



Greece: Audio Visual Market Guide

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Overview

The audio-visual (AV) market in Greece is showing signs of recovery after 4 years of double-digit decline for home audio and cinema spending. Retail sales have demonstrated signs of recovering, along with expected GDP growth in 2015. Demand for audiovisual equipment is covered by imports, mainly from European Union countries China, Korea, and Japan. The United States is a supplier of computers and peripherals..

Out of a population of 10.8 million people and 3.7 million households, there is an average of two television sets per household. Ninety-nine percent of these households have access to free broadcast TV, 19.5 percent have access to satellite and IP Pay TV, and 3 percent have satellite internet and pay TV bundled service.

Market Trends

The end of 2014 is expected to mark the completion of analogue broadcasting and a transfer to digital service. The switchover requires technological upgrades for media outlets, households, and businesses. Within this context, Digea was formed as a network operator providing a digital terrestrial television transmission in Greece for seven nationwide private TV channels (Alpha TV, Alter Channel, ANT1, Macedonia TV, Mega Channel, Skai TV, and Star Channel). In addition to these free nationwide broadcast stations, the network is open to other station broadcasts.

With respect to pay-TV, fierce competition between the two main providers (Nova/Forthnet & OTE) resulted in record-high satellite and IP-TV subscriptions as well as the introduction of new channels and relevant content by the two rival platforms. This activity is spear-headed by the Government of Greece's focus on Digital Strategy 2014-2020 in the context of the E.U. Community Support Framework V and under the "Digital Convergence" program.

On June 11, 2013, the Government of Greece (GoG) ceased operations of the public television and radio service under the umbrella ERT S.A., which included three TV channels, and several radio stations and online portals. The GoG announced a plan to restructure the organization, decrease personnel by more than 2,000, and re-launch services by creating a new company. There was widespread criticism regarding the closure, with the European Broadcasting Union (EBU) providing support to allow the service to continue broadcasting on an interim basis.

In July 2013, the Greek Parliament passed a New Greek Radio, Internet and Television Act to establish a new public service broadcaster, NERIT S.A. NERIT was launched in May 2014 and operates one High Definition (HD) and two Standard Definition (SD) TV stations, three radio programs, and two online portals. TV and radio services are broadcasted terrestrially via both digital and analog and through internet streaming. NERIT has the rights to air popular programs such as the Olympics, the World & European Soccer Cups, the French Tennis Open, the UEFA Champions League, and other programs. The Greek television market is dominated by private channels. MEGA is the most popular channel with a daily audience market share of 21.5 percent in 2013. ANT1 ranks second with a 16.8% audience share, followed by Alpha TV, Star Channel, and Skai TV.

In terms of AV-related consumer electronic devices, LED and Smart TVs, MPEG-4 digital decoders, DVD, MP3, and MP4 home audio and video devices continue to grow in market demand. New technologies and developments in this industry have continued to positively impact sales for new cutting-edge products, which entered the market in the past years; although, this may have been slightly hampered in

certain areas due to the economic situation in Greece. New product categories, such as 4K Ultra-HD and OLED TVs, tablets, smartphones, PCs, and laptops, are positioned to continue to drive demand and benefit from the stabilization in sales volume and the economic recovery.

High-definition is the main trend that developed the market for televisions (LED and LCD), camcorders (mostly subscription HDD hard drive and memory flash), and media players and recorders (High Definition DVD and Blu Ray). HD technology has also impacted computers and game consoles, as seen in the X-Box 360, Wii, and PlayStation 4. As most free broadcast and pay TV companies are now offering online streaming and on-demand services through their websites and mobile applications, there has been an increase in viewings through PCs, tablets, and smartphones.

The LED flat-screen television is the leader in electronic consumer sales growth for the year and continues to dominate the market, followed by hi-fi systems, sound bars, home cinema, and speaker systems. A recent market trend has been the increased demand for record players and vinyl records. Digital media player docks are not popular in Greece. However, demand for all-in-one video and audio systems is expected to grow in the coming years. In other areas, such as Digital Camcorders and MiniDV, the market is considered congested and stagnant.

There has been spectacular growth for tablet sales and signs of stabilization for computers and peripherals. Sales of tablets reached 694,800 units in 2014, growing by 264 percent in 2013 and by 61 percent in 2014. Price reductions were primarily responsible for fueling demand, with the majority of tablets sold costing under €200 and a third of sales costing less than €100.

Smartphone sales have remained strong despite the recession. In 2013, smartphone sales surpassed those of feature phones, and in 2014 smartphones are expected to account for 60 percent of mobile sales. Sales in 2013 reached €561 million. Increasing smartphone utility along with a gadget-loving population suggests strong sales in this category. Samsung leads in market share with 35 percent, and the only local player is MLS. Cheap devices costing less than €100 have been particularly popular with Greek consumers.

Distribution Channels

Purchases at big retail stores account for 88 percent of AV equipment sales volume (including 10 percent sold through super markets). Major retailers include Dixons Kotsovolos, Plaisio, Ilektroniki, and Public. These chains, as well as the big super markets, have transformed the business environment and made it significantly more competitive, further enhancing competition via their own brands and unbranded products. Online sales are also on the increase, rising from 3.5 percent of sales volume in 2008 to 12 percent in 2013. Besides the online stores of the major retailers mentioned above, there are numerous other online stores offering hi-tech devices, including imports from other EU countries (especially Bulgaria and Romania), thus bypassing local importers.

Main Competitors

The main competitors in the market for televisions are Samsung, LG, Sony, Philips, and Panasonic. Philips holds the primary position in sales of DVD recorders. Sony, Olympus, Canon, Nikon, and HP are the primary competitors in digital camera sales, while Sony is the leader in video camera sales, with JVC, Canon and Hitachi trailing. In portable sound systems, Sony and Philips are well imbedded, while U.S. firm Apple, with its iPod, follows closely behind.

Demand

Residential

Two of the main contributors to the growth of this sector are the increasing familiarity of digital technology by the residential buyers and the widening of the age-group target for audio-visual products. Pre-occupation with “digital gadgets” now begins at the age of 12, while in the past it was the 25 to 35 age group. Furthermore, many young people tend to continue living with their parents well after they finish their higher education and until they get married, which has resulted in their playing a decisive role in the selection of home AV equipment. After they leave their home, they tend to buy their own equipment, incorporating the latest technology trends.

Business

Main buyers include corporations, television and radio stations, educational institutions, advertising agencies, public organizations, sports and convention centers, exhibition and event organizers, and local pubs and cafes, which employ the latest in AV technology.

Barriers

There are no major barriers to entry in the Greek market. The European directive on Waste from Electrical and Electronic Equipment (WEEE), as well as the directive on Restriction of Hazardous Substances (RoHS), apply. WEEE requires the manufacturer of the electronic equipment to collect and dispose of the product at the end of its lifecycle, while RoHS restricts the use of hazardous material in its production.

Organizations

National Telecommunications and Post Commission (EETT)

Supervisory and regulatory of telecommunications and postal services market

web: www.eett.gr

e-mail: info@eett.gr

Greek National Council for Radio and Television (ESR)

Independent supervisory and regulatory administrative authority of radio and television market

web: www.esr.gr

Resources & Contacts

Euromonitor International

Bloomberg

www.sepe.gr

www.capital.gr

www.gfk.com

www.mavise.com

www.publicissue.gr

www.idc.com

www.icap.gr

IDC

For More Information

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