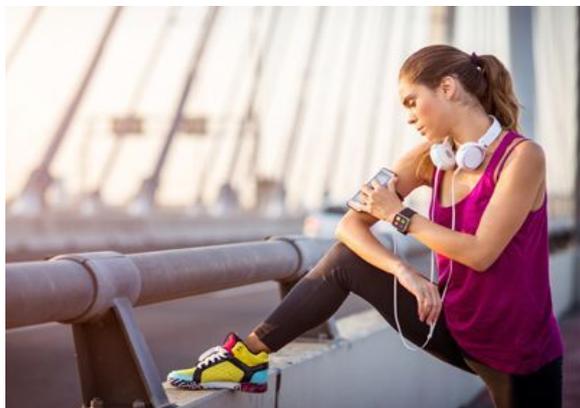


Wearable Technology - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The year 2017 was a disappointing year for wearable tech. Marquee brands have seen unfortunate reversals of fortune, including declines at Fitbit, GoPro, and Garmin.

However, on the basis of burgeoning sales of smartwatches, hearables, and high-end fitness bands with LED (light-emitting diode) screens, Mintel sees shipments returning to growth in 2019."

- **Billy Hulkower, Senior Technology Analyst**

This report looks at the following areas:

- **Wearable tech not for everyone**
- **Heavy competition from other tech spheres**
- **Falling sales at specialists place bottom lines in the red**

Against this backdrop, Mintel explores the market for fitness-related tech, as well as the emerging category of VR (virtual reality) headsets. Subjects include current ownership and interest in products, gifting, historical upgrading, intent to upgrade, features sought from wearables, and desired activities in VR.

This Report builds on research conducted for Mintel's *Wearable Tech - US, December 2016*, which explored the impact of sports participation and concerns regarding sleep on ownership of fitness tracking devices.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Wearable Technology - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Definition

Executive Summary

The issues

Wearable tech not for everyone

Figure 1: Ownership and intent to purchase, October 2017

Heavy competition from other tech spheres

Figure 2: Sales of laptops, smartphones, tablets, and televisions, 2013-17

Falling sales at specialists place bottom lines in the red

Figure 3: Brands under consideration for wearable tech purchases, October 2017

The opportunities

Upgrades

Figure 4: Historical upgrades and intent to upgrade, October 2017

The gift market

Figure 5: Intent to gift wearable tech, October 2017

Leaving the phone at home

Figure 6: Features sought in tracking devices, October 2017

What it means

The Market – What You Need to Know

Collapse of bands and clips curbs growth in 2017

Poor year ahead, bright decade to follow

Sports drives, sleep lags

Half of tech sales up for grabs

Market Size and Forecast

Decline in basic trackers hampers unit sales

Average selling price rising

Bright decade ahead

Figure 7: US manufacturer shipments of wearable tech, 2011-17

Market Breakdown

Fitness dominant

Drones to clip wings of wearable cameras

Price drops combine with improvements in VR/AR

Growth in hearables and smartwatches

Figure 8: US manufacturer shipments of wearable tech, by segment, 2011-17

Market Perspective

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Households spending \$2,000 annually on tech hardware

Figure 9: Sales of laptops, smartphones, tablets, and televisions, 2013-17

Competition for gift purchases

Figure 10: Intent to gift technology, wearable products vs personal products, October 2017

Market Factors

Sports participation

Figure 11: Sports participation and fitness tracker ownership by sport played, September 2016

Tracking sleep

Figure 12: Sleep self-assessment, by generation, December 2016

Key Players – What You Need to Know

New products stimulating specialists

Apple Watch reigns

Transformative experiences

What's Working?

Halo surrounds smartphone leaders

Figure 13: Top brands under consideration for wearable tech purchases, October 2017

What's Struggling?

Marquee brands see sales decline

Figure 14: Second tier of brands under consideration for wearable tech purchases, October 2017

Fitbit's terrible, no good, very bad year

Fitbit turnaround via the Ionic, Flyer

GoPro in turnaround with Hero6, Karma, Fusion

Figure 15: Global sales of Fitbit, GoPro, and Garmin fitness division, 2012-17

What's Next?

