Adoption of Internet-enabled TVs in the Philippines doubled within a year

32 inch overtakes as most popular screen size in internet-enabled TV segment

Philippines – The developing country of Philippines continues its rapid pace of upgrading from the traditional CRT TVs to the newer flat screen technology with the latest high tech functions. According to GfK Philippines findings, flat panel TV is today the key product category driving growth of the consumer electronics sector with its 55 percent value growth registered in the first seven months of the year.

During this tracking period, GfK reports revealed consumers in the Philippines spending an estimated USD357 million on nearly 615,000 flat panel TVs, of which over USD58 million was derived from sales of some 37,000 units of Internet-enabled TV. Although its share of the total flat panel TV market is still small at six percent in volume, the latest sales figure reflects a tremendous expansion of close to 300 percent over the same period last year.

“If this latest trend is an indication of the things to come, Internet connectivity may just be the next most popular feature that consumers here will be hankering for,” commented Mr. Benny Villanueva, general manager of GfK Philippines. “Although general awareness level of Internet-enabled TV technology is still considered low at present, declining prices are luring buyers to try out TV sets which come with this new capability.”

These insights into the Philippines TV market were presented to major consumer electronics manufacturers and retailers at the recent GfK Philippines client conference held on 26 September at the Peninsula Manila hotel.

While there were only around 37 Internet-enabled TV models in the market last year, the spread has increased considerably to around 88 models this year. Aside from the wider varieties to choose from, the lowering average price of such TVs by around 20 percent from a year ago, to today’s USD1,400 has made the product a more attractive option nowadays.

“The aggressive push by retailers and manufacturers for buyers to upgrade from basic flat panel TVs has also greatly contributed to the high demand of such TV models that come with the more advanced feature,” noted Mr. Villanueva. “With the aid of promotional initiatives like the 0 percent installment plan, buyers are able to appreciate minimal price gaps between Internet-enabled TVs and regular flat panel TVs.”

According to GfK findings, over one in every three (36%) Internet-enabled TV sets sold in the first seven months of the year is a 32”. Since June this year, this

particular screen size has become the most popular segment for Internet-enabled TV in Philippines today. The average price such TVs has been reduced to less than USD700 since the beginning of quarter two—a strong contributing factor to the rapid take up rate by consumers.

“Moving forward, we foresee this uptrend towards Internet-enabled TV to continue as we approach the year-end festive season where consumers will be seeking the best value-for-money gift items,” Mr. Villanueva said. “In such a competitive marketplace, manufacturers and retailers must ensure that they effectively communicate the uniqueness of their offerings—the most essential factor in closing the sale,” he concluded.

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