Global Consumer Technology Trends: Poland Briefing

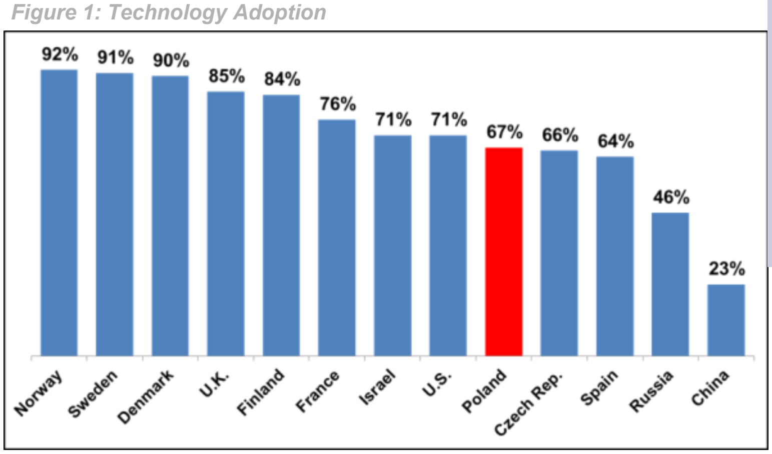
June 2014

CEA Consumer Electronics Association
The Authoritative Source for Consumer Technologies Market Research
research@CE.org 703-907-7600

Introduction

With a population of 39 million, Poland comprises approximately 5% of the total European population. It ranks approximately 55th in global GDP, with an average GDP per capita of $20,900 USD As part of the European Union (EU), Poland has access to a market of some 502 million people with a combined GDP of approximately €13.1 billion (average of €25,500 or $34,942 USD). Poland is poised to grow in affluence as its economy becomes ever more intertwined with the greater EU economy, growing exports and strengthening domestic demand. As Poland's economic position grows stronger, it stands to reason ownership of consumer technologies will continue to grow. Indeed, according to ITU seven in 10 Polish households have at least one computer and two-thirds (67%) have access to the Internet at home – very similar to the U.S. market.

Figure 1: Technology Adoption



Source: ITU

Country Profile

Official language: Polish

Demographics (2013)
Population *(millions)*: **38.38** [2]
Median age: **39.1** [1]
Adult population: **31.55** [2]

Economy (2012)
GDP (PPP), (*billions*): **$814.1** [1]
GDP real growth rate: **2%** [1]
GDP per capita (PPP) USD: **$20,900** [1]
Monetary unit: **Złoty (PLN)**

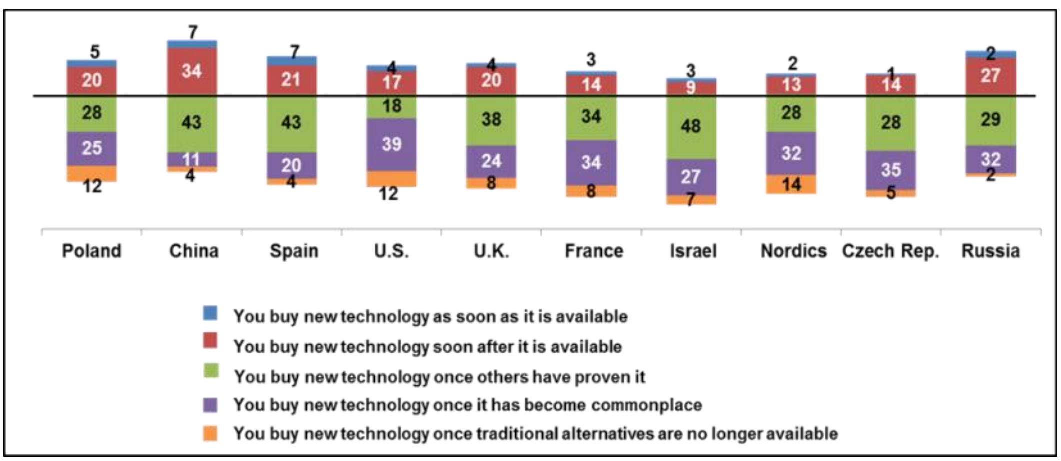
Connectivity (2011) [3]
% H.H. w/ computer: **71.3%**
% H.H w/ Internet access: **66.6%**
% individuals using Internet: **64.9%**
Fixed broadband Internet subscriptions *(millions)*: **5.62**

