

ABI Research Survey Reveals Pay-TV Operators Need to Embrace Online Video to Service Burgeoning Connected CE Market

SCOTTSDALE, Ariz. - June 27, 2011

ABI Research has released the first part of its "Technology Barometer: Digital Living" study which surveyed 2000 consumers in the United States about consumer electronic products in their households (device type, number of devices, and brands), home networking, and connected devices.

Despite the attention given to-cord cutting, this trend has not generated the momentum some (not including ABI Research) expected: in this survey only 10% of respondents did not subscribe to a pay-TV service.

According to practice director Jason Blackwell, "In a relatively fragmented connected consumer electronics market, the pay-TV package is still the best means to get the widest range of content. In addition some programming such as sports and premium content is still pay-TV centric, even with TV Everywhere initiatives."

Changes to consumer behavior and the status quo are occurring, just not yet at a wholesale level. Consumers with connected devices are viewing online content, claiming to watch between seven and eight hours weekly of programming streamed to connected CE devices. These results highlight the need for pay-TV operators to remain innovative.

With the connected CE space still young, Blackwell suggests, "Now is the time for pay-TV operators to act. Currently the services on connected CE platforms are commanded by a few early leaders. Netflix and YouTube, for instance, are the clear consumer favorites for online video, while the divide is even greater for social networking where Facebook captures 97% of social networkers on CE devices (compared to 32% for MySpace, the next closest competitor)."

In addition, the penetration rate of key connected CE devices such as TVs (11% of respondents) is currently low, adding resonance to Blackwell's call to action – namely, there is room for competition and growth.

Cord cutting has not occurred at the rate some had previously thought, largely due to the issues discussed above, but the threat still exists.

"[Technology Barometer: Digital Living 1Q 2011 US Survey Results](#)" is part of the first installment of ABI Research's Technology Barometer which surveys respondents biannually in seven countries (USA, China, India, South Korea, France, Germany, and the UK) about the consumer electronic products in their households.

It is part of the [Technology Barometer: Digital Living Research Service](#).

ABI Research provides in-depth analysis and quantitative forecasting of trends in global connectivity and other emerging technologies. From offices in North America, Europe and Asia, ABI Research's worldwide team of experts advises thousands of decision makers through 40+ research and advisory services. Est. 1990. For more information visit www.abiresearch.com, or call +1.516.624.2500.

©2011 ABI Research