

Quarters 2 & 3, 2011

## Small Appliances and The Web: A Budding Relationship

By Perry James, The NPD Group, Inc.

Technology and the Internet are overwhelming forces in our lives, and they play an increasing role in the way consumers make purchases and purchase decisions. The small appliance industry is not immune to this trend. Eight percent of units, and 12 percent of dollar sales, in the 12 months ending September 2011 were purchased through online channels.

More than half of small appliance consumers did some kind of pre-purchase prod-



### About Housewares MarketWatch

Housewares MarketWatch reports both point-of-sale (POS) and consumer data from NPD databases. The quarterly data covers various product categories within the divisions of Small Appliances and Non-electric Housewares.

The information contained on the following pages is offered as a snapshot of a category's performance, both from the retailer (POS) and consumer perspectives. The POS data covers the retail channels of mass/national chains, department stores, specialty stores and drug stores (personal care and home environment only). Each issue of *Housewares MarketWatch* will feature several categories from the Small Appliances and Housewares divisions.

Complete data on a category can be purchased by visiting NPD's website at [www.npd.com](http://www.npd.com). See the Data and Methodology section on page 8 for an explanation of how the data is compiled.



uct research. The Internet's role in small appliance sales starts well before the purchase, when consumers are looking for information to help them decide which product is right for them. Fourteen percent of items sold in the 12 months ending September 2011, and 26 percent of dollar sales, were researched online first.

Overall, websites are the most popular resource, followed by store visits and friend or family recommendation. Across all small appliance categories, retailer websites are the most popular online resource for pre-purchase research, with product review websites a close second. Social networks and blogs are utilized for small appliance pre-purchase research, but only for 1 percent of sales in the 12 months ending September 2011.

Although online is important for most small appliance categories, consumers have

adopted this purchasing vehicle more for some categories than others. Looking at the impact of the Internet by sub-industry, 41 percent of all small appliance website sales are home environment appliances. Website sales represent nearly 10 percent of small kitchen electrics unit sales, 8 percent of home environment and 7 percent of personal care appliance sales.

At the category level, more than 20 percent of stand mixers, breadmakers and vacuum sealers sold between October 2010 and September 2011 were purchased online, but robotic vacuums take the top spot with 40 percent of unit sales coming from website sales. The most popular online resources for robotic vacuum pre-purchase research were product review websites, representing 15 percent of sales.

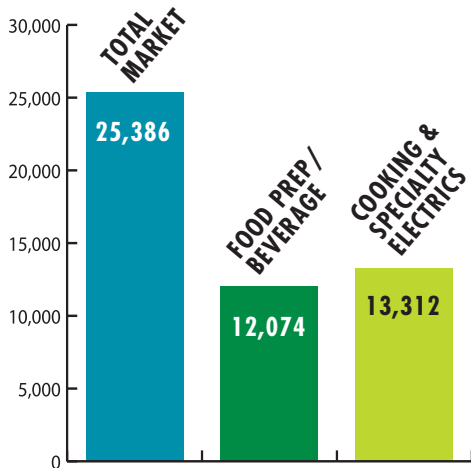
*continued on page 14*

# Small Appliances: KITCHEN ELECTRICS

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### WAFFLE IRONS

- 28% of waffle irons sold in Q2'11 were traditional style, rather than Belgian.

Source: Retail Tracking Service



### ESPRESSO MAKERS

- Nearly 19% of espresso makers sold in Q2'11 were POD Machines.

Source: Retail Tracking Service



### ELECTRIC SKILLETS

- The top 3 reasons consumers purchased a specific brand of electric skillet were the price, it was a brand they trust and it was recommended by friends/family.

Source: Consumer Tracking Service

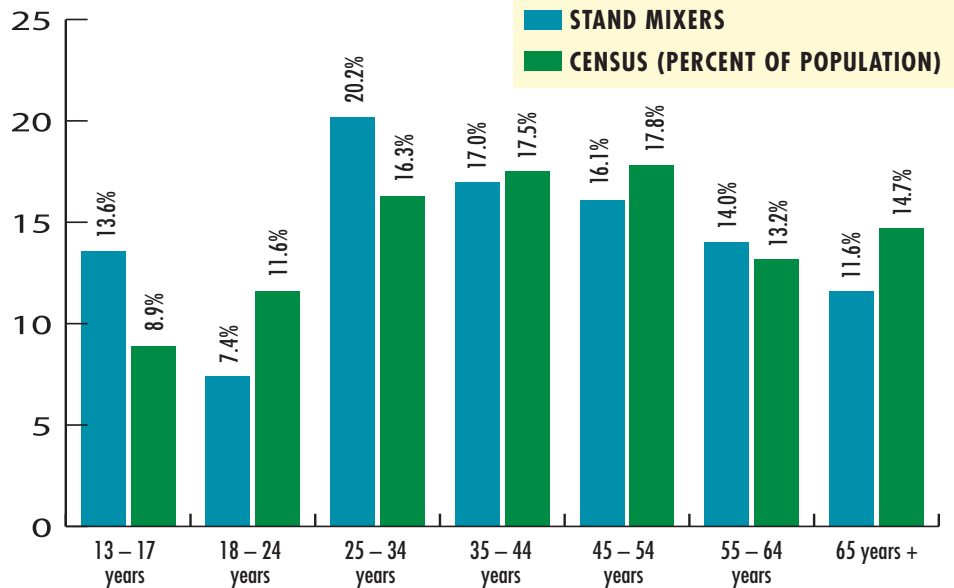
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — June 2011

### STAND MIXERS • AGE OF BUYER

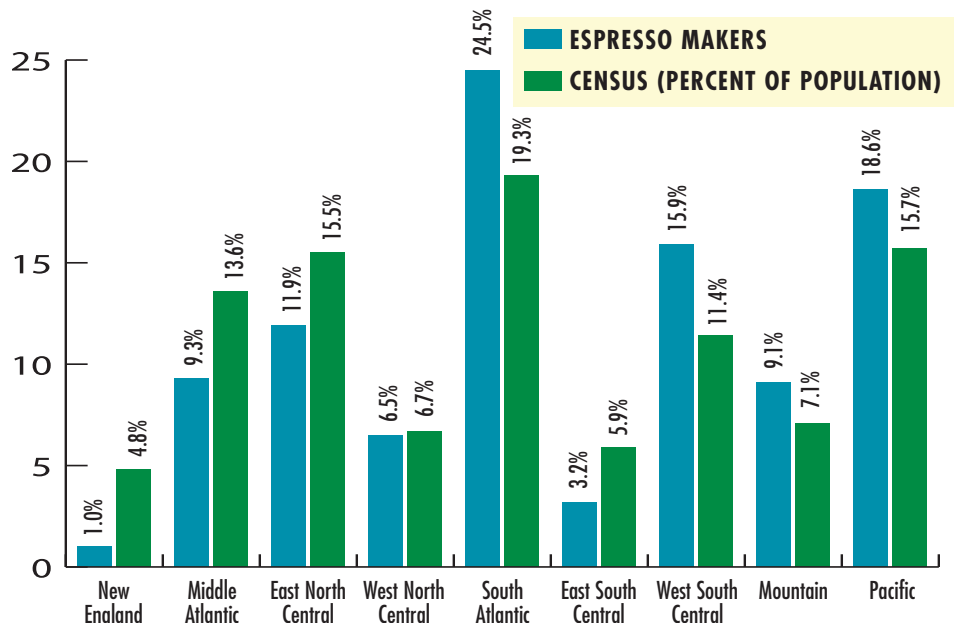
Percentage purchased by age of buyer versus census



Source: Consumer Tracking Service

### ESPRESSO MAKERS • REGION

Percentage purchased in region versus census



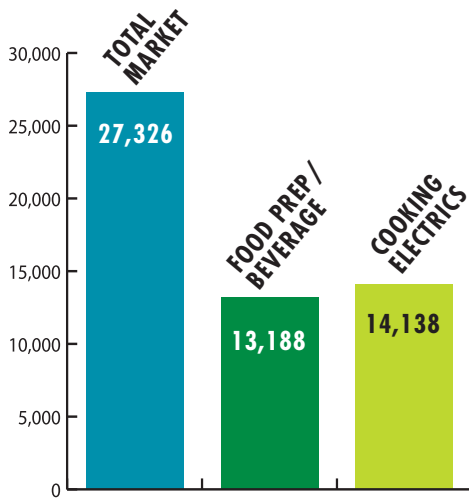
Source: Consumer Tracking Service

# Small Appliances: KITCHEN ELECTRICS

## MARKET SIZE

QUARTER THREE • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### COFFEE GRINDERS

- 16% of coffee grinders sold in Q3'11 were burr grinders.