Sources:
[1] CIA World Factbook
[2] United States Census Bureau
[3] ITU

Technology Propensity

The propensity for technology adoption varies from innovators, who buy new technology as soon as it is available to laggards, who typically purchase new technology only after traditional alternatives are no longer available. Based on self-identified characteristics, we find approximately one in four (25%) online Polish adults is either an innovator (5%) or early adopter (20%). Innovators and early adopters typically propel technology adoption in the greater market given their likelihood to acquire and try a technology. We find online Polish adult consumers are similar to online Britons (23%) and Spaniards (28%) in identifying themselves as innovators and early adopters. In addition, approximately one in three (28%) online adult Poles identifies as a mid-adopter, which is on par with online Nordic (i.e., Danish, Finnish, Norwegian and Swedish) adults.

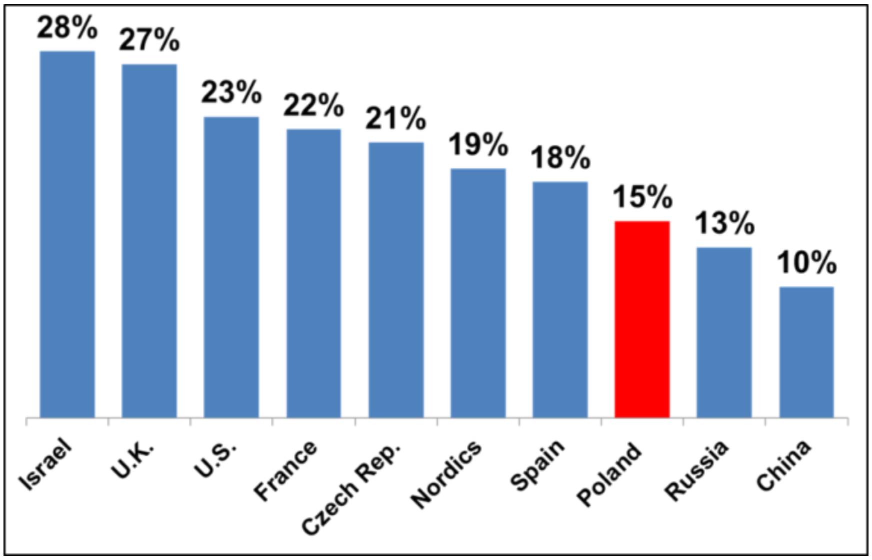
Figure 2: Technology Adoption



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q33: Which of the following BEST describes your technology purchasing habits?

Based on responses to key technology adoption and social networking questions, we can also ascertain how large the "tech influencer" population is and compare across markets. Influencers are a subset of the population that tend to be well-connected, engaged with the technology industry, authoritative and opinionated. As such, people tend to listen to influencers when discussing technology. We find approximately one in 10 (15%) online Polish adults can be classified as “influencers,” which is on par with online Spaniards (18%) and Russians (13%).

Figure 3: Technology Influencers



Source: Global Consumer Technology Trends (2013)

