

## **GARMIN ON THE RIGHT TRACK IN FRAGMENTED CAR NAVIGATION MARKET - BUT NAVIGATION STILL TO FIND TOP GEAR**

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([PRWEB](#)) June 20, 2003 -- Despite the rapid growth of car navigation solutions readily available on the market today, less than one in five car owners currently owns a navigation system according to a report to be published by Berlin based market research firm Metrinomics.

The report, based on interviews with members of the company's 11,000 strong online panel, also finds that less than 25% of those still without navigation intend to buy any kind of system within the next twelve months. Value for money also proves to be a sticking point for potential users: eight out of ten first time buyers are not prepared to spend more than \$US500.

In what is an extremely fragmented market, GPS provider Garmin is specified as current provider by 24% of current navigation users, followed by Magellan (8.1%) and Blaupunkt (5.4%) respectively.

Low cost mobile navigation applications are the choice of more canny potential buyers, while existing users are more likely to both spend more and to purchase a consolidated navigation device as opposed to an add-on mobile device or value added based service. Existing navigation users are generally satisfied with overall navigation performance, but express serious misgivings about the quality of current traffic and roadwork related information.

Mobile operators hoping to cash in their location based service chips by delivering navigation services will be disappointed to discover that users and non-users alike are more interested in basic route finding and orientation features than they are in knowing their destination's best bars, clubs and restaurants. Only 3% of current navigation owners expressly use navigation for location based purposes compared with 55% who primarily use navigation for route planning purposes.

Announcing the report launch, Metrinomics CEO Hans Juergen Schmolke said:

"Navigation systems have some way to go before their ubiquity of use approaches that of more mature information technologies. At present, navigation is typically used as a failsafe in situations where local or geographical knowledge is limited. Only one in four users use navigation in most travel situations compared to less than 10% who use it on an "always-on" basis. Entry level mobile services which focus on urban lifestyle related benefits may go down well with the urban 18-35 demographic, but our results show that existing and potential users want navigation providers to concentrate on the basics.

The problem currently facing navigation product and service providers is one of converting 80% interest levels among current non-users into actual buying behaviour. Despite the high levels of interest expressed, they



remain to be convinced of the need to buy.?

Amongst users and non-users alike, stationary devices get the vote for preferred type of device or system; seeing off the threat of radio integration, notebook applications and mobile phone and PDA type applications.



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