

DIGITAL TRENDS SUMMER – GERMANY – 2020

COVID-19 has hit recent purchasing, while the economic uncertainty will see many Germans holding onto devices while they still work well.



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Report Content



EXECUTIVE SUMMARY

- Intel's perspective

Mobile phones

- Smartphone ownership rises to 90%
 - Graph 1: mobile phone ownership, December 2019 and June 2020
- 5G take-up is likely to be delayed by COVID-19

Laptop, desktop and tablet computers

- Standard laptops and tablets ownership grow, while hybrids decline
 - Graph 2: computer ownership, by type of computer, December 2019 and June 2020
- Laptop market focused on reliability over innovation

In-home entertainment and the smart home

- Two in ten German households have a 4K Ultra HD TV
 - Graph 3: entertainment and smart home device ownership, December 2019 and June 2020
- Christmas and sales events boost 4K TV market

Wearable technology and virtual reality

- Steady growth in smartwatches and fitness tracker ownership
 - Graph 4: wearable technology and VR headset ownership, December 2019 and June 2020
- Growing emphasis on wellbeing bodes well for wearables

Video games and consoles

- Lockdown drives console ownership in the first half of 2020
 - Graph 5: games console ownership, December 2019 and June 2020
- Gaming market thrives as Sony and Microsoft gear up for November releases

Online activities

- Smartphone activities have risen across the board
 - Graph 6: digital activities on smartphones, December 2019 and June 2020
- Two in ten Germans now using devices to track exercise or diet
 - Graph 7: technology habits, December 2019 and June 2020
- Gym closures drive growth in health tracking
- Video and music streaming surge across devices
- Quick download resources

THE IMPACT OF COVID-19

- COVID-19 in Germany
- How a COVID-19 recession will reshape the industry
- German economy contracts 11.9% in second quarter of 2020
 - Graph 8: change in GDP, 2017-2020
- COVID-19 impact on technology

MOBILE PHONES

Headline Data

- Highlights
- Smartphone ownership rises to 90%
 - Graph 9: mobile phone ownership, December 2019 and June 2020
- Smartphone upgrades see basic mobile ownership fall
- Recent smartphone purchasing has declined
 - Graph 10: smartphone purchasing in the last three months, December 2019 and June 2020
 - Graph 11: planned smartphone purchasing in the next three months, December 2019 and June 2020

Market commentary

- Smartphone ownership grows in H1 2020
- Wider smartphone sales have been hit by COVID-19
- iPhone SE offers strong mid-range option
- Apple makes the move to 5G with the iPhone 12
- Samsung updates its popular S and Note ranges
- Samsung adds S20 FE as companies increase focus on cheaper options
- Google looks to mid-range market with the Pixel 5...
- ...and service integration will be key
- Google expands value range with the Pixel 4a
- Huawei is the best-selling brand globally in the second quarter of 2020
- Foldable smartphone market too expensive to make early inroads
- Huawei also updates its foldable
- 5G take-up set to be delayed by onset of COVID-19
- Telekom targets 5G coverage for two-thirds of Germany by end of 2020
- Telefonica launches 5G services, while Vodafone expands
- IT security bill set to hit Huawei's 5G involvement

LAPTOP, DESKTOP AND TABLET COMPUTERS

Headline Data

- Highlights
- Standard laptop and tablet ownership continues to slowly expand
 - Graph 12: computer ownership, by type of computer, December 2019 and June 2020
- Surge in desktop ownership as Germans move to home working
 - Graph 13: net computer ownership, by type of computer, December 2019 and June 2020
- Over two in ten Germans own all three computer form factors
 - Graph 14: multiple computer type ownership, December 2019 and June 2020
- COVID-19 has hit recent computer purchasing
- Planned purchases of standard laptops decline
 - Graph 15: planned laptop and tablet purchasing, December 2019 and June 2020

Market Commentary

- Laptops are the second most owned device in Germany
- Apple introducing Magic Keyboard to MacBook range
- Samsung increases laptop presence with three launches
- Lenovo experiences delays to ThinkPad X1 Fold
- Huawei boosts laptop market presence with MateBook X Pro
- Home working and education provides a boost to the tablet market
- Apple refreshes iPad and iPad Air range
- Apple pushing iPad Pro with Magic Keyboard
- Dual screen devices could offer more durability
- Desktop market receives a boost from home working
- Apple releases upgraded 27-inch iMac