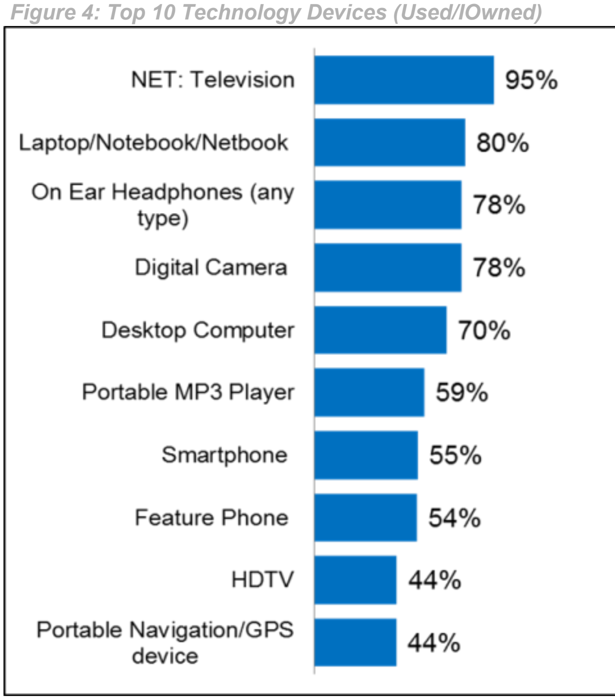
Technology Owned and Used

Poland’s top owned or used technology products are video, computing and communication-oriented devices. Almost every online Polish household (95%) reports either owning or using a television in the home (any type) and four in five (80%) own or use a portable computer (such as a laptop, notebook or netbook), on-ear headphones and digital cameras (78% each). Also noteworthy, half of online Polish households use or own a smartphone (55%) or feature phone (54%). While not on the top ten list, three in 10 (32%) online Poles report they own/use a tablet, which is lower than online Britons (43%), Israelis (46%), Danes (44%) and Americans (41%); but on par with online French (34%), Czechs (28%) and Finns (26%).

Polish households owned an average of 7.4 discrete consumer technology products in 2013 (out of the 17 technology products surveyed), which is consistent with online Czech and American (7.5 each) and French adults (7.9).

A look at which technology products online adult Polish consumers expect to purchase in the next 12 months reveals differences among owners and non-owners. Current tech users/owners are focused on buying TVs and investing in audio, while non-users/owners are focused on buying the basics such as TVs, PCs and smartphones. For example, seven in 10 (73%) television users/owners report they expect to purchase another product in the next 12 months, as do more than half (55%) of non-users/owners. Similarly, two in five (40%) smartphone owners expect to purchase another smartphone in the next 12 months, as do one-quarter (25%) of non-users/owners. More than one-third (38%) of tablet users/owners expect to purchase next year, as do one-fifth (20%) of non-users/owners. Overall, the

Figure 4: Top 10 Technology Devices (Used/IOwned)



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q3: Which of the following technology devices do you personally use?
Q3A: Which of the following technology devices do you currently have in your household?

Figure 5: Average Number of Discrete Products Owned

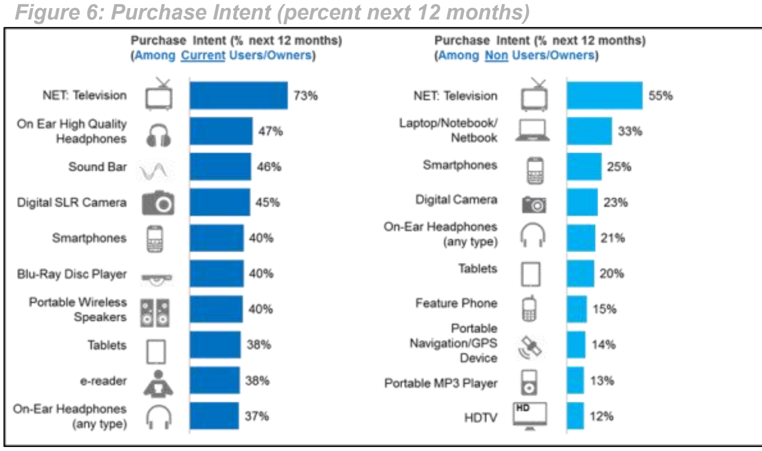
Market	Avg. Discrete Product (17 Surveyed)
Spain	9.7
China	8.2
Israel	8.2
U.K.	8.1
Russia	7.9
France	7.7
U.S.	7.5
Czech Republic	7.5
Poland	**7.4**
Nordics	7.1

Source: Global Consumer Technology Trends (2013)
Q3: Which of the following technology devices do you personally use?
Q3A: Which of the following technology devices do you currently have in your household?

products with the highest repeat purchase rate (i.e., purchase intent by current owners/users) include TVs, on-ear quality headphones, soundbars and digital SLRs. The products with the highest first-time purchase intent include TVs, portable computers and smartphones. In fact, one-third (33%) of non-owners expect to buy a portable computer in the next year, suggesting strong growth in the computing category in the near future.

