

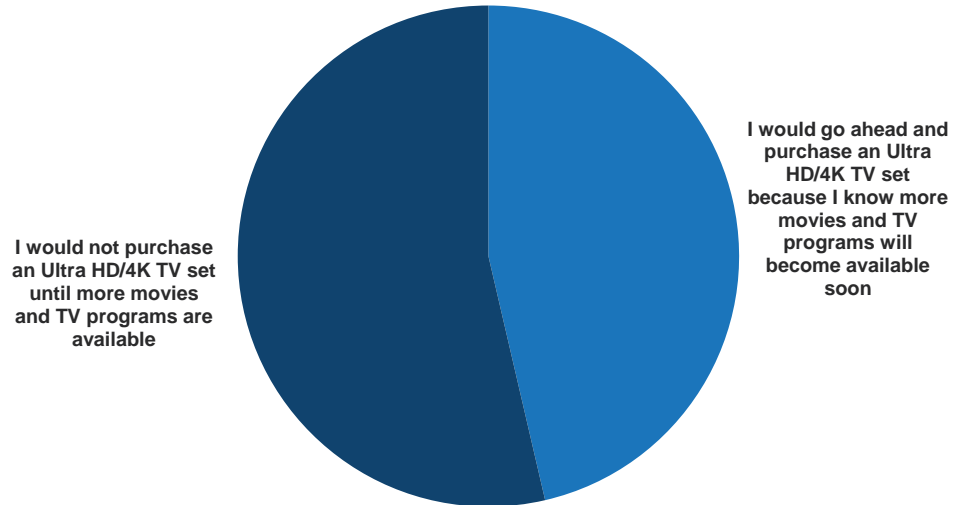
By **John Barrett**, Director, Consumer Analytics, **Yilan Jiang**, Manager, Consumer Research, **Barbara Kraus**, Director of Research, and **David Mitchel**, Research Analyst, **Parks Associates**

### SYNOPSIS

The market for 4K TV sets faces many challenges, including low familiarity, low willingness to pay premium prices, content availability concerns, and a cooling market for flat-panel TVs in general. This Market Focus assesses consumer interest in 4K, the content availability adoption barrier, and how much of a price premium consumers are willing to pay to get a 4K TV instead of an HD TV.

### Concerns About the Amount of Video Available in 4K

U.S. Broadband Households Likely to Buy a Flat-Panel TV in the Next 12 Months



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### ANALYST INSIGHT

“Multiple challenges facing 4K adoption will slow its adoption rate. The technology is unlikely to create a new upgrade cycle similar to the cycle created by flat-panel screens and the transition from analog to digital. TV manufacturers should not outpace the availability of content given strong consumer reservations about content availability until the time that the price premium for a 4K TV set consistently remains below 25%. The silver lining is high willingness to pay premium prices among consumers without concerns about the availability of content; these consumers are willing to purchase based on the expectation that sufficient content will become available over time.”

— **Barbara Kraus**, Director, Research, **Parks Associates**

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#### About the Research

#### Previous Research

- Streaming Media Devices (Q2/15)
- 360 View: CE Adoption and Trends (Q2/15)
- Winning the Consumer: Profiting from Superior User Interfaces (Q4/14)

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- Top Quality Video: The Emergence of 4K (and 8K) (Q3/14)
- 2014 Holiday CE Purchase Intentions (Q4/14)
- Optimizing Retail Channel Results (Q3/14)

**Key Findings****Industry Insight****Recommendations****Overview of Flat Panel TV Adoption**

- Flat Panel TV Ownership (2009 - 2015)
- % of Broadband HHs Buying Flat Panel TVs in the Last 12 Months (2007 - 2014)
- Average Selling Price of Flat Panel TVs Purchased (2008 - 2014)
- Flat Panel TVs: Top Five Brands Purchased in Year (2010 - 2014)
- Flat Panel TVs: Top Five Retailers (2013 - 2014)
- Online Purchases: Flat Panel TVs Purchased in the Last 12 Months (2009 - 2015)

**4K TV Adoption**

- Capabilities of Flat Panel TVs (Q1/15)
- Price Paid for Flat Panel TV (Q2/15)
- Flat Panel TV Brand Purchased (Q2/15)
- Type of Flat Panel TV Purchase (Q2/15)
- Reason for Flat Panel TV Purchase (Q2/15)
- Flat Panel TV Purchase Channel (Q1/15)
- Flat Panel TV Purchase Location (Q1/15)
- Top Purchase Consideration for Flat Panel TV Purchase (Q1/15)
- Brand of Flat Panel TV Purchased by Brand as Top Purchase Consideration (Q1/15)
- Support Plans Purchased for Flat Panel TV (Q1/15)

**4K TV Purchase Intentions:**

- Likelihood of Purchasing a Flat Panel TV in the Next 12 Months (Q1/15)
- Planned Expenditure on Upcoming Flat Panel TV Purchase (Q1/15)
- Desired Flat Panel TV Attributes (Q1/15)
- Purchasing Intenders Desiring 4K by Income (Q1/15)
- Purchasing Intenders Desiring 4K by Education (Q1/15)
- 4K Purchase Intention by Intended Purchase Price (Q1/15)

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- Importance of 4K Picture Quality (Q1/15)
- Importance of 4K by Planned Expenditure on Upcoming Flat Panel TV Purchase (Q2/15)
- Reason For Not Looking to Purchase a 4K TV (Q1/15)
- Willingness to Pay Specified Price Premium for 4K TV (Q1/15)
- Willingness to Pay Premium for 4K TV by Planned Expenditure on Upcoming Flat Panel TV Purchase (Q2/15)
- Concerns About the Amount of Video Available in 4K (Q1/15)
- Intender Concerns About 4K Video Availability by Age (Q1/15)
- Concerns About the Amount of Video Available in 4K by Willingness to Pay a Premium for 4K TV Set (Q1/15)
- Willingness to Pay Specified Price Premium for 4K TV Among Those Not Concerned About Content Availability (Q1/15)
- Willingness to Pay Specified Price Premium for 4K TV Among Those Concerned About Content Availability (Q1/15)

**Additional Research from Parks Associates****ATTRIBUTES**

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