Source: Retail Tracking Service



### FOOD PROCESSORS

- 40% of food processors sold in Q3'11 were blender/mixer/chopper systems.

Source: Retail Tracking Service



### ICE CREAM/ YOGURT MAKERS

- The top 3 reasons consumers purchased a specific brand of ice cream/yogurt maker were the price, it was a brand they trust and it was recommended by friends/family.

Source: Consumer Tracking Service

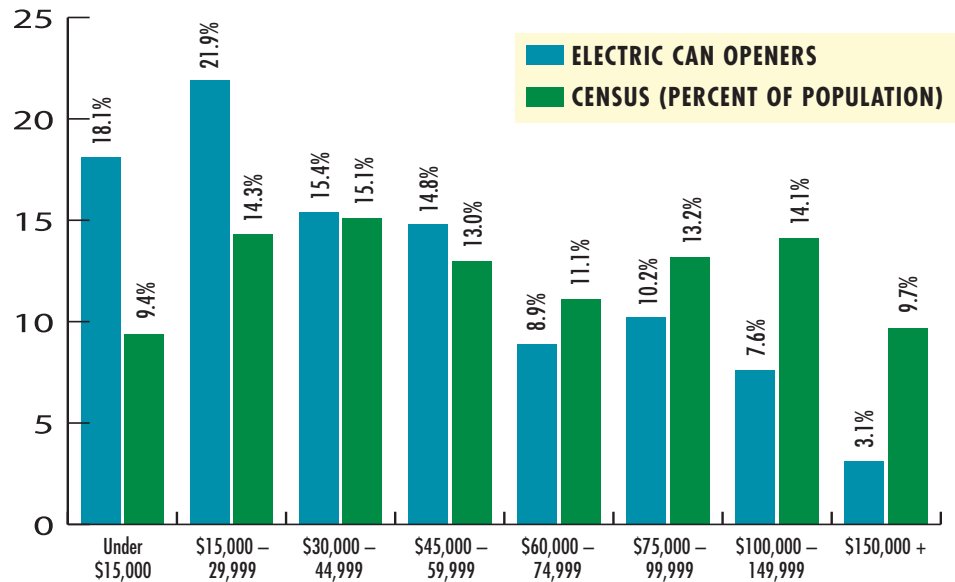
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — September 2011

### ELECTRIC CAN OPENERS • INCOME

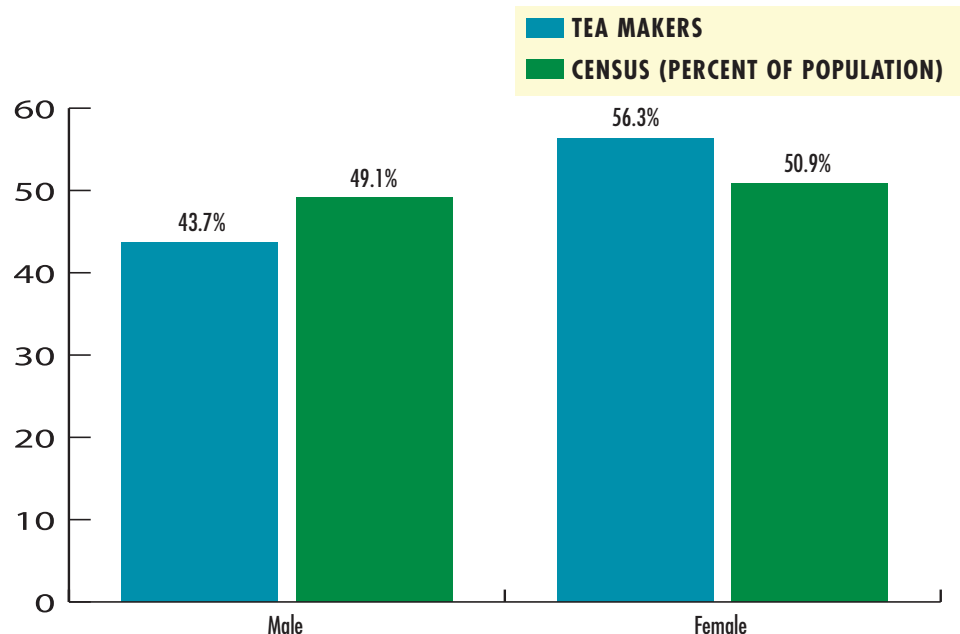
Percentage purchased by income versus census



Source: Consumer Tracking Service

### TEA MAKERS • BUYER GENDER

Percentage purchased by buyer gender versus census



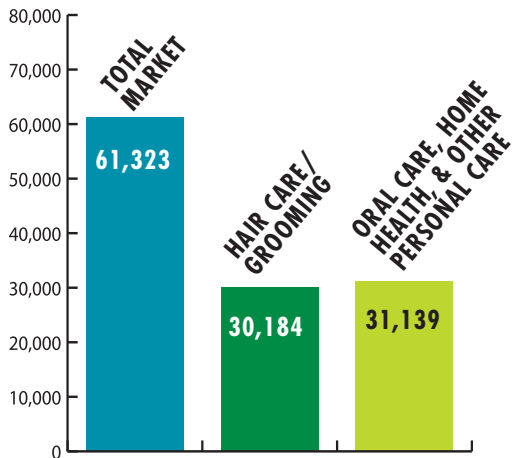
Source: Consumer Tracking Service

# Small Appliances: PERSONAL CARE

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### MEN'S ELECTRIC SHAVERS

- 25% of men's electric shavers sold in Q2'11 were wet & dry.

Source: Retail Tracking Service



### GARMENT CARE

- Handheld garment steamers accounted for 4% of garment care items sold in Q2'11.

Source: Consumer Tracking Service



### ORAL CARE REPLACEMENT PARTS

- The top 3 reasons consumers purchased a specific brand of oral care replacement parts were that it was a brand they currently own, a brand they trust and price.

Source: Consumer Tracking Service

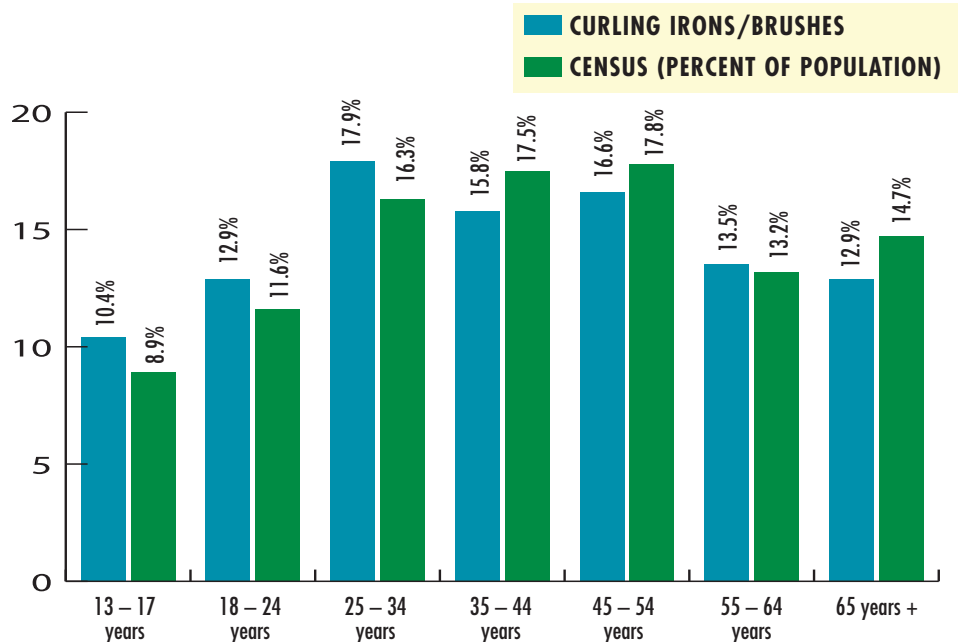
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — June 2011

