

CTA U.S. Consumer Technology One-Year Industry Forecast, 2021-2026

The Authoritative Source for Consumer
Technology Market Research

Research@CTA.tech | 703-907-7600

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About

About Consumer Technology Association:

As North America's largest technology trade association, CTA® is the tech sector. Our members are the world's leading innovators — from startups to global brands — helping support more than 18 million American jobs. CTA owns and produces CES® — the most influential tech event in the world. Find us at CTA.tech. Follow us @CTAtech.

About CES:

CES® is the most influential tech event in the world — the proving ground for breakthrough technologies and global innovators. This is where the world's biggest brands do business and meet new partners, and the sharpest innovators hit the stage. Owned and produced by the Consumer Technology Association (CTA)®, CES features every aspect of the tech sector. CES 2026 will take place on Jan. 6-9, 2026. Learn more at CES.tech and follow CES on [social](#).

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Methodology

The Consumer Technology Association (CTA)[®] has produced in-house forecasts since 1965 and updates its forecast of more than 125 consumer technology products generally twice a year to stay atop industry trends.* This forecast serves as the benchmark for the consumer technology industry, charting the size and growth of underlying categories and the industry as a whole. This report is used by manufacturers and retailers in creating product development plans; financial analysts for sizing market opportunities; industry and general media for providing context in their coverage; government staff for understanding the scope of the industry to guide policy decisions; and CTA itself for highlighting the successes and challenges of the industry. Although rounded numbers are displayed, the tables and figures are based on unrounded data.

Participation

For each edition of the *CTA U.S. Consumer Technology One-Year Industry Forecast*, CTA gathers qualitative and quantitative input from industry participants via submission forms, surveys and interviews, asking participants about the size and outlook for the industry. Participants submit their best estimates for the total industry size and growth in a series of categories for a five-year period. All participant input is anonymized and aggregated with other information sources before being used for the report.

CTA's analysts use participant input in addition to many other information sources to compile the estimates in the forecast. These other sources include CTA consumer research, government import data, public filings, third-party research data and industry trade news. The results are estimates that reflect the broader industry sentiment.

Hardware-related data within this report represents shipment volumes from manufacturers to U.S. dealers and installers. This includes both domestic production and imports of products to consumer-oriented sales channels, regardless of retail type, including distribution and direct-to-consumer and online sales. **Software and services** data within this report represents U.S. consumer expenditures on software and services.

Consumer Research

The methodology for any consumer research studies cited in this report can be found in the original reports. Mentions of consumer research studies by CTA will include a link to the [CTA store](#), where members can download the reports.

Participants

The January 2026 edition of the CTA U.S. *Consumer Technology One-Year Industry Forecast* includes inputs from 59 different companies and 65 individuals across the industry, including manufacturers, distributors, retailers, technology licensors, market research firms and other industry constituents. Some of the companies have chosen to be anonymous.

CTA thanks all of the companies whose contributions make this the most accurate and comprehensive forecast of U.S. consumer electronics shipment trends in the industry.

All participants receive a free copy of CTA's Five-Year Industry Forecast from 2024 to 2030, which is a **\$6,500** value for members and an **\$8,000** value for non-members.

In order to participate in the future please contact info@CTA.tech.

Best Buy Co. Inc	GE Lighting, a Savant company	Returnsmanagement.com
BlueConnect Partners	Harman International	Samsung Electronics America, Inc.
Channel Partners 360	Hechtman Venture Development	Se-Kure Controls, Inc.
Conduction Labs LLC	Hilltop Economics	Sharp Electronics Corporation
Cord Data	Hisense USA Corp	Sonical
CRI Middleware Co., Ltd.	JCPal Technology	Summit Leather Co.
DAC Systems	Kimber Kable	StreamUnlimited Engineering
DENSO International America, Inc.	Lenbrook America	Specialty Technologies/SVS
DeRuCCI Healthy Sleep Co., Ltd.	LG Electronics USA, Inc.	Tiposi
DIMO	Linkplay Technology Inc. (WiiM Brand)	Trusted Brands Inc.
Dish Network/Boost Mobile	MediaTek	Urtopia
Dolby Laboratories Inc.	North American Lighting (NAL)	Validic
DPI, Inc.	Pioneer Electronics (USA) Inc.	Verizon Communications Inc
Dual Electronics Corporation	Prevounce Health	Slang Consulting
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Forecast Products

CTA Forecast Publications are grounded in CTA's unique position in the industry, drawing upon the perspective of its members, its dedicated team of research analysts and its deep knowledge of technology adoption. CTA offers several forecast products to meet various research needs. For more information, contact the CTA Market Research team at research@cta.tech.

