Over seven in ten TV sets sold in Singapore in first seven months of this year are LED TVs: GfK Singapore

Internet and 3D features gaining widespread demand with more than twofold increased volume sales

Singapore – The latest TV technologies are gaining grounds among tech savvy consumers in Singapore who spent a total of nearly USD174 million on some 264,000 units of TV sets in the first seven months of this year. GfK Singapore latest insights on TV sales in the local market showed substantial increase in sales of the most advanced screen display type—LED TVs, as well as those with recently introduced features like Internet-connection and 3-D capability.

Where two in every five (41%) sets sold last year were LED TVs, the take-up rate has risen considerably to over seven in every ten (72%) today and the segment today contributes 84 percent to the overall worth of the total TV market. GfK Singapore findings also revealed a high adoption rate of Internet-enabled and 3D TVs in the last one year, where reported sales volume jumped by 160 and 115 percent respectively.

“Due to our tech-savvy population, Singapore has one of the more developed TV market in this region and consumers here are usually one of the first to be availed the latest TV technology,” highlighted Mr. Gerard Tan, Account Director for Digital Technology, GfK Asia. “Manufacturers anticipating consumer demand for new TV functionalities have introduced more than 100 new models which come equipped with the latest features in the past year.”

Latest retail audit data reports a total of 754 TV models currently existing in the market, of which 209 are Internet-enabled while 202 comes with the 3D feature. The respective figures for last year were only 78 and 86 respectively, reflecting a significant jump in the number of new TV models with enhanced capabilities.

“To encourage the subsequent turnover of older models with the new launches, prices of TVs have declined considerably, making it more feasible for consumers to own the latest TV technology,” noted Mr. Tan. “For instance, 3D TV which averaged at around USD2488 last year is now a more affordable USD1727, translating to a 30 percent price erosion.”

GfK Singapore also conducted an online consumer study—the ConsumerScope, among recent TV buyers representative of the buying population in Singapore to determine the purchasing process and behavioral patterns of TV buyers. Results of this study affirmed the importance of pricing during the TV buying process, where the majority of nearly two in five (39%) agreed that they shop for a TV with a budget in mind. Meanwhile, equal proportions of 22 percent of respondents said

they first establish the specific TV type such as LED, LCD or plasma which they are interested to acquire, as well as the specific brand they want. Size of TV is the least significant factor at 17 percent, although this is a 3 percent increase from the same survey which was conducted in 2010.

When asked for the most compelling sources which influenced their final purchase decision, the pricing once again carried the most weight, with a quarter (25%) of consumers stated price reduction as the deciding factor. The other two important components were in-store experience (15%) where they got to see and try out the product at the retail outlets, as well as TV commercials (11%).

A significant proportion of the Singapore population is also inclined to go for purchases which they deem to be value for money. For instance, among those who purchased a new TV set in the past two years, over 43 percent admitted that various free items bundled prompted them to make the purchase. Among the most popular items are DVD players (61%), surge protector (61%), HD set top box (58%), digital camera (58%), home theatre system (57%) and wireless LAN adapter (57%).

“No doubt, Singapore’s tech savvy consumers and their receptivity to new technology makes the local TV market a dynamic one which holds considerable potential for TV manufacturers,” said Mr. Tan. “For the price sensitive lot of the population, brands have to ensure that they offer attractive value for money bundles which will continue to be a strong purchase motivation for buyers at the end of the day,” concluded Mr. Tan.

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