EVOLUTION OF THE TV SET 2021

How new TV technology influences choice of providers and content

JUN 2021

EXEMPLARY FINDINGS
People may disagree what “television” means today, but one thing hasn’t changed:

the TV set is television’s home screen
New TV tech like 4K, 8K, and Next Gen TV have the potential to improve the viewer experience. But they also strain the average viewer’s ability to keep up with new TV advancements.
The TV set space is dynamic in both tech and consumer behaviors...

- **8K sets are already in stores**, even while consumers are still trying to absorb the value of 4K sets

- **Streaming is moving from peripherals to the TV set itself**, with new habits for consumers to learn

- **Voice-controlled remotes are now mainstream**, and changing how content is found and chosen

- **The importance of TV brand seems to be growing**, with less focus on TV set price
The goals of this study:

- Which TV technologies do consumers know about?
- What is the device and service configuration of their most-used set?
- Which TV tech are they adopting?
- How might new TV tech impact which content is discovered and watched?
WE CONDUCTED AN ONLINE SURVEY OF 2,519 U.S. CONSUMERS

• Age 16-74

• No screening exclusions: the sample includes both TV and non-TV homes, pay TV subs and non-sub, etc.

• Weighted to U.S. census data, including age, gender, ethnicity, income, HH size

• Data collection completed in late May and early June 2021

• All interviews conducted in English
Almost half (42%) of consumers say they know “a lot” about smart TVs, up from 32% a year ago.

High definition content: 56% know at least something about “4K TV” (49% in 2020), and 53% about “UHD TV” (47%).

Awareness of HDR continues to lag – although higher than 2020: 37% know at least something, and only 17% know a lot.

Implication: More consumers can appreciate new TV tech. But better education and messaging will help drive increased curiosity and interest.
KNOWLEDGE OF WHERE TO FIND 4K CONTENT IS BECOMING LESS OF AN ISSUE THAN 4K’S VALUE

- 61% of 4K set owners use their sets to watch 4K content – barely better than 2019 (57%) or 2020 (58%)
- Among 4K owners who have *not* watched 4K content, fewer mention lack of access:
  - 13% say they don’t have access to providers with 4K content (down from 22% in 2019)
  - Only 19% say they don’t know where to find 4K content (down from 30% in 2019)
- Value of 4K is an issue: 28% say regular HD is good enough, up from 19% last year
- Implication: More people know where to find 4K content. But people don’t see the value in paying more (in some cases) for a perceived incremental increase in quality
SMART TVS CONTINUE TO SHOW POTENTIAL TO BECOME THE “HOME BASE” FOR CONTENT IN GENERAL

- 37% of smart TV owners use a smart TV to stream music – the most-used “non-TV” feature
- The use of smart TVs for social media has almost doubled since 2019
  - And among those who use their smart TVs for social media, about 42% do it “often” or “all the time”
- Implication: A relatively small number of smart TV owners use any one of these extra features; but those who do tend to use them a lot. There is value to be unlocked for set manufacturers and app developers as TVs become more powerful computers that just happen to have computer screens
**ROKU CONTINUES TO LEAD**

- **Familiarity with Fire TV is about three quarters that of Roku** (44% vs 59%) – similar to the results of this study from the past two years.

- There are also **more homes with Roku TV sets** (36%) than any other licensed operating system – Fire TV (22%) or Android TV (22%).

- Overall, **39%** of homes report a Roku TV or streaming device, while **27%** report a Fire TV-based set or streaming device.

- **Implication:** When both smart TVs and streaming devices are considered, the operating system will have tremendous influence over which content is chosen, who gets to serve the ads, and who owns the viewers’ data.
MORE TV SETS ARE LINKED TO SMART SPEAKERS

- A third (35%) of households with a smart TV have one connected to a smart speaker – **up significantly** from 2019 (19%) and 2020 (25%)
- **2 in 5 (43%)** of these households use their speaker to control the TV **all the time**, up much from previous waves (2019: 30%, 2020: 31%)
- Amazon Echo still leads as the smart speaker most commonly used with a smart TV
- **Implication: Voice control continues to grow** as a mainstream method for controlling TV.
  Also, **interesting disconnect for Amazon**, with Echo clearly leading here but Fire TV continuing to lag leader Roku in TV set OS
BRAND NAMES REGAINING IMPORTANCE FOR 4K SET BUYERS

- **47%** of all 4K purchase intenders say **brand name is most important**, continuing to grow
  - Compared with 33% in 2019 and 39% in 2020
- Meanwhile, **price is most important to 32%** of purchase intenders, continuing to decline
  - Compared with 39% in 2019 and 45% in 2020
- **Features continue to be less important** than brand name or price (21%)
- **Implication**: Consumers may not understand advanced TV features, or see them as superfluous – thus a move back to trusting brand names from their recent focus on price
QUESTIONS?
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