

BY THE NUMBERS

Top Five CT Revenue Generators

The consumer technology industry is growing due to unprecedented demand across the board. Consumers, having made purchases out of necessity last year for work, school or entertainment, may not have been able to obtain the devices and features that they wanted. This year, backed by record savings and disposable income, consumers are upgrading to the devices they desire. Meanwhile, manufacturers are making the case for upgrades by offering a product mix geared more toward premium models and new embedded technologies. Below are the top five wholesale revenue generators for the consumer technology (CT) industry for 2021.

1. Smartphones

It is difficult to overstate how influential smartphone shipments are in the CT industry. Market saturation and purchase delays in 2020 brought smartphone shipments down significantly, but 5G upgrades and handset replacements will cause smartphone revenues to bounce back 15% this year. Smartphones will see some growth over the next several years as most consumers hop onto ever-growing 5G networks.

2. Laptops

Shipments are predicted to sail beyond 2020 highs. Immense demand from all sectors of the economy will pull unit shipments to over 75 million this year. Schools have been increasingly supplying students with laptops to help with remote education efforts, but the return of businesses through the second half of the year and mobility needs for hybrid workplaces will also drive demand. Chip shortages and supply chain challenges are causing limitations on the number of PCs the industry can manufacture, but despite this complication, laptop revenues will rise 11% to \$44.6 billion in 2021.

3. Televisions

Unit shipments will slip down to 46.3 million units (-2%), registering a second-best year for the segment after its most successful year on record in terms of unit shipments. TV shipments are skewed toward the premium end of the spectrum, with screen sizes 65-inches and greater growing 15%. New models on the market will offer better HDR, higher refresh rates and will include features falling under the HDMI 2.1 standard. Roughly 6% of sets shipping this year will come equipped with NEXTGEN TV tuners, future-proofing some consumers for the newest over-the-air television standard. TV revenues this year will hold steady at \$22.9 billion.

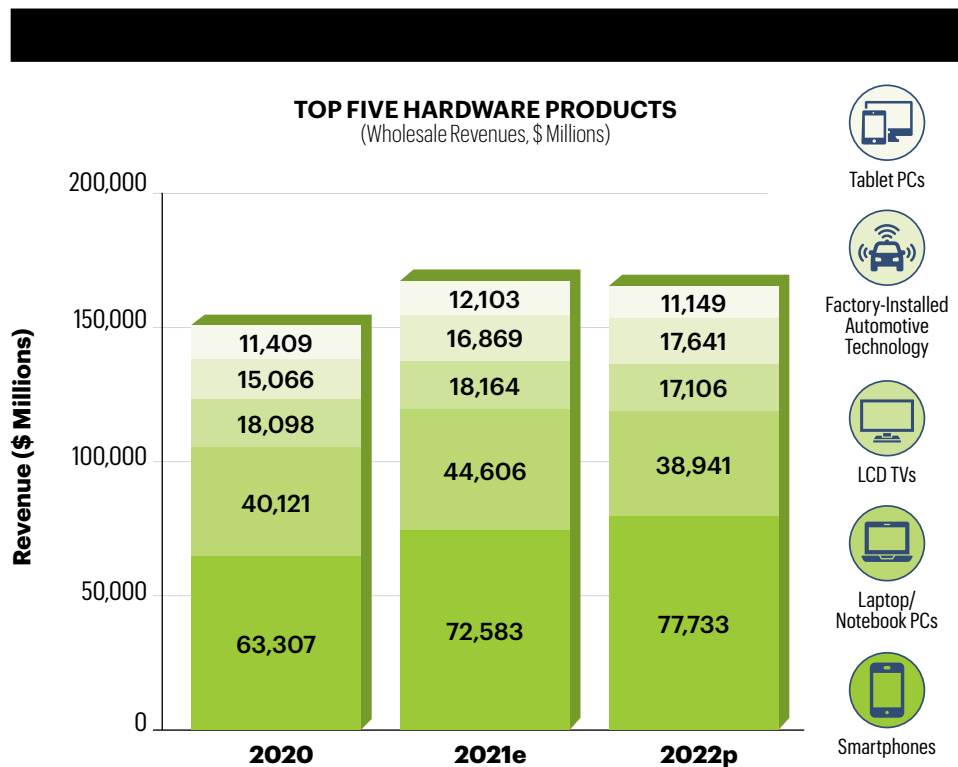
4. Automotive Tech

Despite the headaches the automotive sector has suffered during the semiconductor shortage, factory-installed automotive technology makes up a significant portion of CT hardware revenues this year. Rising 9% to \$16.9 billion, OEM automotive tech continues to add value, convenience and safety to the driving experience. This segment will accelerate as car manufacturing picks back up over the next couple of years.

5. Tablets

These devices are helping to fill computing needs, although not to the extremes of laptops. Consumers are picking up more tablets for casual computing and entertainment, while businesses are using them in various settings where light computing products can help productivity. Tablets will gain 6% in revenues this year, hitting \$12.1 billion.

In January, CTA forecasted 2021 would play out like 2020 in reverse. However, the story is more nuanced and, perhaps, more promising than originally expected. These updated numbers and more, can be found in [CTA's July 2021 U.S. Consumer Technology One-Year Industry Forecast](#). ■



Source: CTA Market Research