japan and South Africa. In 2009 the following countries will also be included: Romania, Croatia, Slovenia, Ukraine, Estonia, Latvia, Lithuania, Saudi Arabia, United Arab Emirates, Thailand and Indonesia. Retail sales to end consumers at single item level are tracked on a monthly basis and information about market share, price classes, channel structures and individual hit lists are gathered.

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The GfK Group

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