

The UK market for consumer electronics suffers year on year, infected by further declines in both unit sales and turnover in the last three months. Despite that, GfK says Home Theatre continues to find favour among consumers.

Yes, part of the reason is the volume sales for flat panel TVs, often sold in a package that includes a Home Theatre System. But GfK says the market is now worth £152 million (up 23%) and 638,000 units (up 22%) in the 52 weeks ending July 2008. In addition, the average price has hardly altered in four years (£255 in 2004 against £239 in 2008).

This relatively high price comes off the backs of independent retailers, whose ASP is almost double the market average at £451 (and there are some products costing in excess of £2000). These high average prices give independents 29% of Home Theatre turnover in UK.

Two-channel products saw further growth, although they are still worth less than 20% of the Home Theatre market. These are another example of turnover potential with an average price of £326 in the last 52 weeks against £221 for more traditional 5-channel models.

The case for surround sound is further strengthened by speaker systems, traditionally the preserve of High End specialist HIFI manufacturers (who are also responsible for some excellent business in Home Theatre Systems referred to above), while volume sales have been boosted by the Mass Merchandisers distribution channel in the last

two years. The upshot is a total market approaching 150,000 units a year at an average price of nearly £200.

Go [GfK Retail and Technology](#)

Yes, part of the reason is the volume sales for flat panel TVs, often sold in a package that includes a Home Theatre System. But GfK says the market is now worth £152 million (up 23%) and 638,000 units (up 22%) in the 52 weeks ending July 2008. In addition, the average price has hardly altered in four years (£255 in 2004 against £239 in 2008).

This relatively high price comes off the backs of independent retailers, whose ASP is almost double the market average at £451 (and there are some products costing in excess of £2000). These high average prices give independents 29% of Home Theatre turnover in UK.

Two-channel products saw further growth, although they are still worth less than 20% of the Home Theatre market. These are another example of turnover potential with an average price of £326 in the last 52 weeks against £221 for more traditional 5-channel models.

The case for surround sound is further strengthened by speaker systems, traditionally the preserve of High End specialist HIFI manufacturers (who are also responsible for some excellent business in Home Theatre Systems referred to above), while volume sales have been boosted by the Mass Merchandisers distribution channel in the last two years. The upshot is a total market approaching 150,000 units a year at an average price of nearly £200.

Go [GfK Retail and Technology](#)