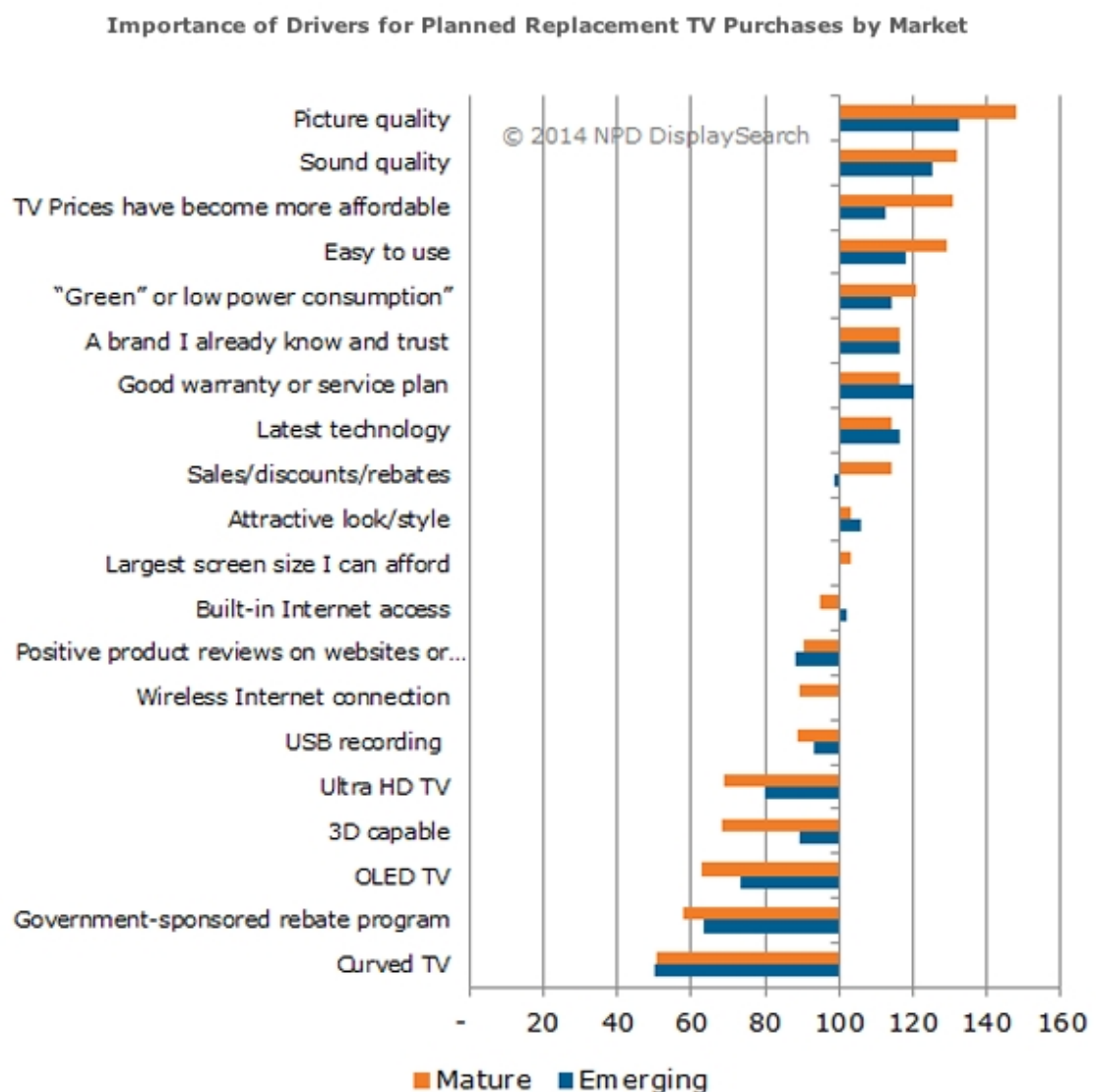


DisplaySearch: What Drives TV Replacements?

Written by Marco Attard
17. 06. 2014

According to a global NPD DisplaySearch study picture quality, sound quality, price and ease of use remain the most important factors driving customers to replace their current TV sets, even in mature markets.

The analyst says picture quality is the top feature customers in mature markets demand, with an importance index of 148. Sound follows with an index of 132.



Source: NPD DisplaySearch [Global TV Replacement Study](#)

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Price and ease of use rank nearly as high as sound quality in mature markets, but a good warranty or service plan ranks higher than both in emerging markets.

The index rates drivers as "important" or "most important", with scores above 100 showing relatively high importance.

"To improve market success, TV brands need to focus not only on improving the features that resonate with consumers but also on clearly communicating those benefits," the analyst says. For instance, while UHD/4K sets feature higher picture quality they do not drive customer purchase decisions due to significant price premiums and, perhaps, failure on the part of vendors to communicate exactly how such technologies improve on traditional HDTVs.

NPD DisplaySearch also says the 2014 replacement cycle remains similar to 2013--approximately 8 years in mature markets and 6 years in emerging markets. This is due to the majority of legacy sets in household inventories being already replaced and most countries having already completed the transition to digital broadcasts.

Replacement cycle change in most mature markets is under 10% Y-o-Y, indicating slower demand.

"With CRT TVs accounting for only about 20% of the household inventory in emerging markets, there are very few units left to upgrade," DisplaySearch concludes. "Add that to the fact that consumers do not see enough value in the new TV features and we could see replacement cycles slow down in the coming years."

Go [NPD DisplaySearch: Replacement TV Purchase Decisions Driven By Picture and Sound Quality](#)