

## Tablets, Smartphones Drive Electronic Sales

By **Quentin Fottrell**



Sales of electronics surged last month, but that rise may be only due to a just a few star items. Consumers are snapping up portable tablets and Smartphones, analysts say, and overlooking TVs and PCs.

Sales at electronics and appliance stores provided one of the few bright spots amid [broadly disappointing retails sales](#). They rose 2.1% in November, according to the U.S. Commerce Department, even after a strong gain in October.

Analysts say electronics are popular purchases for the increasing amount of consumers who shop online where consumers can comparison shop with ease and ultimately find better deals. Online sales climbed 15.6% in November, according to data released this week by IBM Benchmark. "A greater percentage of electronic sales are purchased on-line than ever before," says Phoenix, Az.-based independent retail analyst [Jeff Green](#). "This is a trend that will only continue."

Shoppers are more likely to dig deep for tablets and Smartphones, which they believe will have a greater immediate impact on their quality of life – thanks to the deluge of successful advertising campaigns for products like Amazon's Kindle Fire and Apple's "[almost magical](#)" marketing for the iPad 2. "There's more advertising than ever for Smartphones and tablets," says Rick Singer, CEO of marketing site [GreatApps.com](#). "They've overtaken those for PCs and TVs."

Though most consumers already own a TV, many still don't have a tablet – and the wide price range offers appeals to a broad spectrum of consumers. A case in point: The e "Kindle Fire" tablet costs \$199, which is less than half the \$499 starting price of an iPad 2, and offers Wi-Fi, Flash video and access to Android apps and games. "The cost of tablets is starting to come down," Singer says. "If you can buy a tablet from \$199 or a PC from \$999 and you already have a TV, you'll go for the tablet."

Apple may be already bracing for its release of the iPad 3 in February 2012, as SmartMoney.com [previously reported](#). "Several sources have confirmed the timing of this launch and there do not appear to be any significant technical hurdles remaining," according to analyst Richard Gardner in a new Citigroup Global Markets report. That's less than two months after many tablet-less Americans will likely receive the iPad 2 as a gift this holiday season.