### CURLING IRONS/BRUSHES • AGE OF BUYER

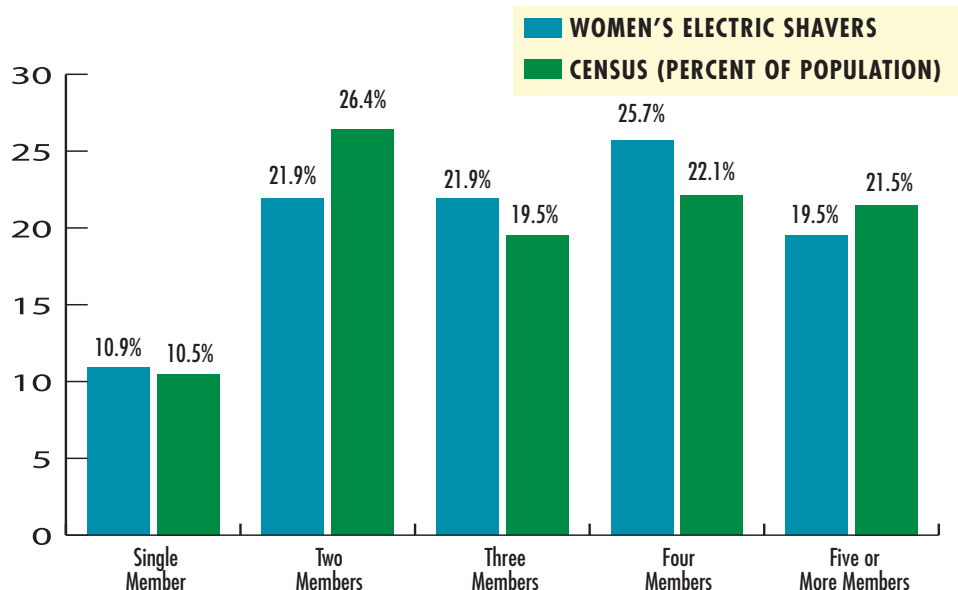
Percentage purchased by age of buyer versus census



Source: Consumer Tracking Service

### WOMEN'S ELECTRIC SHAVERS • HOUSEHOLD SIZE

Percentage purchased by household size versus census



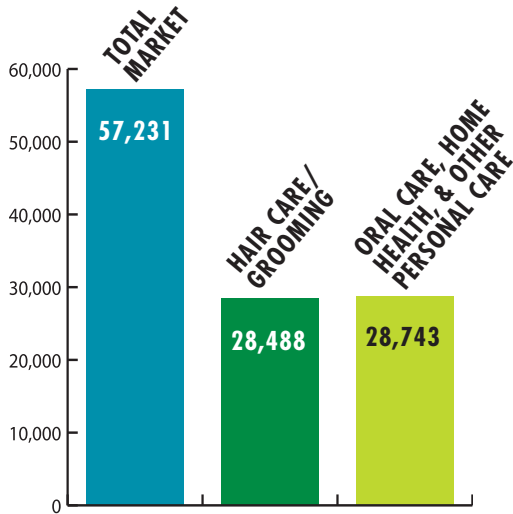
Source: Consumer Tracking Service

# Small Appliances: PERSONAL CARE

## MARKET SIZE

QUARTER THREE • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### HOME HAIR CLIPPERS

- More than half of home hair clippers sold in Q3'11 had 20 or more pieces.

Source: Retail Tracking Service



### SHOWERHEADS

- More than 60% of showerheads sold in Q3'11 were handheld.

Source: Retail Tracking Service



### BLOOD PRESSURE MONITORS

- The top 3 reason consumers purchased a specific brand of blood pressure monitor were the price, features and it was easy to use

Source: Consumer Tracking Service

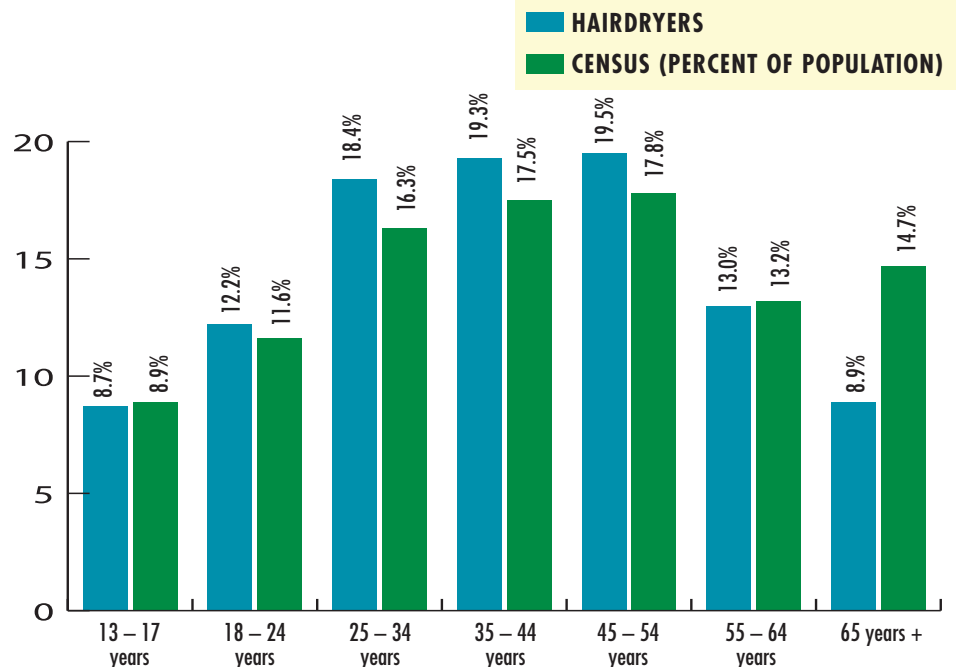
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — September 2011

### HAIRDRYERS • AGE OF BUYER

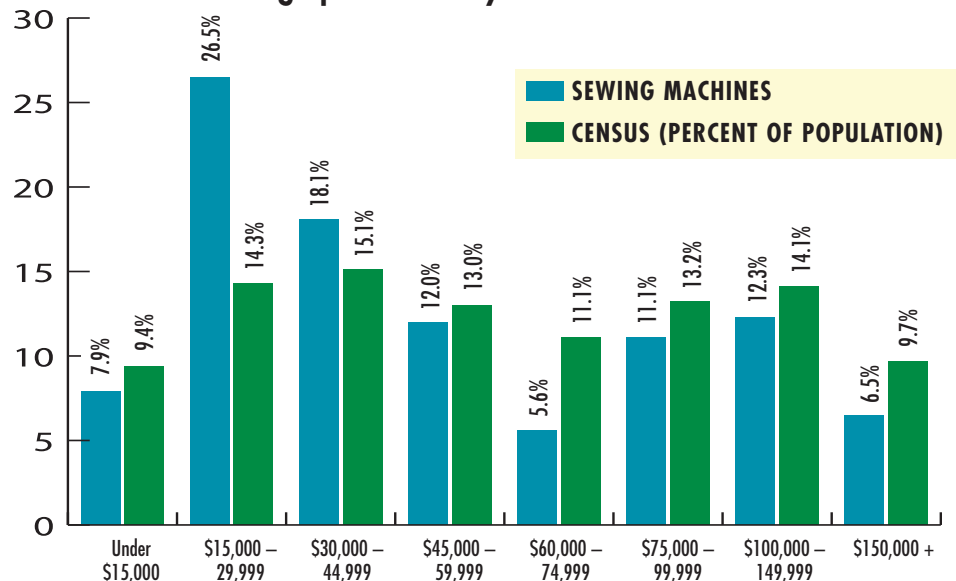
Percentage purchased by age of buyer versus census



Source: Consumer Tracking Service

### SEWING MACHINES • INCOME

Percentage purchased by income versus census

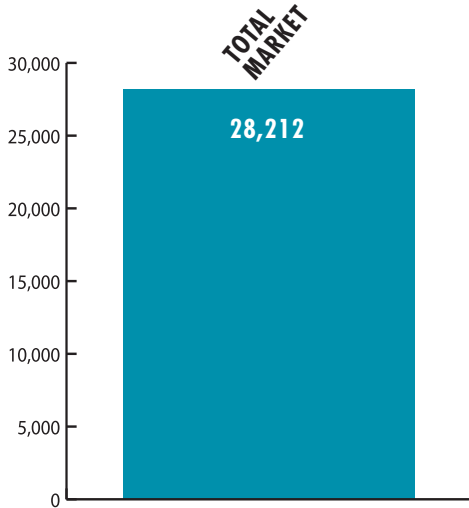


Source: Consumer Tracking Service

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### FANS

- 25% of fans sold in Q2'11 were personal/clip fans.

