The Impact of Coronavirus on Consumer Electronics

April 2020

Table of Contents
INTRODUCTION
Scope
COVID-19 impact: Key findings
Consumer electronics and coronavirus
COVID-19 in context

ECONOMIC OUTLOOK
Global GDP is likely to contract in 2020 under the baseline scenario
The COVID-19 pandemic impacts both supply and demand
In our baseline view, the pandemic peaks in June 2020
Three scenarios examine the impact of a more severe outbreak
Our view in short
Forecasts for Real GDP growth in 2020 under different scenarios
Financial markets on risk-off mode as COVID-19 entered Italy
China: An early glimpse into the economic cost of the virus
COVID-19 highlights need for supply chain diversification
Fiscal stimulus a challenge with restrictions on expenditure
What could alleviate the economic effects of the pandemic?
What could exacerbate the economic impact of the pandemic?

INDUSTRY IMPACT
Computers and peripherals will benefit from the lockdown

INDUSTRY IMPACT
Consumers cutting down on discretionary purchases during crisis
COVID-19 impact at a glance (1)
COVID-19 impact at a glance (2)
COVID-19 impact at a glance (3)
Impact of COVID-19 can be broadly categorised into four groupings
Routes to disruption

INDUSTRY IMPACT
The five-step consumer progression of COVID-19

GEOGRAPHIC IMPACT
Europe: A psychological blow dealt to the continent
Latin America: Local production to be affected
China: Light at the end of the tunnel
Japan: 8K Olympics dream shattered
Other Asia Pacific: China casting a shadow over the region
The US: Trouble in the world’s largest economy

CORPORATE RESPONSE
Samsung: The pandemic will not stop its transformation
Apple: Smaller impact as its customer base tends to be affluent
Huawei: Tough times for Chinese giant
Xiaomi: Poised to benefit from the resulting downturn
Digital transformation suddenly becomes an urgency

PRICING IMPACT
Consumers will not see a price hike despite production disruption
Different approach to mitigate production disruption and cost hikes
Online pre-ordering to manage inventory and costs
CONCLUSION
Consumer sentiment will be the greatest challenge, not the virus

ABOUT OUR ANALYTIC CAPABILITIES
About Euromonitor International’s Macro Model
About Via Pricing from Euromonitor International

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings**: Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles**: Analysis dedicated to the world’s most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports**: For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.