



CE Accessories - Get The Facts!

General

Total accessory shipment revenues are expected to top \$15 billion in 2008. As margins on many CE products come increasingly under pressure, accessories provide a profitable relief valve for the sales channel. Accessories help consumers get the most out of their devices, whether it's portability, advanced power and performance, personalization or maintenance.

Why Consumers Buy

- The greatest percent of accessory buyers made their purchase for the purpose of enhancing the functionality of performance of their primary CE device.

Men and Women - Who Buys What

- In general, men and women own accessory products at the same rate, but women edge men in the portable audio/video category, while men tend to own more PC and vehicle CE accessories.

What Consumers Buy

- Digital Imaging accessories are the most often gifted items of all accessory categories.
- Keeping electronics clean is high on consumers' minds as cleaning products dominate the list of planned accessory purchases for 2008, taking eight of the top 10 spots.

Key Accessory Products to Watch

- HDMI Cables (21 percent unit growth forecast)
- Carrying cases (15 percent)
- Wireless Bluetooth headsets (13 percent)
- PC accessories (11 percent)
- Videogame accessories (10 percent)

Accessorizing TVs

- Expect an increase in digital antenna sales as many consumers discover they can capture several HDTV stations over-the-air via a modern antenna.
- Great potential exists for wall mounts as currently only one third of flat panel display owners report having mounted their displays, but 67 percent of consumers have indicated they intend to do so.

Wireless Accessories

- A full 25 percent of adults reported owning a Bluetooth headset, about one-third of cell phone owners. As more cell phones offer Bluetooth capabilities, this is sure to be a continuing area of interest for consumers.
- More than 24 million non-owners may purchase a headset over the next year. Long-term interest in these products is strong as well, as close to 50 percent of adults say they would ever own one.

Accessorizing Portable Entertainment

- Only 34 percent of portable media player (PMP) owners said their current headphones came with the player, despite their near universal inclusion with PMPs.
- More than 12 million non-owners said they are interested in buying powered speaker docks for their PMP devices within the next year.
- It's estimated that the iPod has sparked more than 4,000 accessories.

Gaming Accessories

- Multiplayer games are strong drivers of gaming accessory sales, and each new generation of consoles encourages more gamers to look to play with others, either at home or on the Internet.
- The musical instrument category has created a whole new breed of controllers thanks to the popularity of titles such as Guitar Hero and Rock Band. Already 17 percent of adults reported owning a guitar or drum-set type controller.
- Headsets are hot. Approximately 9 million owners have expressed intent to purchase a wireless headset over the next year, with another 5.8 million looking to a corded option, and just more than 6 million non-owners planning to buy headsets with surround sound capabilities.

*The information provided is based on *Digital America 2008* as well as several CEA market research studies including "2008 U.S. Sales & Forecast," "CE Accessories Ownership and Market Potential" and "The CE Accessories Market: Insights and Opportunities."