

Consumer Technology Price Index

Rubin Worldwide's Consumer Technology Price index aims at tracking how the pricing of the full basket of a technology oriented consumer evolves with time. This index focuses on the pricing of the products and services we have identified as responding to the core needs of technology consumers.

As technological goods and services become more accessible to a broader range of consumers, they constitute a strong driving force of the overall consumer market. Therefore technology consumers are not a niche anymore and the frontier between tech-savvy consumers and traditional consumers is continuously fading away. As a result observing how the pricing of those goods and services evolve has become critical in order to understand the societal impact of technology as well as its degree of penetration.

Methodology:

In the first phase of our research, we have defined which products and services compose the basket of today's typical technology consumer. This basket includes products and services which correspond to the core needs of today's digital user: fixed computing (desktops, software, and broadband access), mobile computing (notebooks, software, tablets and mobile broadband), smartphones (devices, phone and mobile broadband plans), TV and video (LCD screens, media players and TV plans), mp3 players, and printers & cartridges.

In the second phase, we have conducted a research among the most popular US retailers, manufacturers and services providers and gathered data on more than a thousand of the most popular technological products and services. Finally, we have computed the index by evaluating the average cost for one year of usage.

2Q212 Results:

The Consumer Technology Price Index has continued to decrease by -1.4% compared to the second quarter of 2011. However, this trend has seen a slight relapse for a few product categories since the beginning of 2012. If most services and common technologies have remained stable or decreased, the pricing of products facing a particular demand or featuring technological improvements have gone up. This is the case of LCD screens, which have been pushed toward more connectivity, resulting in a 4% pricing increase since the beginning of 2012. Similarly, smartphones and tablets' pricing has increased by 15% since the beginning of the year. This increase is supported both by an elastic high demand for those products and by the main manufacturer's marketing strategy.

Future of the CTPI:

The current data are limited to the US market. In the near future, the CTPI will be extended worldwide in order to become the first analytical tool to provide a global overview of the ever-growing technology consumer market.