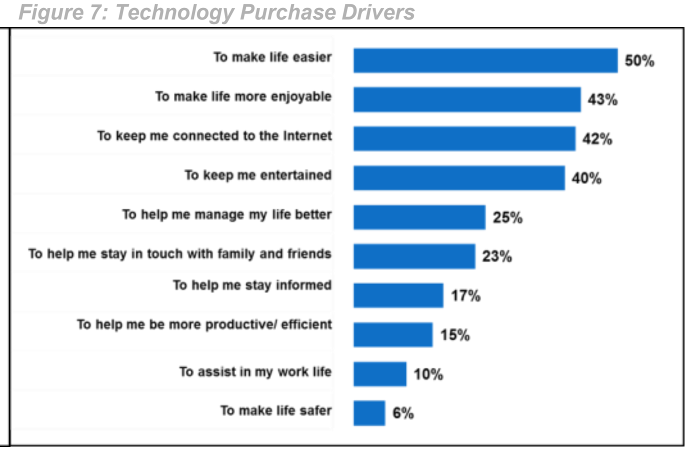
Regardless of nationality, consumers have a host of motivations to purchase technology devices. When asked to rank their top three reasons for wanting to purchase technology, half (50%) of online Polish adults cite making life more enjoyable, and two in five cite making life easier (43%) and keeping connected to the Internet (42%). Less frequently cited purchase drivers include making life safer (6%), assisting in work life (10%) and increasing productivity/efficiency (15%).

Figure 6: Purchase Intent (percent next 12 months)



Source: Global Consumer Technology Trends (2013)
Base: Online Polish household device owners/ Non household device owners (Base varies by device)
Q4: Which of the following devices will you purchase or upgrade in the next 3/6/12/more than 12 months

Figure 7: Technology Purchase Drivers



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q5: In general, what are the top 3 reasons for wanting to purchase consumer electronics devices?

While the top five technology purchase drivers are relatively consistent across all markets surveyed, we find making life both enjoyable and easier are the top two purchase drivers for online Polish adults, followed by staying connected to the Internet. Entertainment is not among the top three purchase drivers for online Poles, nor is it for online Czechs and Russians. However, in every other market surveyed, entertainment is one of the top three technology purchase drivers.

Figure 8: Technology Purchase Driver Comparison

Rank	U.S.	U.K.	Spain	Nordics	Israel	France	China	Czech Rep.	Poland	Russia
1	To keep me entertained	To keep me entertained	To keep me entertained	To keep me entertained	To make life more enjoyable	To keep me entertained	To make life more enjoyable	To make life easier	To make life easier	To keep me connected to the Internet
2	To make life more enjoyable	To make life more enjoyable	To make life more enjoyable	To keep me connected to the Internet	To make life easier	To make life easier	To make life easier	To help me stay informed	To make life more enjoyable	To assist in my work life
3	To keep me connected to the Internet	To keep me connected to the Internet	To make life easier	To help me stay informed	To keep me entertained	To keep me connected to the Internet	To keep me entertained	To assist in my work life	To keep me connected to the Internet	To make life more enjoyable
4	To help me stay in touch with family and friends	To make life easier	To keep me connected to the Internet	To make life more enjoyable	To help me be more productive/ efficient	To make life more enjoyable	To keep me connected to the Internet	To help me stay in touch with family and friends	To keep me entertained	To help me stay informed
5	To make life easier	To help me stay in touch with family and friends	To help me stay in touch with family and friends	To make life easier	To assist in my work life	To help me stay in touch with family and friends	To help me stay in touch with family and friends	To keep me connected to the Internet	To help me manage my life better	To keep me entertained

Source: Global Consumer Technology Trends (2013)
Q5: In general, what are the top 3 reasons for wanting to purchase consumer electronics devices?

