IPTV Influences Set-top Box Market, Spurring Expansion on all Platforms

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18 December 2007 Â Considerable growth is seen in the digital TV market as technology enhances operatorsâ€™ capabilities to offer new services, driving rollouts of hybrid, DVR, HD, and MPEG-4 AVC set-top boxes. IMS Research predicts that worldwide digital set-top shipments will increase at an average rate of 11% per annum over the next five years, reaching a forecast of 230 million shipments in 2012.

The IPTV segment is likely to positively affect the growth of the digital TV market, and although relatively small, it will make a significant impact on the TV industry. Lucinda Hau, analyst at IMS Research, states, â€œAs the competitive threat from IPTV is noticed, we see aggressive moves from incumbent operators to provide more appealing offers such as free channels, HDTV and extensive VOD libraries.â€•

Favourable telecommunications legislation would enable operators to further exploit IP technologies to service TV subscribers and help growth particularly in the Asia IPTV market. The digital TV industry awaits regulatory decisions in several Asian markets, such as Japan and Korea, as operators and manufacturers are eager to deploy more advanced services and technologies in this region. IMS Research foresees immense IPTV growth in Asia, with China and Korea forecast to become two largest IPTV markets in the Asia Pacific, accounting for 30% and 24%, respectively, of the regionâ€™s IPTV subscribers by the end of 2012.

If you would like an interview with an expert in this area, please contact Alison Bogle, Marketing Manager, at Alison.Bogle@imsresearch-usa.com or +1 412-441-1888.