

DTV Shipments to Eclipse Analog by 2008

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Digital TVs (DTVs) will account for more TV shipments by 2008 than analog TVs, according to IDC.

Overall worldwide TV sales revenues will climb to \$86 billion by 2008, up from \$61 billion in 2003. DTV sales will account for \$70 billion of the revenues in 2008, demonstrating the technology's role as a major driver of TV sales over the next five years.

What's driving the adoption of digital TV? According to IDC, DTV's complimentary relationship with the very popular DVD player (DTV allows viewers to take advantage of DVDs' better picture quality, and the two pieces connect together more easily than an analog set and a DVD), along with gathering interest in plasma and LCD displays, are major contributors. Also crucial are the efforts of governments, and as a result, TV networks, to push for digital TV adoption and complete a change over from analog.

Worldwide TV Sales Revenues, 2003 & 2008 (in billions)



Source: International Data Corporation (IDC), June 2004

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By 2008, digital TVs will account for 60% of all TV shipments, representing a growth of five times the number of TVs shipped that will be digital by the end of 2004.

Worldwide Digital TV Shipments, 2003, 2004 & 2008 (as a % of worldwide TV shipments)



Source: International Data Corporation (IDC), June 2004

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Despite tremendous growth, DTV still faces some obstacles. HDTV set adoption will progress slowly until more HDTV content is delivered. So far, HDTV-ready programming has been available in limited, though increasing, doses in only a few countries (Australia, Canada, Japan, South Korea and the US). Consumer exposure to the superior picture of HDTV will surely push that growth, and help complete the analog-to-digital transition in the years after 2008.