

Promotional Volume Declines in Consumer Electronics

In 2020, when many relied on technology products to keep them entertained and connected to family, friends, work, and school, the U.S. consumer technology industry saw a historic +17% uptick in sales compared to 2019. **See what happened to promotional activity last year ...**

Promotional activity dropped from 39% to 35% of all items sold that included a promotional discount

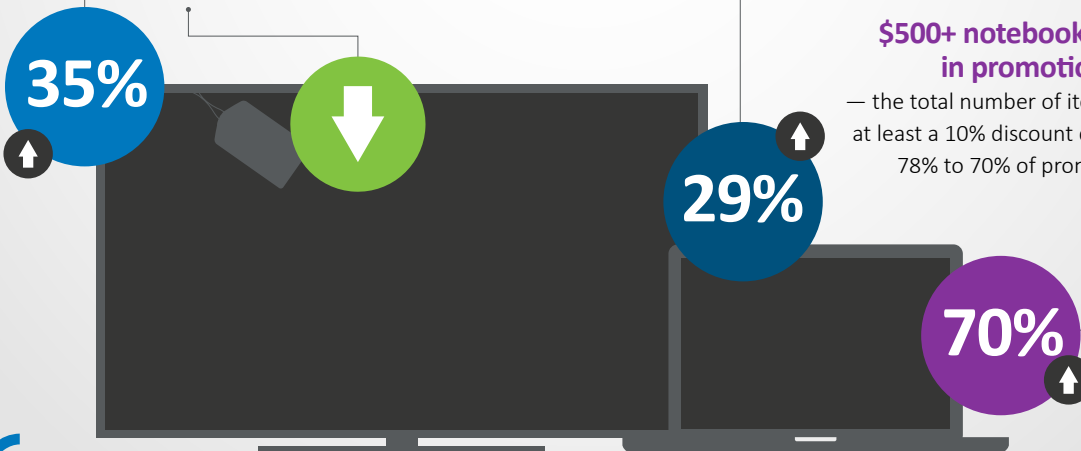
This was driven by: high consumer demand, supply constraints, and cost increases

High-demand categories, such as TVs and PCs, saw a significant shift to lower discount levels than in 2019

Total share of TV sales on promotion dropped from 60% of volume in 2019 to 29% in 2020

\$500+ notebooks declined in promotional depth

— the total number of items sold with at least a 10% discount declined from 78% to 70% of promotional sales



“ Interestingly, products that were promoted saw ASPs rise as the level of discounts declined and consumers chose to trade up to more premium products. Discounting was used much more strategically in 2020 to target specific products and categories where there was an opportunity to create incremental demand or gain market share, rather than the normal focus of using promotions to create demand. ”

Stephen Baker

Vice President, Industry Advisor, Technology and Mobile, The NPD Group

Source: The NPD Group/Retail Tracking Service, Price and Discount Trends, April – December 2020 vs. April – December 2019

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