Source: Retail Tracking Service



### FANS

- The top 3 reasons consumers purchased a specific brand of fan were the price, it was a good value and they liked the features.

Source: Consumer Tracking Service

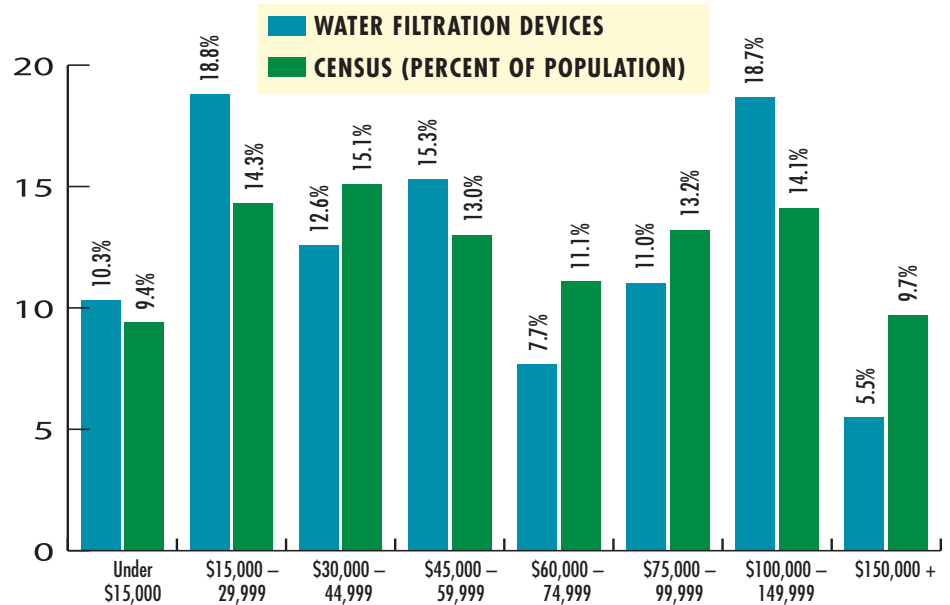
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — June 2011

### WATER FILTRATION DEVICES • INCOME

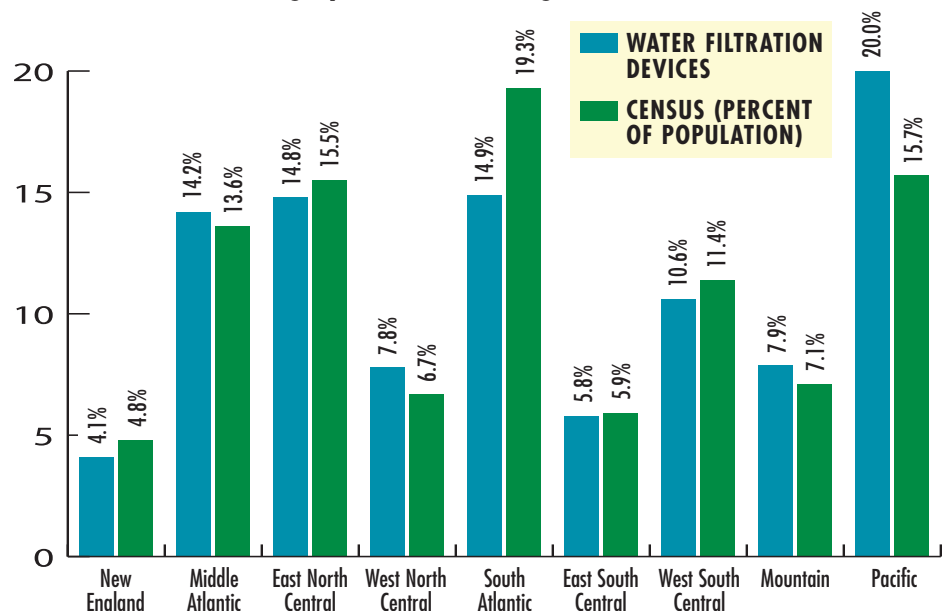
Percentage purchased by income versus census



Source: Consumer Tracking Service

### WATER FILTRATION DEVICES • REGION

Percentage purchased in region versus census

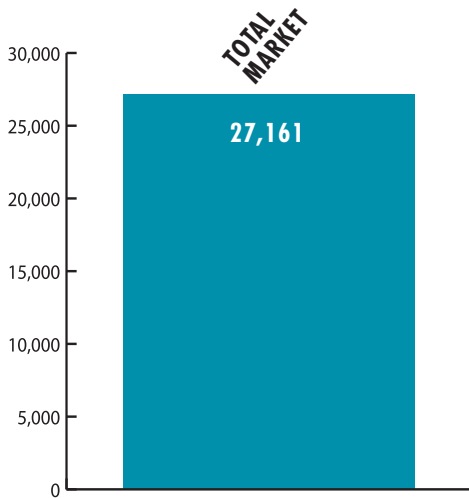


Source: Consumer Tracking Service

## MARKET SIZE

QUARTER THREE • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### WATER FILTRATION DEVICES

- More than 25% of water filtration devices sold in Q3'11 had a container capacity between ½-gallon and 1 gallon.

Source: Retail Tracking Service



### WATER FILTRATION DEVICES

- The top 3 reasons consumers purchased a specific brand of water filtration device were that it was a brand they trust, the price and it was a good value.

Source: Consumer Tracking Service

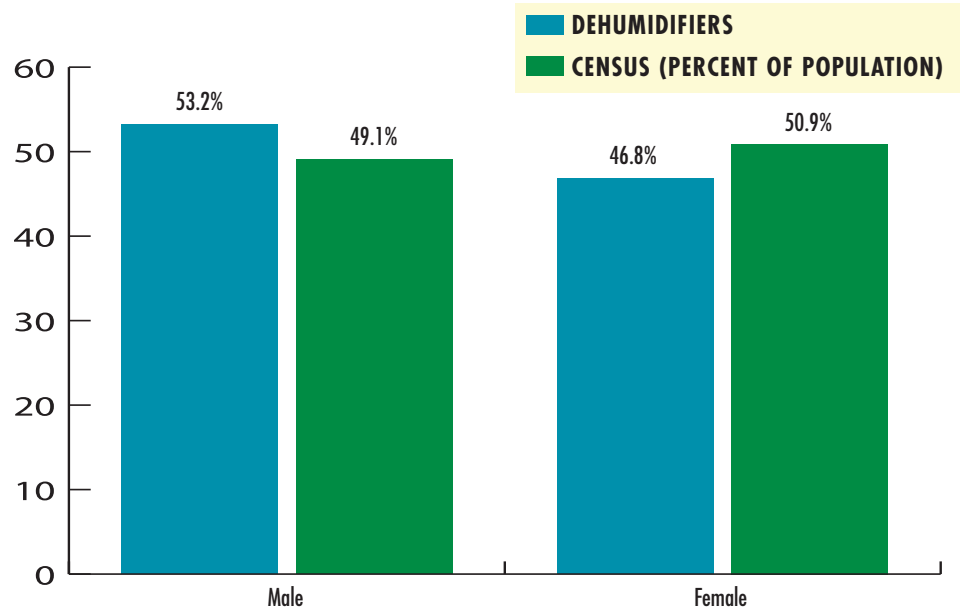
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — September 2011