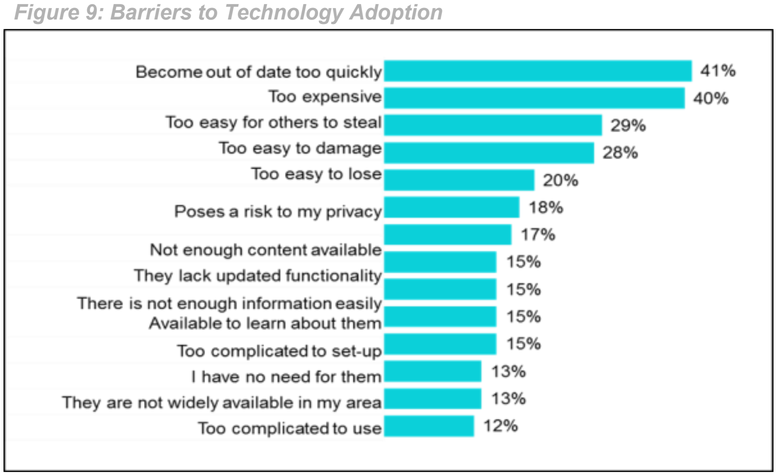
Technology Policy and Infrastructure

Attitudes toward the technology environment often vary across the globe. For example, countries with strong broadband access, a robust technology market (including R&D) and low tariffs on technology imports can help fuel consumer enthusiasm for technology adoption. Other factors play a role as well, such as policies for and use of technology in governance. On these fronts, online Poles have favorable perceptions of technology policy in their country; one in three online Polish adults agrees “there is sufficient infrastructure in place to support the latest technology in my country” and “high-tech industries thrive in my country” (32% each). Poles and Russians have the lowest agreement sentiment with “high-tech industries thrive my country” of any market surveyed. In addition, online Poles have the lowest agreement with “high tech industries thrive in my country” compared to other markets surveyed.

Two-thirds (67%) of Polish adults have home Internet access according to ITU, which is one of the lowest rates of any market CEA surveyed (only China and Russia were lower at 38% and 49%, respectively). However, sentiment toward Internet security and privacy vary. For example, three in four (76%) online Polish adults are “confident in using the Internet for financial tasks like online banking or making online purchase,” but less than half (46%) are “concerned about the security and protection of my data” when online.

Barriers to Technology Adoption

Figure 9: Barriers to Technology Adoption



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q9: Considering your overall experience with consumer electronic products, to what extent do you agree or disagree with the following statements?

Approximately one in ten (12%) online Polish adults is a self-described “laggard” – consistent with the United States (also 12%). Looking at key barriers to technology adoption, we find the top deterrents include perceived speed of obsolescence (41%), cost (40%) and theft potential (29%). Few online Poles cite complications when using (12%), lack of availability (13%) and no need (13%) as a barrier to adoption.

For online Polish adults, expense is the most frequently cited barrier to technology adoption, consistent with the sentiments of online Americans, Spanish, Israeli and French adults. Speed of obsolescence is the second most frequently cited barrier among Poles and perceived ease of damaging the product is the third; again, consistent with online American, Spanish, Israeli and French adult sentiment.

Figure 10: Comparative Barriers to Technology Adoption

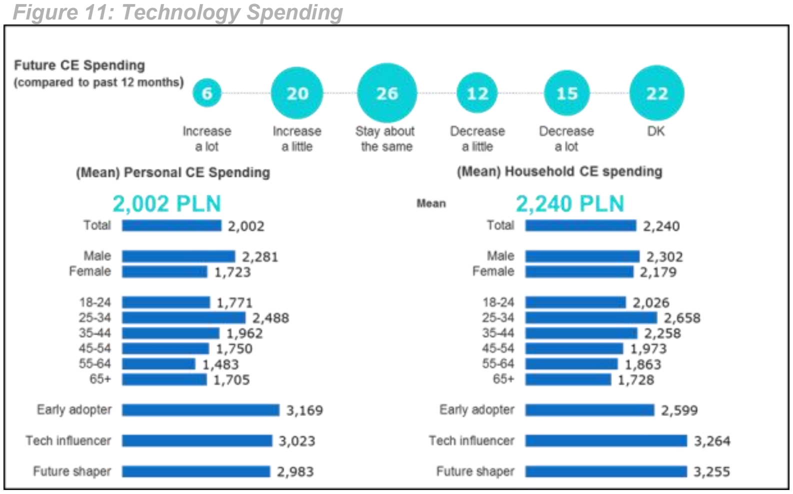
Rank	U.S.	U.K.	Spain	Nordics	Israel	France	China	Czech Rep.	Poland	Russia
1	Too expensive	Become out of date too quickly	Too expensive	Become out of date too quickly	Too expensive	Too expensive	Become out of date too quickly	Become out of date too quickly	Too expensive	Become out of date too quickly
2	Become out of date too quickly	Too expensive	Become out of date too quickly	Too expensive	Become out of date too quickly	Become out of date too quickly	Too expensive	Too expensive	Become out of date too quickly	Too expensive
3	Too easy to damage	Too easy for others to steal	Too easy to damage	Too easy to damage	Too easy for others to steal	Too easy for others to steal	Insufficient infrastructure in place to support their functionality	Too easy for others to steal	Too easy to damage	Too easy for others to steal
4	Poses a risk to my privacy	Too easy to damage	Too easy for others to steal	Too easy for others to steal	Too easy to damage	Too easy to damage	Too easy for others to steal	Too easy to damage	Too easy for others to steal	Too easy to damage
5	Too easy for others to steal	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Poses a risk to my privacy	Too easy to lose

