



## Consumers Flirting With HDTV, But Keeping A Safe Distance, Ipsos-Insight Study Reveals

### Most Say HDTV Still Too Expensive

**New York, NY, November 19, 2004** – Consumers are showing a reasonable knowledge of and interest in HDTV, but it is still seen by many as beyond their means, according to a recent study conducted by global survey research firm, Ipsos-Insight.

“Awareness of HDTV and understanding of the related technology, products, and services is on the rise,” said Lynne Bartos, a leader in the company’s Cable, Media & Entertainment research practice. The Ipsos-Insight study found that 89% of Americans are aware of HDTV, up from 74% in 2002. Most of those who are aware of HDTV recall seeing an ad for HDTV in the past month (88%, up from 79% two years ago), while the percentage of consumers who have never heard of HDTV has dropped from 26% to 11%.

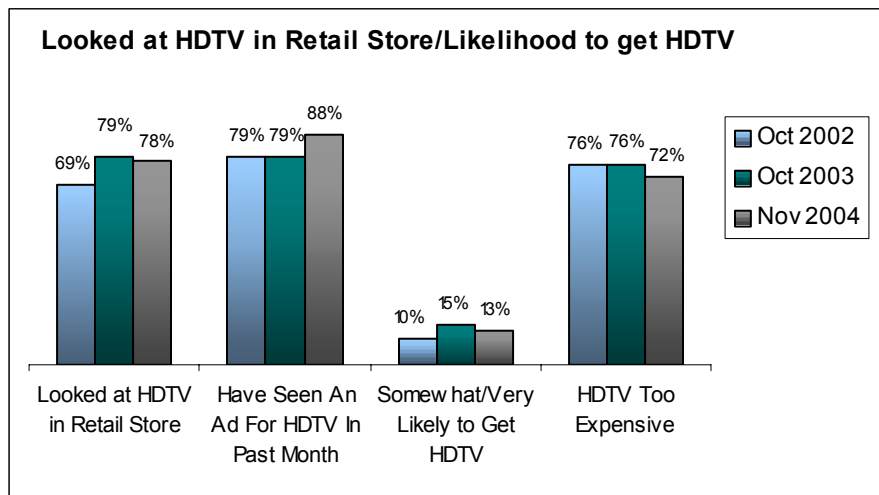
“Advertising and marketing by industry players is getting noticed, helped in part by word of mouth and sporting events, especially the recent Athens Summer Olympic Games which were presented in high definition,” said Bartos. “But HDTVs are not yet in the consideration set of mainstream America. Nearly three-in-four say that HDTV is much too expensive for them to consider purchasing right now (72%, down from 76% two years ago). Other research we’ve conducted shows that HDTV purchase intent is flat, with 13% of Americans ‘very’ or ‘somewhat’ likely to buy HDTV in the near term, vs. 15% last year.”

Among those who are familiar with HDTV (45%), most understand that HDTV can deliver a superior quality picture (94% “agree”), that HDTV comes with digital quality surround sound (87%), and that they get to watch content on a full widescreen picture (92%). Seventy percent of those who said they are familiar with HDTV also said they think they’d need a special set-top or converter box, up from 60% two years ago. Sixty percent believe that HDTV signals are widely available, up from 48%.

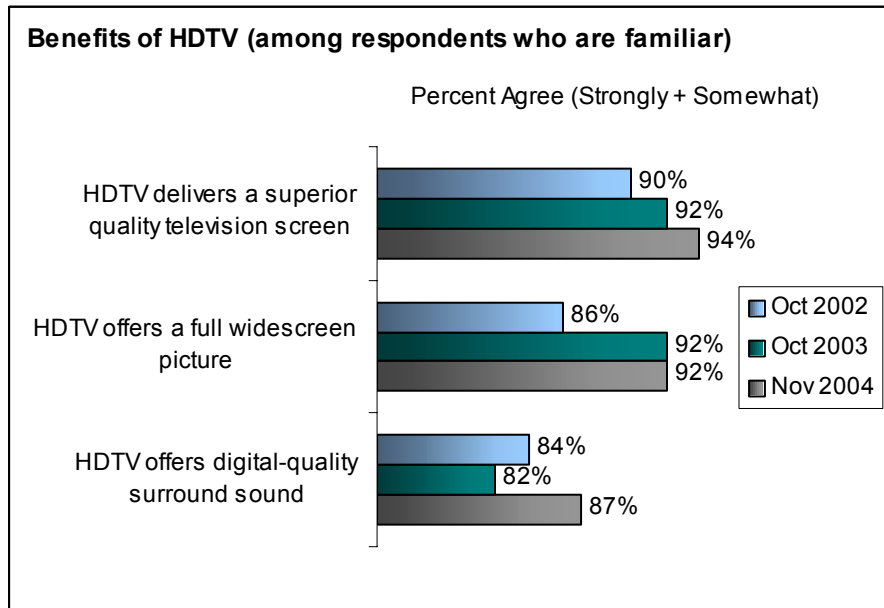
“These numbers, up from two years ago, demonstrate that consumer interest is percolating. This pattern is typical of new-to-market technologies, where the dominant early market barrier is a perceived lack of need. We saw this with PCs, the Internet, and cell phones—at first consumers didn’t perceive a need. Now they’re ubiquitous.”