### DEHUMIDIFIERS • BUYER GENDER

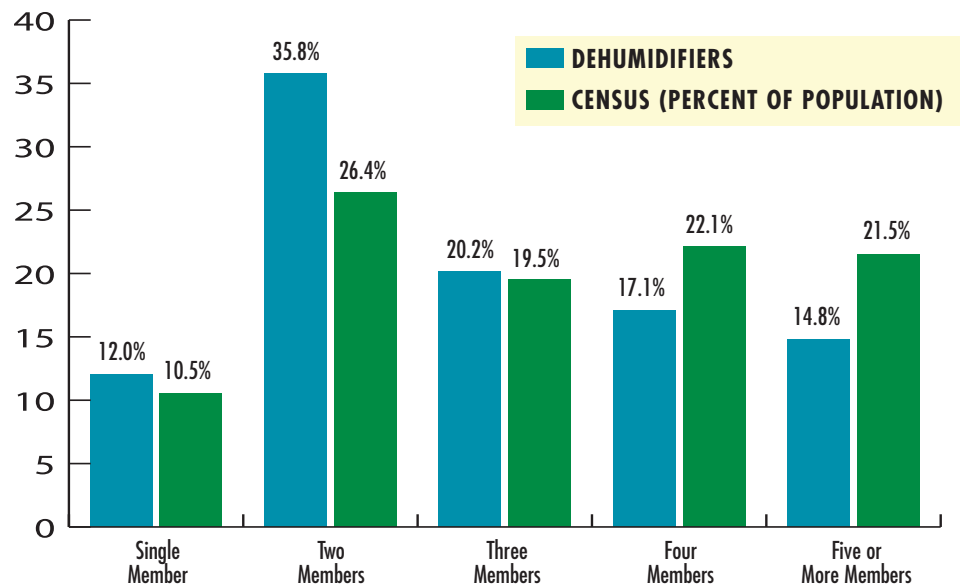
Percentage purchased by buyer gender versus census



Source: Consumer Tracking Service

### DEHUMIDIFIERS • HOUSEHOLD SIZE

Percentage purchased by household size versus census



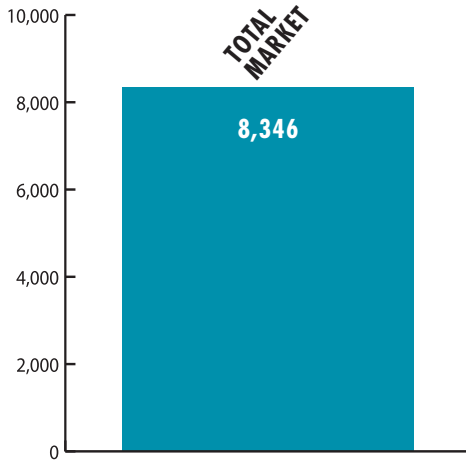
Source: Consumer Tracking Service

# Small Appliances: FLOOR CARE

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### DEEP CARPET CLEANERS

- 26% of all deep carpet cleaners sold in Q2'11 were compact style.

Source: Retail Tracking Service



### DEEP CARPET CLEANERS

- The top 3 reasons consumers purchased a specific brand of deep carpet cleaner were it was a brand they trust, they like the features and the price.

Source: Consumer Tracking Service

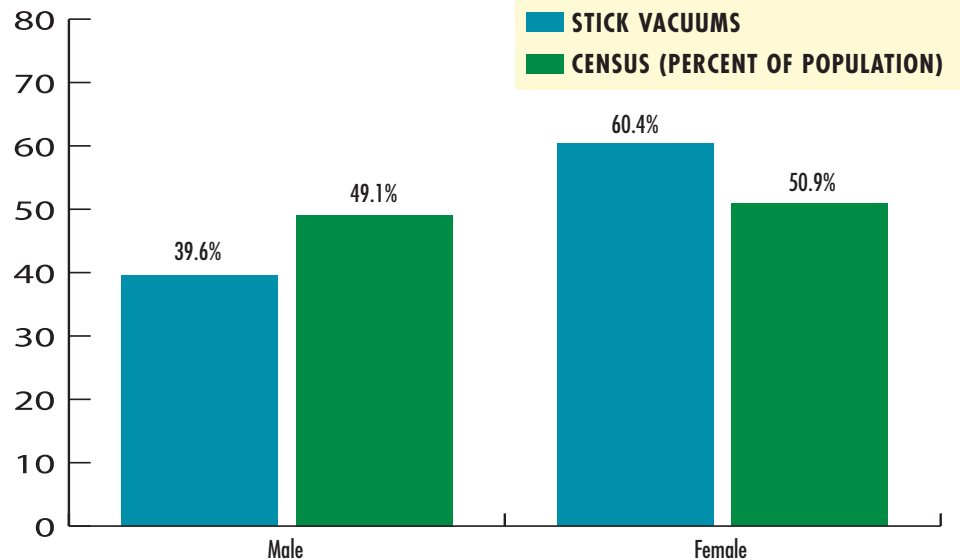
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — June 2011

### STICK VACUUMS • BUYER GENDER

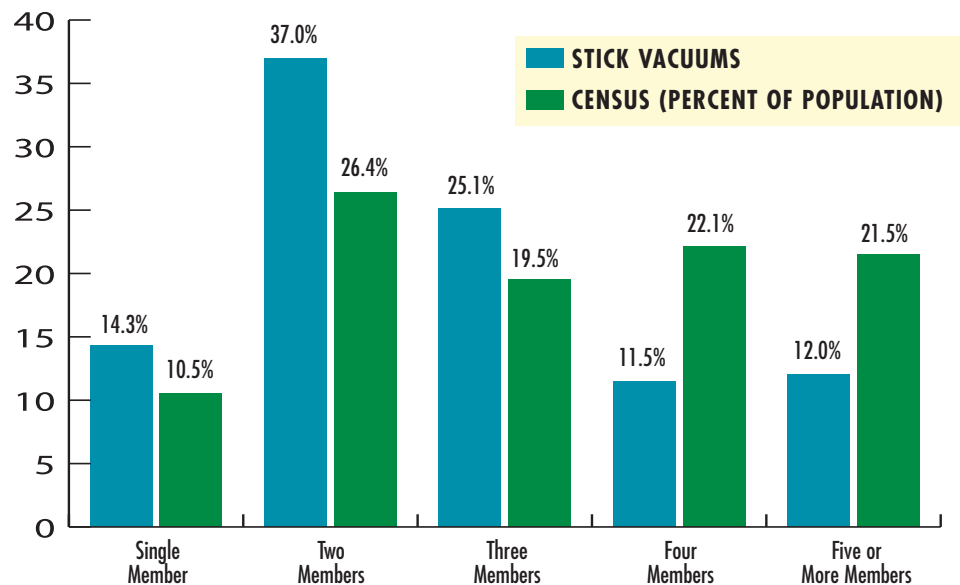
Percentage purchased by buyer gender versus census



Source: Consumer Tracking Service

### STICK VACUUMS • HOUSEHOLD SIZE

Percentage purchased by household size versus census



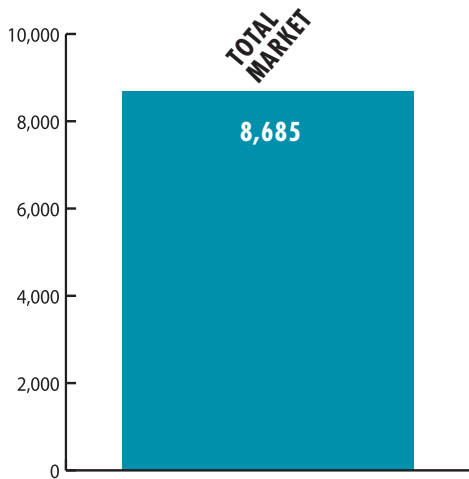
Source: Consumer Tracking Service

# Small Appliances: FLOOR CARE

## MARKET SIZE

QUARTER THREE • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### STICK VACUUMS

- 64% of stick vacuums sold in Q3'11 were corded.

Source: Retail Tracking Service



### STICK VACUUMS

- The top 3 reasons consumers purchased a specific brand of stick vacuum were the price, it was a brand they trust and it was a good value.