- Updated every January & July
- Total industry shipments to U.S. dealers
- U.S. consumer spending on services

One-Year Industry Forecast

- Free to all members
- Economic outlook
- Major industry trends

Five-Year Industry Forecast

- Whole industry
- Data-heavy (10,000 data points)
- Annual sales trend
- Free to participants (\$8,000 value!)



Contact us for other reports, such as historical sales data (free to members) and monthly dynamic forecasts (subscription).

Economic Headwinds Persist into 2026...

Consumer spending faces pressure from sticky inflation and a weakening labor market, even as the economy continues to grow.

GDP growth expectations are positive, but modest:

- Major banks and institutions predict 2026 gross domestic product (GDP) growth will be around 1.5% to 2.4%.^[1,2,3,4]

Inflation remains elevated:

- Core inflation is expected to hold above Fed's 2% target through 2026.
- A gradual decline is expected in late 2026 as tariff price increases are fully phased into consumer prices.^[5]

The labor market is showing cracks:

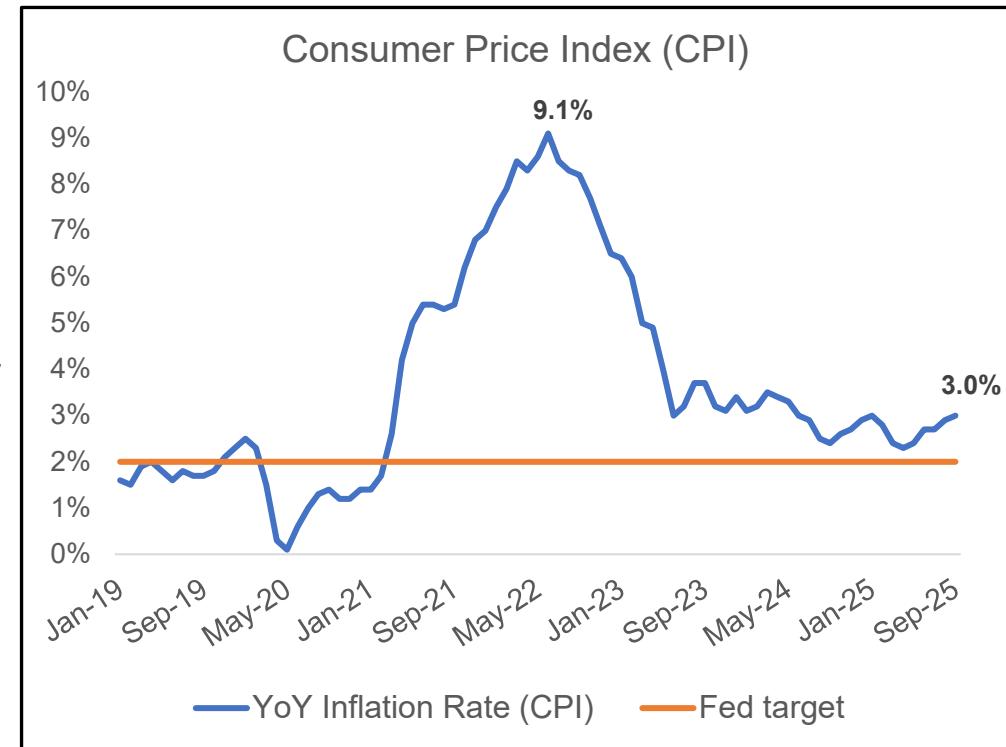
- BLS' November jobs reports announced unemployment of 4.6%, the highest since September 2021.^[6]
- Major layoffs have been announced across tech and other sectors.

