



Is the Interactive Television Buzz a Bust?

Despite the hype, consumers know very little about iTV, reveals Ipsos-Insight

January 6, 2003, New York, NY – Interactive television (iTV) is available to millions of digital cable and satellite subscribers in the United States and, with Rupert Murdoch's recent acquisition of satellite giant, DIRECTV, many media executives expect iTV to play a key role in the next round of multi-channel competition. Despite this, a recent survey by Ipsos-Insight, the global survey-based marketing research firm, suggests that media giants have a long way to go in order to win subscribers' interest in iTV.

One-half (50%) of Americans have heard of iTV, a two-way system where viewers can perform activities such as retrieve information, purchase products or play along with TV game shows using a remote or keyboard, yet most people who are aware of the term do not know anything about it. Ipsos-Insight's survey found that only 11% of U.S. adults consider themselves somewhat or very familiar with iTV. There were no differences in awareness by gender, age or geographic region, however affluent households (\$100,000 +) are most likely to be aware of iTV.

"There has been so much industry hype about iTV, we expected higher levels of consumer awareness," says Lynne Bartos, a leader with the company's Cable, Media and Entertainment research division. "Only 11% familiarity is a surprising low percentage."

When asked how interested they are in specific iTV activities (regardless of their level of awareness), the most popular response was the ability to control different camera angles while watching sporting events, which interested about one-quarter (26%) of adults. The next most popular activities include requesting product information or a brochure and the ability to get statistics on favorite sports players while watching a sporting event (19% and 18%, respectively). Fifteen percent of survey respondents liked the idea of playing games against other viewers. The least popular activity was betting on horse races or other sports (5%).

"For the iTV activities we asked about, our findings show that the 18 to 34 year-old male sports enthusiast is likely to be the earliest adopter," says Bartos. "Men were twice as interested as women in the sport-related features of iTV, and significantly more likely to be interested in gaming and betting activities."

Among those who say they are familiar with interactive television, at least two-thirds of people consider the following activities as Interactive TV:

- Using video-on-demand
- Using an on-screen programming guide that allows you to scroll through the TV listings
- Using digital video recorders or DVR such as TIVO

In addition, about 6 in 10 people familiar with iTV associate it with:

- Requesting product information/brochure via the TV
- Buying products via TV
- Playing videogames through the TV

"iTV programmers and content providers still have some work to do to raise awareness levels, improve consumer understanding, and get consumers excited about the features and benefits of Interactive TV," added Bartos.



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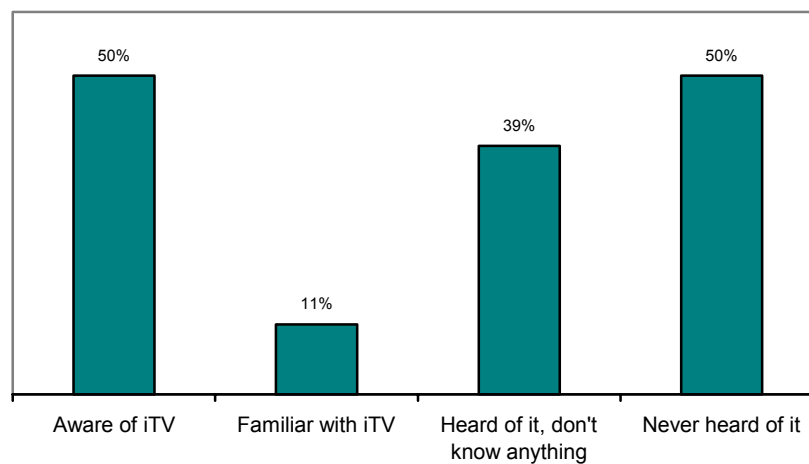
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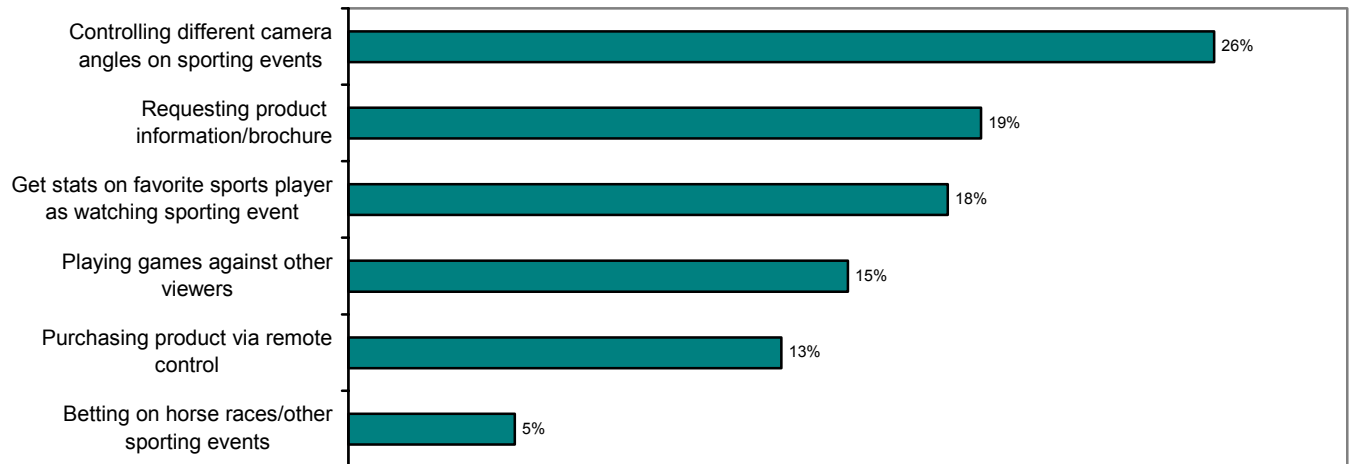
Awareness and Familiarity with iTV



Source: Ipsos-Insight survey of 1,000 U.S. Adults, December 15-17, 2003



Very/Somewhat Interested in iTV Activity



Source: Ipsos-Insight survey of 1,000 U.S. Adults, December 15-17, 2003

Ipsos-Insight

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