Supporting data show that 78% of Americans have looked at an HDTV at a retail store, up from 69% two years ago. “The issue that continues to challenge the manufacturers, programmers and broadcasters is the relationship between perceived need and value,” commented Bartos. “Consumers just don’t see the value proposition —especially females. Even though content continues to become available in HD, it’s predominantly sports.” The gender divide is small but it counts; among the 13% who are “somewhat” or “very” likely to buy an HDTV in the next three months, men outnumber women nearly 2:1.

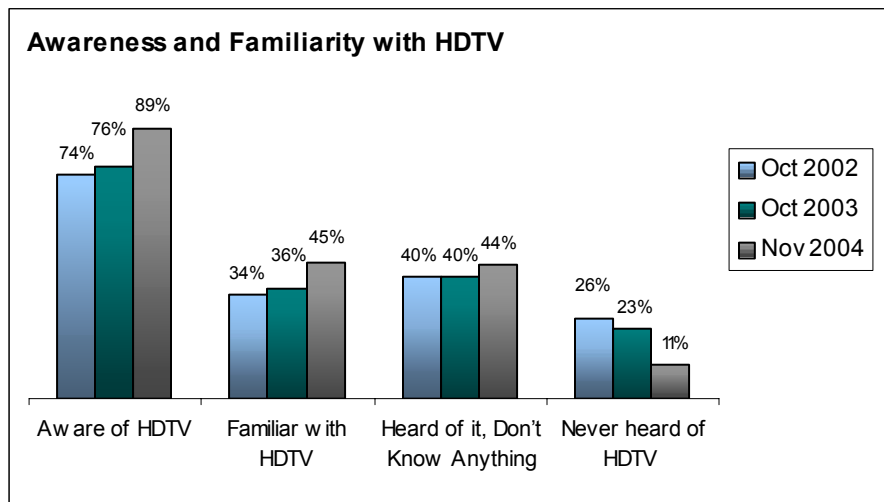
“It’s going to be a long courtship,” continued Bartos. “If the industry wants to get HDTV into America’s living rooms, they need to change it up with far more rigorous campaigns to educate consumers on the benefits of HDTV, make it more affordable, and target women.”



Source: Ipsos-Insight 2004



Source: Ipsos-Insight 2004



Source: Ipsos-Insight 2004

#### **Ipsos U.S. Express Research Methodology**

*These national survey research data were collected via Ipsos U.S. Express, a weekly national omnibus survey. Fieldwork was conducted between October 28 and 31, 2002, October 24 – 26, 2003, and November 3 – 5, 2004. Data are based on 1,000 telephone surveys taken with adults (18+) across the United States using regionally-stratified random sampling. The survey results can be said to be within  $\pm 3.1$  percentage points of what they would have been had the entire adult population been surveyed. To ensure that our sample reflects the make-up of the American population, we weight the results to match the latest Current Population Survey provided by the U.S. Census Bureau.*

#### **For more information on this release, please contact:**

Lynne Bartos  
Senior Vice President  
Ipsos-Insight, Cable, Media & Entertainment Practice  
312.665.0556

#### **About Ipsos-Insight**

Ipsos-Insight, the flagship marketing research division of Ipsos in the U.S., has industry specialists serving companies in the following categories: consumer products; technology and communications; health and pharmaceutical; financial services; cable, media and entertainment; agrifood; energy and utilities; and lottery and gaming.



Ipsos-Insight provides custom and tracking research services to domestic clients, as well as U.S.-based multinationals. It offers concept and product testing, package testing, attitude and usage studies, omnibuses, tracking systems, brand equity, price optimization and segmentation, marketing models, advanced analytics, and global research. Ipsos-Insight is an Ipsos company, a leading global survey-based market research group.

To learn more, visit: [www.ipsos-insight.com](http://www.ipsos-insight.com).