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## Is Best Buy's Slump Due to Gadget Boredom?

**Best Buy** ([BBY](#)) faces a conundrum: tablet sales were up in December, but gaming consoles, digital cameras and televisions all experienced declines. Are consumers just growing bored of old technology?

Analysts say more customers are acting like "early adopters," buying the newest gadgets – and waiting in the aisles for stores like Best Buy and Target to further drop their prices on traditional or older technologies. Consumers might upgrade their TV, they say, but only if the price is right.

Unlike smartphones and tablet computers, game consoles, TVs and cameras have grown into more mature – and stagnant – technologies, analysts say. "The need to buy them new or replace them has declined, particularly as smartphone market penetration has decimated the point-and-shoot camera business," says Christopher Byrne, content director of [TimeToPlayMag.com](#). "The challenge is for manufacturers to innovate and create demand again in new areas."

Consumers' blasé attitude could pay off. "This is a great time to upgrade a TV or get a Blu Ray player. Video games will probably have good deals—exclusive of the hot titles and Xbox Kinect," Byrne says. Prices will have to be cut even further on Blu-Ray, Plasma and 3D TVs, says Robert Passikoff, founder of management consultancy [Brand Keys](#). "TV sales have been on sale for the past two years and people only need so many TV sets," he says.

Best Buy also needs to make its stores more exciting and polish up its Geek Squad of young employees, says Passikoff. "They're just getting squeezed by more efficient competitors," he says. "Best Buy is not a brand, it's a category place holder. Do people know them? Sure. But do people know them for anything in particular? Not really."

Best Buy spokeswoman Carolyn Aberman declined to comment specifically to the criticism, stating only that Best Buy is a "multi-channel access destination store" that offers one of the widest selections of choice of electronics.

There's another problem down the road for Best Buy and other electronic stores: There are only so many upgrades people can endure, says Rick Singer, CEO of [GreatApps.com](#). "I'll wait until the TV burns out and dies and until I have extra income," he says. "What are we doing with all the surplus?" Singer says there is currently one exception to this rule: Apple. "But," he says, "that won't last forever."