Consumer confidence is weakening:

- Consumer confidence in late 2025 hit its lowest level since July 2022.^[7]

Tariffs will increasingly hit consumers' wallets:

- In 2025, companies pulled forward shipments and adjusted supply chains, limiting tariff exposure that could increase prices for consumers.^[8]
- As tariffs and tariff uncertainty persists into 2026, inventory costs are likely to rise and may push retail prices higher.



Source: U.S. Bureau of Labor Statistics

[1] [Global Economic Outlook](#), The Conference Board, Dec 12, 2025

[2] [CBO's Current View of the Economy From 2025 to 2028](#), CBO, Sep 2025

[3] [BofA Global Research Forecasts Stronger-than-Expected Economic Growth in 2026](#), Bank of America, Dec 2, 2025

[4] [Fourth Quarter 2025 Survey of Professional Forecasters](#), Federal Reserve Bank of Philadelphia, Nov 17, 2025

[5] [The Outlook for Fed Rate Cuts in 2026](#), Goldman Sachs, Dec 3, 2025

[6] [U.S. Unemployment Rose in November Despite Job Gains](#), WSJ, Dec 16, 2025

[7] [Consumer Sentiment Improves Slightly in December](#), WSJ, Dec 5, 2025

[8] [Frontloading, measured responses cushion tariff impact in 2025 but risk high for 2026](#), WTO, Aug 8, 2025

... But Stabilizing Forces Support Growth

Multiple tailwinds should offset headwinds, supporting sustained consumer tech demand despite ongoing challenges.

Fed rate cuts provide stimulus:

- The Fed began cutting rates in late 2025, responding to jobs concerns. Further cuts are possible in 2026.^[1]
- Lower borrowing costs support investment and big-ticket purchases like electronics and appliances.

Tax cuts may boost spending power:

- The 2025 reconciliation bill delivered tax cuts that may increase both consumer spending and business investment in 2026.^[2]

Artificial Intelligence investment lifting the economy

- Forecasts from leading banks suggest AI will drive up economic growth through major capital investments in AI infrastructure, and by boosting productivity.
- As noted by Barclays, stocks linked to AI are powering the stock market to record levels, enabling wealthier consumers to spend more on goods and services.^[3]

The import surge normalizes:

- 2025 saw massive pull-forward buying ahead of tariff deadlines.^[4]
- 2026 H1 imports are expected to stabilize versus 2025 H1 as businesses adjust to tariffs.



[1] [Divided Fed approves third rate cut this year, sees slower pace ahead](#), CNBC, Dec 10, 2025

[2] [Long-term Impacts of the One Big Beautiful Bill Act, as Enacted on July 4, 2025](#), Yale Budget Lab, Jul 30, 2025

[3] [Q1 2026 Global Outlook](#): As goes AI.. Barclays, Nov 20, 2025

[4] [Frontloading, measured responses cushion tariff impact in 2025 but risk high for 2026](#), WTO, Aug 8, 2025

Trump Tariffs Disrupt Tech Trade

In 2025, President Trump imposed the highest U.S. import tariffs in nearly a century^{[1]*}, creating uncertainty and raising costs for businesses. This shift is reshaping global trade, with some U.S. technology imports diversifying away from China.

Tariff impacts vary by product and origin: Game consoles face steep costs for example, while PCs are less affected due to exceptions and flexible supply chains.

This report reflects tariff conditions as of December 1, 2025, and assumes rates remain stable through 2026. While the U.S. Supreme Court is expected to rule on the legality of International Emergency Economic Powers Act (IEEPA) tariffs in early 2026, the Trump Administration is preparing alternative tariff measures that it could impose immediately after the decision.

These measures could introduce more uncertainty for technology firms, particularly if the Administration imposes national security tariffs on imports of chips, chips in downstream consumer tech products, and consumer tech products themselves.



[1] [Trump Tariffs: Tracking the Economic Impact of the Trump Trade War](#), Tax Foundation, Dec 1, 2025

*The Trump tariffs are the largest US tax increase as a percent of GDP (0.47 percent for 2025) since 1993.

U.S. Technology Industry Outlook

Despite economic challenges, uncertainty and rising financial pressures, consumers are still purchasing tech, with unique factors driving growth in hardware and software.