AR glasses

NFC

Language translation

Blood glucose monitoring

Figure 16: Interest in tracking blood glucose levels, by race and Hispanic origin, October 2017

Figure 17: Interest in tracking blood glucose levels, by age, October 2017

The Consumer – What You Need to Know

No more than 52% interested in any category

Smartwatch, Fitbit owners plan to upgrade

Ringling in the holidays with an Apple Watch

Calling is second most-desired feature in trackers

Diverse array of VR experiences sought

Ownership and Interest

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Bands/clips suffer as ownership meets interest

Terminal penetration for fitness bands/clips expected at 39%

Figure 18: Ownership and interest in ownership, October 2017

Young men top mark for personal purchasing of wearables

Figure 19: Number of wearable tech products owned and desired, by gender and age, October 2017

Wishing dad a Happy Father's Day

Figure 20: Number of products owned and desired, by parental status, October 2017

Hispanics favor wearable tech

Figure 21: Number of products owned and desired, by race and Hispanic origin, October 2017

Upgrading

Upgrades/replacements are 40% of tracker sales

Figure 22: Historical upgrades and intent to upgrade, October 2017

Former upgraders ready to buy again

Fitbit and Apple owners show brand loyalty with intent to upgrade

Men more active upgraders

Figure 23: Historical upgrades and intent to upgrade, by gender, October 2017

Keeping 18-34s top of mind

Figure 24: Historical upgrades and intent to upgrade fitness trackers, by age, October 2017

Figure 25: Historical upgrades and intent to upgrade smartwatches and wearable cameras, by age, October 2017

Gifting

One quarter plan to gift wearable in next year

Apple Watch a top wearable gift

Figure 26: Intent to gift wearable tech, October 2017

Hispanics ready to gift

Figure 27: Intent to gift wearable tech, by race/Hispanic origin, October 2017

Figure 28: Sports participation and fitness tracker ownership by sport played, Hispanics vs non-Hispanics, September 2016

Gift marketing to target both sexes

Counting seniors out as gift givers.

Figure 29: Intent to gift wearable tech, by gender and age, October 2017

His and hers

Figure 30: Intent to gift wearable tech, by parental status, October 2017

Desired Features in Fitness Trackers

Lack of cellular potential deal breaker

NFC features need demonstration

Live events bringing contactless payments mainstream

Figure 31: Features sought in tracking devices, October 2017

Three keys to desirability: tracking, calling, and texting

Figure 32: TURF analysis – Features, October 2017

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - US - December 2017

Report Price: £3008.96 | \$3995.00 | €3429.31

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Older ages better fit for trackers, younger for smartwatches

Figure 33: Interest in tracking and communication features, by age, October 2017

Figure 34: Interest in high-tech features, by age, October 2017

Women see fitness, men see tech

Figure 35: Interest in tracking and communication features, by gender, October 2017

Figure 36: Interest in high-tech wearable features, by gender, October 2017

Digital assistants to become de rigueur for name brands

Figure 37: Interest in wearable tech features, by location of residence, October 2017

Interest in Virtual Reality Headsets

Interest in VR headsets high, penetration low

Figure 38: Ownership and interest in ownership of VR headsets, by gender and age, October 2017

Price points a problem for tethered headsets

Figure 39: Ownership and interest in ownership of VR headsets, by household income, October 2017

Millennial Hispanics a top audience for VR

Figure 40: Ownership and interest in ownership of VR headsets, by race and Hispanic origin, October 2017

Kids and their parents

Figure 41: Ownership and interest in ownership of VR headsets, by parental status, October 2017

Last but not least...men aged 18-34

Figure 42: Ownership and interest in ownership of VR headsets, by gender and age, October 2017

Interest in Virtual Reality Activities

Far more than gaming desired

Figure 43: Interest in VR activities, October 2017

Three activities reach 90% of potential users

Figure 44: TURF analysis – Virtual reality activities, October 2017

Women, older adults seek more diverse array of experiences

Figure 45: Interest in VR activities, by gender, October 2017

Figure 46: Interest in VR activities, by age, October 2017

Bringing people from further away together

Figure 47: Interest in VR activities, by location of residence, October 2017

Appendix – Data Sources and Abbreviations

Data sources

Sales data

Consumer survey data

TURF methodology

Abbreviations and terms

Abbreviations

Terms

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com