

As the coronavirus (aka Covid-19) affects over 100000 people across 80 countries, Futuresource predicts poor results for the global CE industry in Q1 2020, with supply chain chain disruptions leading to difficulties in product delivery.

The analyst says the problem may extend into Q2 2010, but pent-up demand might somewhat, if not wholly, compensate for the difficulties experienced in H1 2020. Thus, consumption patterns should see a shift in seasonality as opposed to an overall yearly decline. However, Futuresource says the CE market will see a full year revenue decline of -2-5% in 2020. In the long term CE makers should look into diversifying supply chains, as the coronavirus highlights the risks associated with over-reliance on Chinese manufacturing.

The virus crisis will bring about some winners, mind-- namely digital media platforms. Digital video, music and gaming are all seeing spikes in engagement, while retail trends towards online commerce are also accelerating. Collaboration technology and software is another beneficiary of the crisis. Besides the short-term effects, this could have implications in the long run, as consumers will likely continue to engage with such platforms after the virus is contained.

Go Futuresource: Coronavirus Continues to Impact the Global CE Market