

For Immediate Release
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Digital Photo Frames now in 10% of UK homes

Digital photo frames (DPFs) were once again one of the hot-selling products of the year in 2008, shifting more than 1.8 million units at an average retail price of around £90, and they are now present in an estimated 10% of UK homes.

“Fuelled by a glut of low-cost 7-inch 16:9 offerings from a number of brands and retailers - including pureplay onliners - sales grew 60% in 2008 from 2007,” says Simon Bryant, Principal Consultant, Futuresource Consulting. “The Digital Photoframe market continues to be heavily reliant on gifting and first-time impulse buyers who are lured by broad distribution and very low prices. Between Christmas 2007 and 2008, like-for-like prices fell roughly 20% within the popular 7-inch 16:9 segment of the market.

“Recognised CE brands, including the likes of Sony, Samsung, Kodak, Philips, and Toshiba have increased their combined share of sales between 2007 and 2008, from 42% to 54%; however, this market continues to be characterised by a large number of no-name and retailer own brand names, including Tesco’s Technika and DSGi’s Logik and Matsui brands.”

While demand is heavily reliant on gifting and impulse purchasing, the industry is watching closely for signs that consumers are actively using the products and that they will eventually replace units or purchase additional units.

“While sales are currently driven by basic features and price points, as we move forward convergence will play its part in the DPF market and units will incorporate video, music, internet connectivity, plus utility features like calendar, alarm clock and address book,” continues Bryant. “As many other products will incorporate the basic function of DPFs: TVs able to show photos, Apple’s Touch, Netbooks and the like. Even by the end of this year - when we’re going to see the market grow to around 2m to 2.2m units - we’ll see crossover products that will beg the question *‘is it a photo frame or an alarm clock radio, a personal multimedia player or a portable TV?’*”

Notes

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