Source: Global Consumer Technology Trends (2013)
Q9: Considering your overall experience with consumer electronic products, to what extent do you agree or disagree with the following statements?

Barriers to Technology Adoption

On average, online Polish adults spent 2,002 PLN (approximately $665 USD) on consumer electronics (CE) in the past year, which is higher than the U.S. average of $483 and the Czech Republic average of $464, but less than the other markets surveyed. Average annual spending is higher among early tech adopters (3,169 PLN or approximately $1,036 USD), influencers (3,023 PLN or approximately $988 USD) and future shapers (i.e., those who switch to new products early and influence other consumers with their views on products), who spend approximately 2,983 PLN or $975 USD on consumer technologies. Average household technology spending is 2,240 PLN in Poland (approximately $732 USD), which is on par with the average online U.S. household’s average of $761. Personal spending also tends to be higher among males and online Polish adults age 18-24 and 35-44.

Figure 11: Technology Spending



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q28: Over the past 12 months how much has your household spent on Tech products?
Q29: Compared to the past 12 months, how do you expect your level of expenditure on consumer electronic products to change over the next year?
Q44: And how much would you say that you have spent personally on consumer electronics products in the past 12 months

Future CE spending expectations are relatively evenly distributed among online Poles. One-quarter (26%) expect their future CE spending to stay about the same as it was in the past 12 months; 26% expect their CE spending to increase; and 27% expect their spending to decrease, while one in five (22%) is unsure. For comparative purposes, the average of those who expect to spend more in the next 12 month is in the low 20% range for all other markets CEA surveyed, with the exception of China, where 61% of online adults expect their CE spending to increase.

Also of note, only one in 10 online Polish adults (11%) expects future disposable income to decrease next year – compared to almost one third of online French consumers (33%) and Britons (30%). The disposable income expectations of online Poles (35% expect an increase) are similar to online Spaniards (32%), Czechs (32%), Americans (29%) and Nordics (27%). However, three in five (62%) Chinese and four in 10 (43%) Israeli adults expect their future disposable income to increase next year.

Internet Use

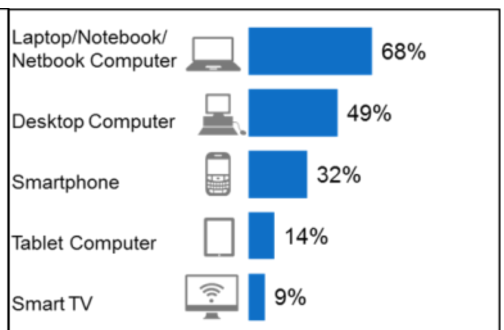
Online Polish adults report spending approximately 2.8 hours per day online, mirroring the cross-market mean of 2.8 hours per day. One in five (21%) online Polish consumers reports spending more than five or more hours per day online, similar to online Americans (25%), Spaniards (18%) and Britons (18%). In addition, Poles primarily access the Internet from portable computers and desktops.