Source: Consumer Tracking Service

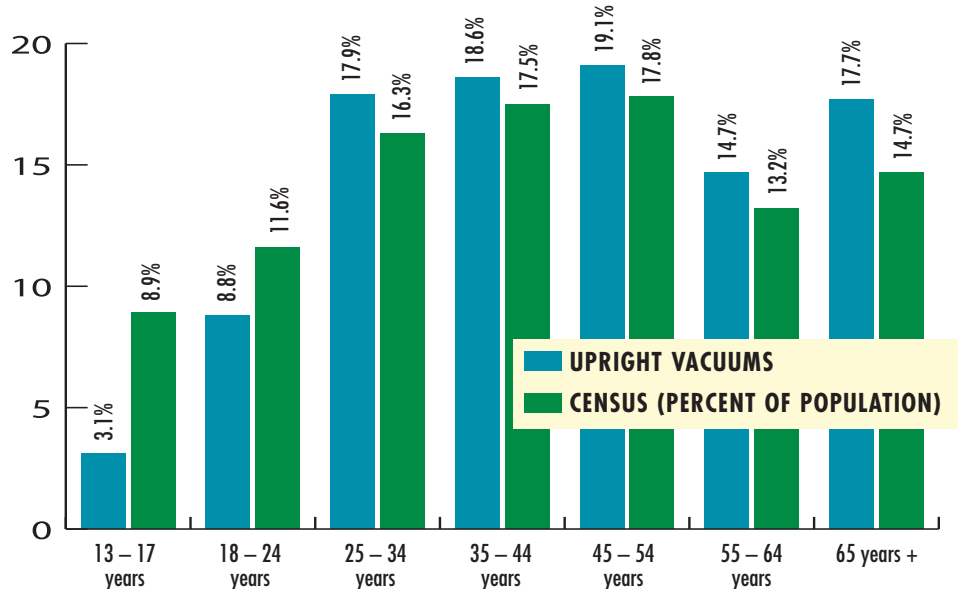
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — September 2011

### UPRIGHT VACUUMS • AGE OF BUYER

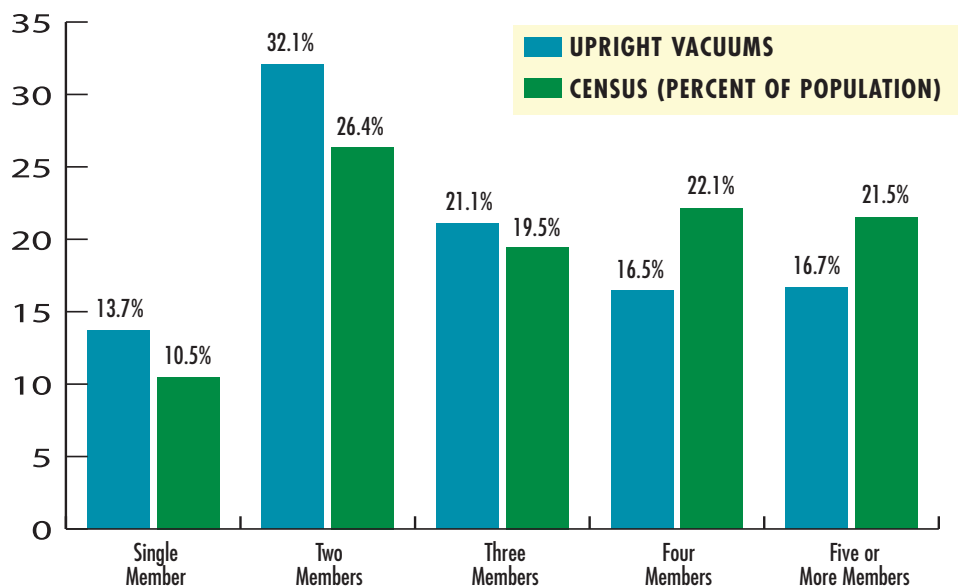
Percentage purchased by age of buyer versus census



Source: Consumer Tracking Service

### UPRIGHT VACUUMS • HOUSEHOLD SIZE

Percentage purchased by household size versus census



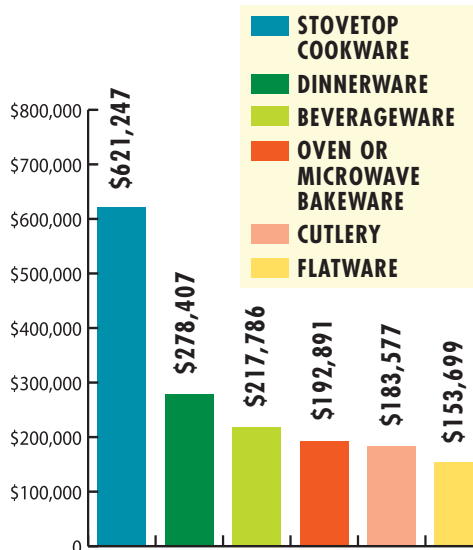
Source: Consumer Tracking Service

# Housewares: NON-ELECTRIC

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### DINNERWARE

- More than 8% of Q2'11 dinnerware dollar sales came from plastic as a primary material.

Source: Retail Tracking Service



### BEVERAGWARE

- Single piece beverageware sales represented 38% of Q2'11 dollar sales.

Source: Retail Tracking Service



### CUTLERY

- The top 3 motivators behind purchasing cutlery in Q2'11 were price, value and easy to clean.

Source: Consumer Tracking Service

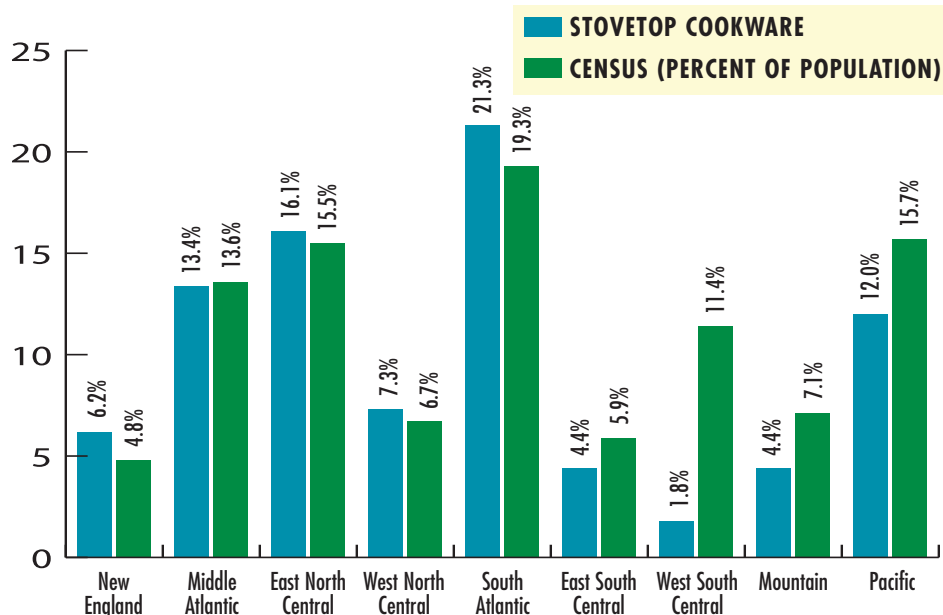
## DEMOGRAPHIC ANALYSIS

Unit Volume Share

6 months ending — June 2011

### STOVETOP COOKWARE • REGION

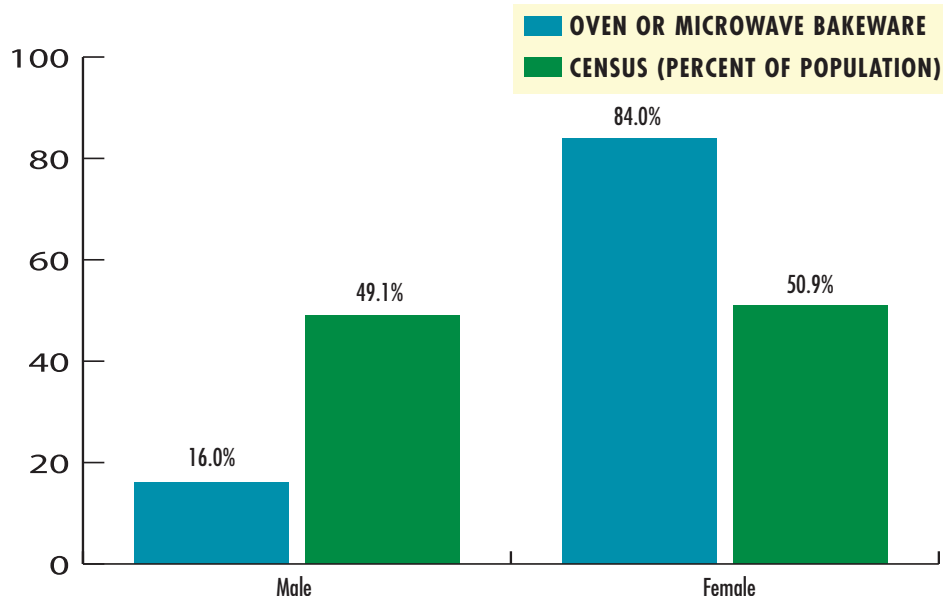
Percentage purchased in region versus census



