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 product 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 friends 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.

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. See the Data and Methodology section on page 8 for an explanation of how the data is compiled.
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

Source: The NPD Group
**MARKET SIZE**

**QUARTER THREE • 2011**

**UNIT VOLUME IN THOUSANDS**

![Bar Chart]

*Source: Consumer Tracking Service*

---

**COFFEE GRINDERS**

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

*Source: Consumer 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

![Bar Chart]

*Source: Consumer Tracking Service*

---

**TEA MAKERS • BUYER GENDER**

Percentage purchased by buyer gender versus census

![Bar Chart]

*Source: Consumer Tracking Service*
**MARKET SIZE**

**QUARTER TWO • 2011**

**UNIT VOLUME IN THOUSANDS**

- **TOTAL MARKET**: 61,323
- **HAIR CARE/GROOMING**: 30,184
- **ORAL CARE/HOME HEALTH & OTHER PERSONAL CARE**: 31,139

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

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Curling Irons/Brushes</th>
<th>Census (Percent of Population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 – 17 years</td>
<td>10.4%</td>
<td>9.5%</td>
</tr>
<tr>
<td>18 – 24 years</td>
<td>12.9%</td>
<td>12.0%</td>
</tr>
<tr>
<td>25 – 34 years</td>
<td>11.6%</td>
<td>11.0%</td>
</tr>
<tr>
<td>35 – 44 years</td>
<td>17.9%</td>
<td>17.2%</td>
</tr>
<tr>
<td>45 – 54 years</td>
<td>16.3%</td>
<td>15.5%</td>
</tr>
<tr>
<td>55 – 64 years</td>
<td>17.5%</td>
<td>16.7%</td>
</tr>
<tr>
<td>65 years +</td>
<td>16.6%</td>
<td>15.9%</td>
</tr>
</tbody>
</table>

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

---

Source: The NPD Group
Small Appliances: PERSONAL CARE

MARKET SIZE
QUARTER THREE • 2011
UNIT VOLUME IN THOUSANDS

<table>
<thead>
<tr>
<th>SMALL APPLIANCES</th>
<th>FIRST QUARTER</th>
<th>SECOND QUARTER</th>
<th>THIRD QUARTER</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERSONAL CARE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HAIR CARE/GROOMING</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ORAL CARE &amp; HOME HEALTH &amp; OTHER PERSONAL CARE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL MARKET</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

HAIRDYERS • AGE OF BUYER
Percentage purchased by age of buyer versus census

<table>
<thead>
<tr>
<th>AGE OF BUYER</th>
<th>HAIRDYERS</th>
<th>CENSUS (PERCENT OF POPULATION)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 – 17 years</td>
<td>8.7%</td>
<td>9.4%</td>
</tr>
<tr>
<td>18 – 24 years</td>
<td>11.6%</td>
<td>14.3%</td>
</tr>
<tr>
<td>25 – 34 years</td>
<td>16.6%</td>
<td>18.1%</td>
</tr>
<tr>
<td>35 – 44 years</td>
<td>19.3%</td>
<td>15.1%</td>
</tr>
<tr>
<td>45 – 54 years</td>
<td>19.5%</td>
<td>15.1%</td>
</tr>
<tr>
<td>55 – 64 years</td>
<td>17.8%</td>
<td>14.1%</td>
</tr>
<tr>
<td>65 years +</td>
<td>8.9%</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

Source: Consumer Tracking Service

SEWING MACHINES • INCOME
Percentage purchased by income versus census

<table>
<thead>
<tr>
<th>INCOME LEVEL</th>
<th>SEWING MACHINES</th>
<th>CENSUS (PERCENT OF POPULATION)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $15,000</td>
<td>7.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>$15,000 – 29,999</td>
<td>14.3%</td>
<td>11.1%</td>
</tr>
<tr>
<td>$30,000 – 44,999</td>
<td>18.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td>$45,000 – 59,999</td>
<td>12.0%</td>
<td>13.2%</td>
</tr>
<tr>
<td>$60,000 – 74,999</td>
<td>5.6%</td>
<td>14.1%</td>
</tr>
<tr>
<td>$75,000 – 99,999</td>
<td>11.3%</td>
<td>12.3%</td>
</tr>
<tr>
<td>$100,000 – 149,999</td>
<td>13.2%</td>
<td>14.1%</td>
</tr>
<tr>
<td>$150,000 +</td>
<td>6.5%</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