Hardware Gets a Refresh

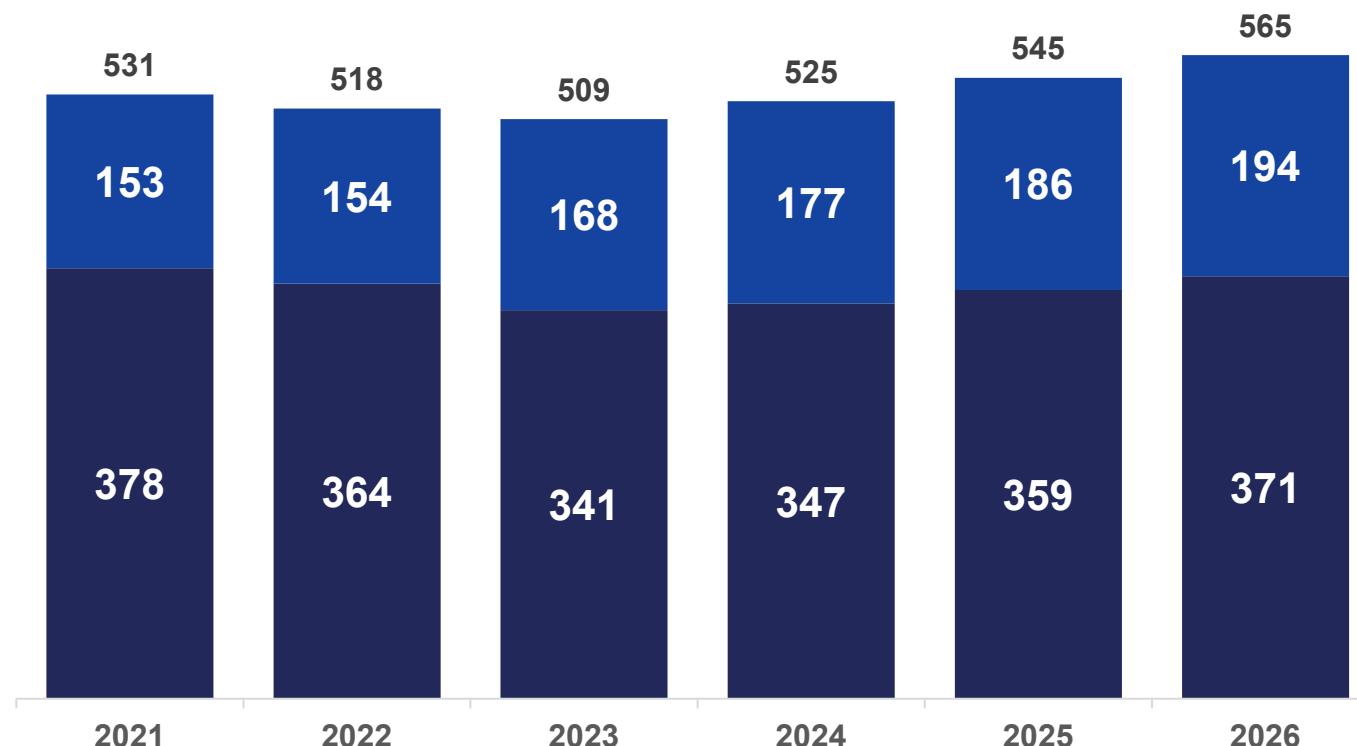
- Retail revenue is expected to rise by 3.4% in 2026, though unit shipments are relatively flat.
- 2025 and 2026 are part of a refresh cycle from the pandemic. Longer product lifecycles and economic pressures mean consumers are waiting longer to upgrade devices. The result is a refresh cycle with a long tail.

Software & Services Continue to Grow

- Software and services are experiencing record revenue even as subscriber-count growth slows for streaming services.
- Ad-supported streaming subscriptions are growing more popular as some consumers look to trim down on expenses.

Total Industry Retail Revenue (\$ Billions)

■ Hardware ■ Software or Service



Category	2021	2022	2023	2024	2025	2026
Hardware	-3.6%	-6.3%	1.7%	3.4%	3.4%	3.4%
Software or Services	0.8%	8.9%	5.9%	4.9%	4.9%	4.2%
Total	-2.3%	-1.8%	3.1%	3.9%	3.9%	3.7%