Source: Consumer Tracking Service

### OVEN OR MICROWAVE BAKEWARE • BUYER GENDER

Percentage purchased by buyer gender versus census



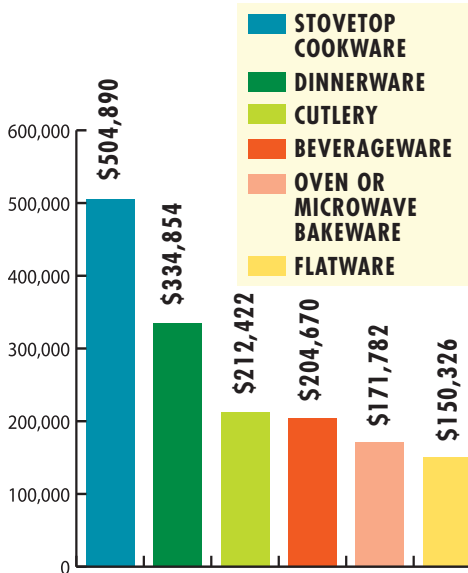
Source: Consumer Tracking Service

# Housewares: NON-ELECTRIC

## MARKET SIZE

QUARTER THREE • 2011

UNIT VOLUME IN THOUSANDS



Source: Consumer Tracking Service



### BAKEWARE

- Stoneware/clay stone accounted for 8% of bakeware dollar sales in Q3'11.

Source: Retail Tracking Service



### FLATWARE

- Serving utensil sets represented 4% of flatware dollar sales in Q3'11.

Source: Retail Tracking Service



### STOVETOP COOKWARE

- The top 3 reasons consumers purchase specific cookware are price, good value and easy to clean.

Source: Consumer Tracking Service

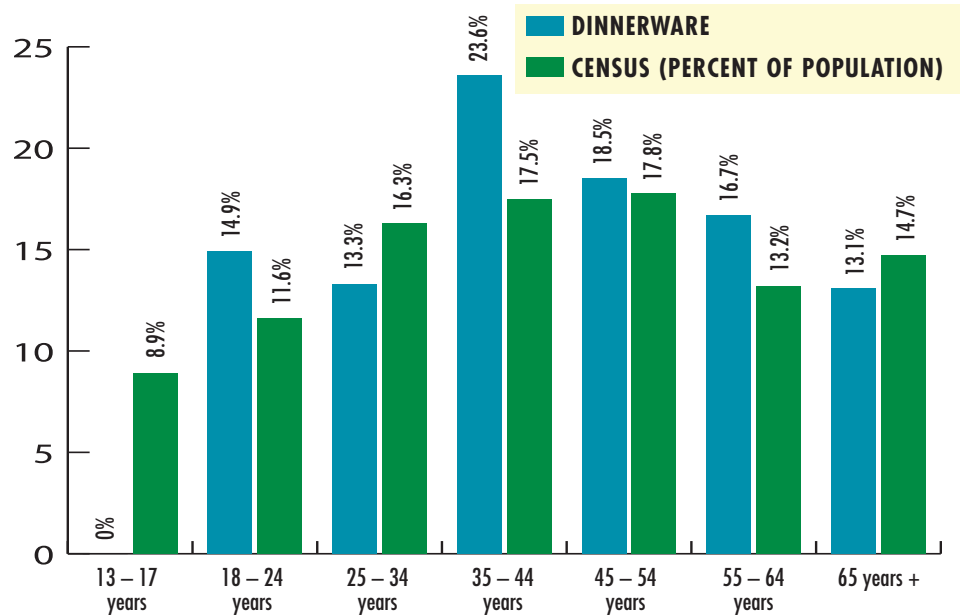
## DEMOGRAPHIC ANALYSIS

### Unit Volume Share

6 months ending — September 2011

### DINNERWARE • HEAD OF HOUSEHOLD AGE

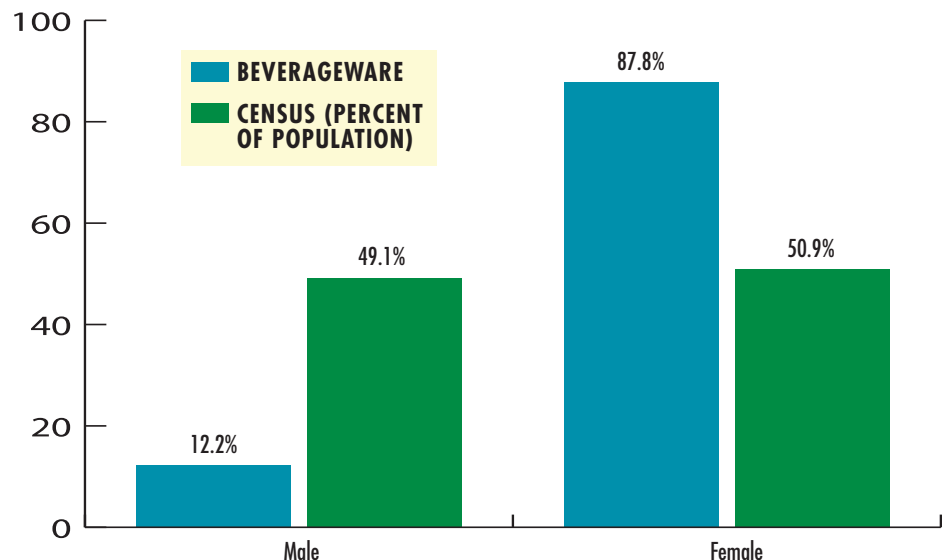
Percentage purchased by age of the head of household versus census



Source: Consumer Tracking Service

### BEVERAGWARE • HEAD OF HOUSEHOLD GENDER

Percentage purchased by head of household gender versus census



Source: Consumer Tracking Service

# Home: KITCHEN & DINING TEXTILES

## MARKET SIZE

QUARTER TWO • 2011

UNIT VOLUME IN THOUSANDS



### KITCHEN & DINING TEXTILES

■ In the 6 months ending June 2011, \$65 million in sales came from potholders/oven mitts and towel/potholder sets.

Source: Consumer Tracking Service

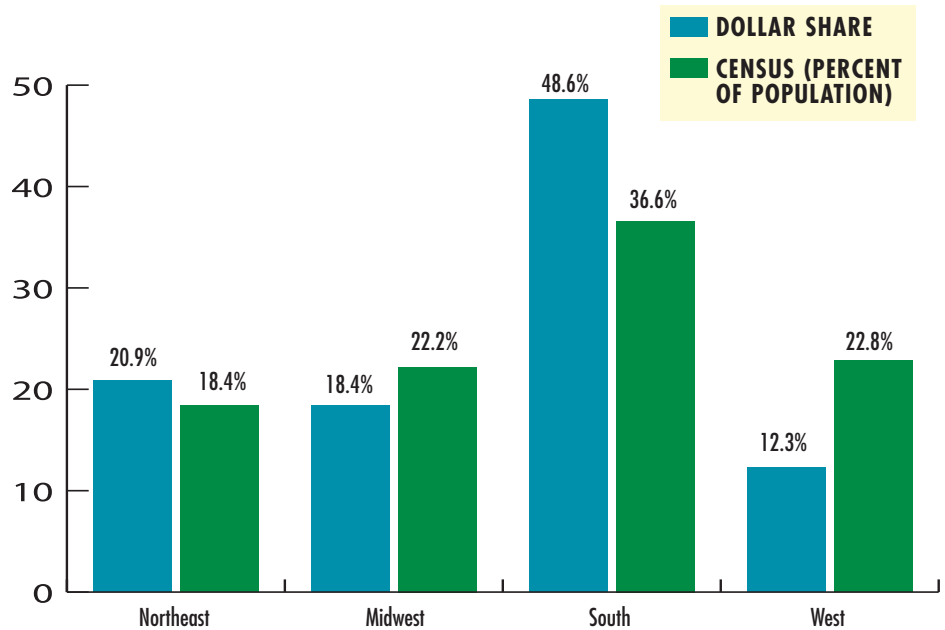
## DEMOGRAPHIC ANALYSIS

### Dollar Share

6 months ending — June 2011

### TABLE LINENS • REGION

Dollar share in region versus census



Source: Consumer Tracking Service

MARK YOUR CALENDAR!