IN-HOME ENTERTAINMENT AND THE SMART HOME

Headline Data

- Highlights – in-home entertainment
- Highlights – smart home
- Two in ten German households have a 4K Ultra HD TV
 - Graph 16: entertainment and smart home device ownership, December 2019 and June 2020
- Three quarters of HD/4K TVs are connected to the internet
 - Graph 17: television connectivity, December 2019 and June 2020
- Economic uncertainty has hit the purchase of smart speakers
- HD TV purchasing falls as people plan 4K upgrades

- Graph 18: planned purchasing of entertainment and smart home devices in the next three months, December 2019 and June 2020

Market Commentary

- Germans planning TV purchases are more likely to opt for 4K sets
- LG unveils its GX "Gallery" OLED TV
- Increasingly thin TVs boost the sound bar market
- German live TV viewing continues to decline in 2019
 - Graph 19: average daily linear TV viewing minutes, 2016-2019
- Viewing gains in 2020 offset by advertising decline
- Google launches Chromecast with Google TV
- Voice-controlled speakers continue to drive smart home sales
- Telekom expands its smart speaker offering
- Google launches the Nest Audio smart speaker
- Huawei could look to the smart speaker market

WEARABLE TECHNOLOGY AND VIRTUAL REALITY

Headline Data

- Highlights
- Steady growth in smartwatches and fitness tracker ownership
 - Graph 20: wearable technology and VR headset ownership, December 2019 and June 2020
- Intent to buy wearable technology exceeds recent purchases
 - Graph 21: wearable technology and VR purchasing in the past three months, December 2019 and June 2020
 - Graph 22: wearable technology and VR planned purchasing in the next three months, December 2019 and June 2020

Market commentary

- COVID-19 has not prevented rising ownership of smartwatches
- Samsung launches the Galaxy Watch 3
- Apple unveils the 6th iteration of its smartwatch
- Apple moves into the mid-range with Apple Watch SE
- Fitness apps expand as they utilise smartwatch data
- Fitbit adds the Sense smartwatch...
- ...and unveils the Versa 3
- Google's acquisition of Fitbit faces scrutiny from regulators
- VR most popular among under-25s
- Facebook set to release successor to Oculus Quest...
- ...but faces regulatory challenges

VIDEO GAMES AND CONSOLES

Headline Data

- Highlights
- Lockdown drives console ownership in the first half of 2020
 - Graph 23: games console ownership, December 2019 and June 2020
- COVID-19 has hit planned console purchasing
 - Graph 24: planned games console purchasing in the next three months, December 2019 and June 2020
 - Graph 25: games console purchasing in the last three months, December 2019 and June 2020
- Lockdown sees more Germans playing games across devices

Market Commentary

- Lockdown sees Germans turn to gaming for home-entertainment
- Portable console growth driven by Switch Lite
- Gaming software market thrives throughout lockdown
- Sony reveals pricing for its PS5 range
- Microsoft to launch Xbox Series X and S in November 2020
- Rising price of consoles could encourage payment plans
- Consoles arrive on schedule but games could be delayed
- Games streaming sites gain popularity in lockdown

ONLINE ACTIVITIES

Headline Data

- Highlights
- Smartphone activities have risen across the board
 - Graph 26: digital activities on smartphones, December 2019 and June 2020
- Lockdown sees increased video streaming on laptops and desktops
 - Graph 27: digital activities on desktop/laptops, December 2019 and June 2020
- Surge in reading news websites as tablet owners look to stay informed during COVID-19
 - Graph 28: digital activities on tablets, December 2019 and June 2020
- Two in ten Germans now using devices to track exercise or diet
 - Graph 29: technology habits, December 2019 and June 2020

Market Commentary

- COVID-19 drives messaging and social media use
- Facebook facing an uncertain future in Germany
- Online shopping grows through lockdown

- Technology products feature prominently in sales events
- Strong growth in video streaming with additional time at home
- Smartphone viewing near-universal among 16-24s
- Nine in ten 16-24 year olds are streaming music via smartphones
- COVID-19 could drive a shift to mobile payments
- Young Germans are making efforts to cut back screen time
- Increased use of devices for exercise and diet
- Steady rise in the use of voice commands and smart home devices

APPENDIX

- Covered in this Report
- Abbreviations

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