

Report: Consumer Electronics Revenue to Rise 1.3% in 2012

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EL SEGUNDO, CA – Global consumer electronics market revenue is set to expand 1.3% in 2012, as brands focus on low pricing during the holiday season to lure buyers impacted by weak global economic conditions, says **IHS iSuppli**.

Global consumer electronics original equipment manufacturer factory revenue this year will hit \$361 billion, up 1.4% year-over-year, says the firm. Revenue during the fourth quarter, encompassing the peak holiday sales season that starts with Black Friday, will amount to \$99 billion, up 2.2% compared to the same period in 2011.

Consumer electronics makers are offering a small number of new products, such as large-sized 4K and organic light-emitting diode television sets. However, due to their high prices, these products will not generate significant sales this year, says IHS iSuppli.

Notable US Black Friday deals could include 42" 1080p LCD televisions priced at less than \$200, down from less than \$500 currently for name-brand sets. LCD TVs 55" in size with 3D capability might break the \$800 barrier, down from the \$1,400 range. Blu-ray players could even drop under \$40, a discount from the \$65 range now.

While overall consumer electronics revenue is set to increase in 2012, much of that growth will be driven by just a few product categories, with most areas declining for the year, says the firm.

Products set to contract in 2012 include plasma TVs, rear-projection TVs, analog cathode ray tube TVs, video game consoles, digital still cameras, DVD and Blu-ray video recorders, portable media players and MP3 players, personal and portable stereos, home audio system components, camcorders and e-book readers.

The majority of revenue growth will be driven by the LCD TV segment, which will see an increase in revenue, despite an expected decrease in unit shipments for the year. Higher average selling prices for feature-rich sets sold earlier in 2012 models will allow revenue to rise for the year.

Other areas also expected to expand significantly this year include digital set-top boxes and consumer appliances.