# international home + housewares show

# 2012

saturday - tuesday  
march 10-13  
chicago • usa

to register: [www.housewares.org/attend](http://www.housewares.org/attend)

## MARKET SIZE

QUARTER THREE • 2011  
UNIT VOLUME IN THOUSANDS



### KITCHEN & DINING TEXTILES

■ In the 6 months ending September 2011, kitchen & dining textiles dollar sales increased by 21% and unit sales increased by nearly 14%, compared to the 6 months ending September 2010.

Source: Consumer Tracking Service

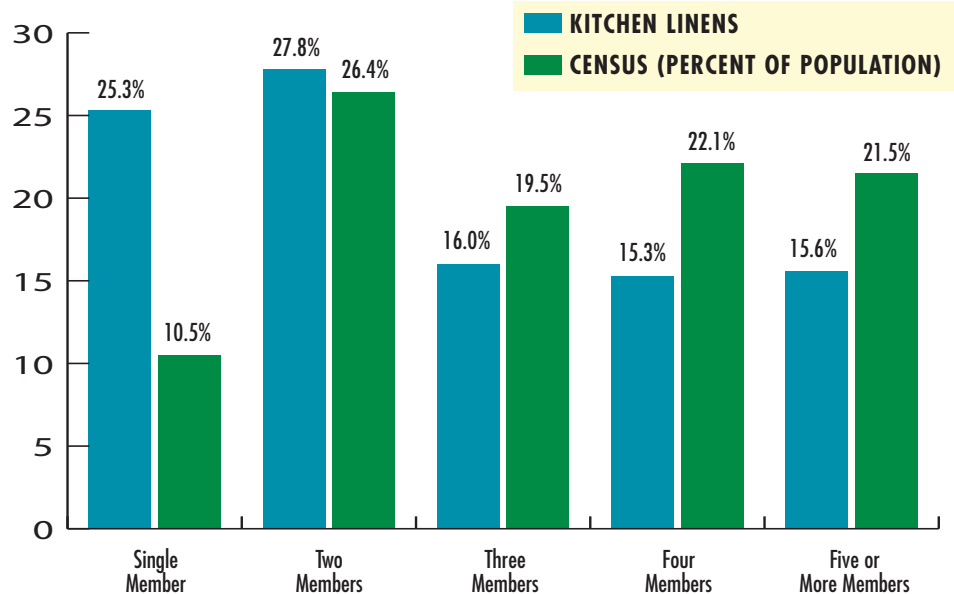
## DEMOGRAPHIC ANALYSIS

### Unit Volume Share

6 months ending — September 2011

### KITCHEN LINENS • HOUSEHOLD SIZE

Percentage purchased by household size versus census



Source: Consumer Tracking Service

# housewares connect 365

search, plan and communicate

Find Exhibitors and Do Business Year Round at  
[www.housewares.org/housewaresconnect365](http://www.housewares.org/housewaresconnect365)

- Search for new suppliers
- Find the latest new products
- Plan your Show visit



## Small Appliances and The Web: A Budding Relationship

Continued from page 1

The Internet doesn't discriminate when it comes to small appliances. From the widely available to the scarce, the additional small appliance categories where the Internet's role in sales is notable, with unit share greater than 15 percent, were: dehumidifiers, sewing machines, oral irrigators, pedometers, electric shaver replacement parts, lighted mirrors, espresso makers, citrus juicers, juice extractors, food steamers, canister vacuums, bare floor cleaners and ice cream/yogurt makers.

Having an Internet presence has been important for several years, but it has become a must in order to compete in today's market. On average, online small appliance sales command a 58 percent higher average selling price than the industry as a whole, and 71 percent higher than brick and mortar sales. Nearly half of all purchases made online were researched through an online resource, but only a quarter of purchases researched online were actually purchased online.

Even though online sales still represent

less than 10 percent of appliance sales, a good website can have a real impact on your bottom line that is well worth the relatively minimal cost. Manufacturers and retailers increase their ability to sell bigger ticket items or higher priced products. Brands gain some control over the messaging and image of their products, providing consumers with the insight they are seeking, giving them a leg up on the competition.

Retailers also benefit from doing a good job answering questions about product offerings, which can get consumers to visit their stores. The relationship between the Internet and small appliances truly is a budding one and is now in a critical stage, one that requires attention to truly bloom and realize its full potential. ■



*Perry James is president of Home & Office Supplies at The NPD Group. These are the opinions of James and NPD. For more information, contact James at 516-625-2349.*



### Take a look inside the home!

kitchen | personal care | home environment | laundry appliances



Uncover opportunities for your business with The NPD Group's new report, **Inside the Home: Appliances We Own & Use.**

**INTERESTED?** Contact Charles Camaroto at 866-444-1411 (contactnpd@npd.com) for details.



www.npd.com

## DATA AND METHODOLOGY

NPD has a standard data model that is used for all categories that incorporates both consumer and point-of-sale (POS) databases. These two data sources are highly complementary and are used to support one another. Point-of-Sale (POS) databases are assembled from retailers' records of actual sales by product as collected at the cash register.

Consumer databases are developed using online purchase surveys completed by a large-scale rotating sample of consumers. These data produce estimates of sales by product for the total marketplace. More importantly, the consumer surveys capture information about each purchase, such as buyer demographics, the product's intended use and other purchase motivators.

## CONSUMER METHODOLOGY

The NPD online consumer panel is comprised of pre-recruited individuals who have agreed to participate in NPD online surveys and have completed a comprehensive demographic questionnaire. The use of an established online panel assures good cooperation levels and predictable demographic balance among panelists.

Consumer panelists are asked about their recent purchases in a survey administered via the Internet. The responding sample is demographically weighted and projected through a series of steps to represent the U.S. population. Each month, over 200,000 individuals are selected from the NPD online consumer panel to participate in the appliance study.

Each month, over 30,000 U.S. households are selected for the housewares and home textiles studies.

## POS METHODOLOGY

NPD collects point-of-sale retailer data from selected retailers. These data are the actual sales for the chain on an SKU-by-SKU basis. The data are combined with data from other retailers to produce reports on certain categories by channel, where a sufficient number of retailers are cooperating and where sufficient market demand exists for the database. ■



## ABOUT THE NPD GROUP, INC.

The NPD Group is the leading provider of reliable and comprehensive consumer and retail information for a wide range of industries. Today, more than 1,800 manufacturers retailers and service companies rely on NPD to help them drive critical business decisions at the global, national, and local market levels. NPD helps our clients to identify new business opportunities and guide product development, marketing, sales, merchandising, and other functions. Information is available for the following industry sectors: automotive, beauty, commercial technology, consumer technology, entertainment, fashion, food and beverage, foodservice, home, office supplies, software, sports, toys and wireless. For more information, contact us or visit <http://www.npd.com/>.



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The screenshot shows the NPD Group website homepage. At the top, there's a navigation bar with 'CONTACT US', 'CAREERS', and a search bar. Below that, a main banner features the headline 'Japan and the U.K. are the fastest-growing markets for restaurant lunch'. The page is divided into several sections: 'Market Research - Behind Every Business Decision', 'THIS JUST IN...' with a video player, 'THE NPD GROUP BLOG', 'PRESS RELEASES', 'INDUSTRY FOCUS', 'CAREERS', and 'NPD COMPANIES'. The 'INDUSTRY FOCUS' section lists various market segments like 'New home appliances data' and 'Retail & Brand Landscape Series'. The 'CAREERS' section includes a 'Check here to learn about market research career opportunities at NPD.' link.

This screenshot shows a detailed view of the NPD Group website's 'PRODUCTS & SERVICES' section. It features a sidebar with navigation options like 'HOME', 'PRODUCTS & SERVICES', 'INDUSTRIES', 'NPD INSIGHTS', 'NEWS & EVENTS', and 'ABOUT NPD'. The main content area includes a 'Welcome to Market Research' section, a 'Products & Services for Retailers' list, and a 'Related Market Research & Insights' section. There are also promotional banners for 'NPD Group Advanced Analytics' and 'NPD COMPANIES'.