Source: Consumer Tracking Service

Source: The NPD Group
MARKET SIZE
QUARTER TWO • 2011
UNIT VOLUME IN THOUSANDS

TOTAL MARKET 28,212

Source: Consumer Tracking Service

WATER FILTRATION DEVICES • INCOME
Percentage purchased by income versus census

WATER FILTRATION DEVICES CENSUS (PERCENT OF POPULATION)

Source: Consumer Tracking Service

WATER FILTRATION DEVICES • REGION
Percentage purchased in region versus census

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

Source: The NPD Group
MARKET SIZE
QUARTER THREE • 2011
UNIT VOLUME IN THOUSANDS

TOTAL MARKET
27,161

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

DEHUMIDIFIERS • BUYER GENDER
Percentage purchased by buyer gender versus census

DEHUMIDIFIERS
CENSUS (PERCENT OF POPULATION)

Source: Consumer 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

DEHUMIDIFIERS • HOUSEHOLD SIZE
Percentage purchased by household size versus census

Source: Consumer Tracking Service
MARKET SIZE
QUARTER TWO • 2011
UNIT VOLUME IN THOUSANDS

Source: The NPD Group

 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

Deep Carpet Cleaners

26% of all deep carpet cleaners sold in Q2’11 were compact style.
Source: Retail Tracking Service

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

Source: The NPD Group
**MARKET SIZE**

**QUARTER THREE • 2011**

**UNIT VOLUME IN THOUSANDS**

**TOTAL MARKET**

8,685

*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

---

**UPRIGHT VACUUMS • HOUSEHOLD SIZE**

Percentage purchased by household size versus census

---

*Source: Consumer Tracking Service*
The top 3 motivators behind purchasing cutlery in Q2’11 were price, value and easy to clean.

Source: Consumer Tracking Service

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

Source: Retail Tracking Service

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

Source: Retail Tracking Service

Housewares: NON-ELECTRIC

MARKET SIZE
QUARTER TWO • 2011
UNIT VOLUME IN THOUSANDS

STOVETOP COOKWARE
DISSERWARE
BEVERAGEWARE
Oven or Microwave Bakeware
CUTLERY
FLATWARE

DINNERWARE

Source: Consumer Tracking Service

BEVERAGEWARE

Source: Retail Tracking Service

CUTLERY

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
## MARKET SIZE

### QUARTER THREE • 2011

**UNIT VOLUME IN THOUSANDS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housewares: NON-ELECTRIC</strong></td>
<td></td>
</tr>
<tr>
<td>Stovetop Cookware</td>
<td>$604,890</td>
</tr>
<tr>
<td>Dinnerware</td>
<td>$534,854</td>
</tr>
<tr>
<td>Cutlery</td>
<td>$212,422</td>
</tr>
<tr>
<td>Beverageware</td>
<td>$204,670</td>
</tr>
<tr>
<td>Oven or Microwave Bakeware</td>
<td>$171,782</td>
</tr>
<tr>
<td>Flatware</td>
<td>$150,326</td>
</tr>
</tbody>
</table>

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

**BEVERAGEWARE • HEAD OF HOUSEHOLD GENDER**

Percentage purchased by head of household gender versus census

---

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

Source: Consumer Tracking Service

**MARKET SIZE**
QUARTER TWO • 2011
UNIT VOLUME IN THOUSANDS

**MARK YOUR CALENDAR!**

**international home + housewares show**

2012
saturday - tuesday
march 10-13
chicago • usa

to register: www.housewares.org/attend

**Source: The NPD Group**
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
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.
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.