Online Poles overwhelmingly report using the Internet primarily from home, regardless of technology device. Primary Internet activities include emailing (81%), browsing websites (79%), searching for information, and researching products and purchasing them online (68% each). Online Poles spend approximately 24% percent of their Internet time browsing, which is consistent with the amount of time spent by online Britons (22%), Israelis (21%) and Nordics (20%) doing the same.

Figure 13: Internet Activities

Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q22: Which of the following activities do you currently do over the Internet?

Figure 12: Connecting to the Internet



Source: Global Consumer Technology Trends (2013)
Base: Online Polish adults (n=752)
Q18: Which of the following technology devices do you connect to the Internet?

Conclusion

The digital lifestyle is well entrenched in Poland, and technology propensity is similar to several other markets surveyed. Indeed, one in four (25%) online Polish adults can be classified as an early adopter or an innovator – higher than online adults in France, Israel, the Nordics and the Czech Republic. Approximately two in three Polish households have access to the Internet – not far behind the comparatively wealthier Americans and Israelis. Higher prices for consumer technologies and comparatively lower annual salaries might drive more consumers to cautiously buy, thus impacting technology adoption. Time spent on the Internet is high in Poland, with a majority (71%) of online adults using it at least two hours every day. However, online Polish adults are less likely to perceive their country as having sufficient infrastructure to support the latest technology, as compared to most other nations surveyed. This is not to suggest tech is not popular in Poland, as ownership of key products, including televisions, digital cameras, laptops and desktops is high. In addition, future purchase expectations suggest strong growth for smartphones, audio and computing products. While the reasons for buying tech vary, a majority of online Polish adults cite making life easier and more enjoyable, as well as staying connected.

Methodology

The *Global Consumer Technology Trends* report was designed and formulated by the Consumer Electronics Association (CEA). It represents the findings of a quantitative study administered via Internet web form to an online national sample of 750 adults in each of the following markets during August 2013.

- United States
- United Kingdom
- France
- Spain
- Sweden
- Norway
- Denmark
- Finland
- Poland
- Russia
- Czech Republic
- China
- Israel

CEA employed the services of TNS to design and field the survey to consumers. Participants had the option to complete the survey in their local language.

The margin of sampling error at 95% confidence for aggregate results in each market is +/- 3.6%. Sampling error is larger for subgroups of the data. As with any survey, sampling error is only one source of possible error. While non-sampling error cannot be accurately calculated, precautionary steps were taken in all phases of the survey design, collection and processing of the data to minimize its influence.

As is common practice in survey research, the data was weighted to reflect the known demographics of the population under study. As a result, this data can be generalized to the entire online adult population for each market. However, the results of this study do not necessarily represent the overall populations of these markets. Keep in mind that online populations in these markets tend to skew younger, more affluent, and more likely to be an early adopter

The bases shown on all charts and tables are weighted bases. All percentages in the text, charts and tables included in this report are also based on weighted data.

Note:
Throughout this report when the consumer or household is referenced, these terms refer to **online** consumers or **online** households.

The Consumer Electronics Association is a member of the Marketing Research Association (MRA) and adheres to the MRA's Code of Marketing Research Standards.

CEA designed this study in its entirety and is responsible for all content contained in this report. Any questions regarding the study should be directed to CEA Market Research staff at info@CE.org.

About CEA

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the $203 billion U.S. consumer electronics industry. More than 2,000 companies enjoy the benefits of CEA membership, including legislative advocacy, market research, technical training and education, industry promotion and the fostering of business and strategic relationships. CEA also sponsors and manages the International CES - The Global Stage for Innovation. All profits from CES are reinvested into CEA's industry services.

CEA Market Research
CEA is the authoritative source for consumer technology market research. With a rich 75+ year history of market research, CEA's industry knowledge is relied upon by the technology community, financial markets, the media and economists.

CEA offers the following types of market research to help CEA, members and professionals within the industry stay on top of trends.

- Consumer and business-to-business research studies
- Economic analysis
- Industry sales and forecasts
- Statistics on industry shipments

1919 S. Eads St.
Arlington, VA 22202

Tel: 866-858-1555 or 703-907-7600
Fax: 703-907-7675

Market Research & Library
Tel: 703-907-7763
Fax: 703-907-7769
info@CE.org

Find CEA online at www.CE.org.