

Ownership of Connected TV Devices Forecast Rapid Growth in the US

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By 2017 there will be 204 million connected TV devices linked to the Internet and able to deliver apps to viewers, more than double the projected number of U.S. Internet households. These devices include video game consoles, streaming media players, Blu-ray Disc players and TVs. According to the latest NPD Connected Intelligence Connected Home Forecast, ownership of connected TV devices is expected to grow 100 per cent by 2017.

Two driving forces in the market are pushing the adoption and use of connected TV devices, streaming media players and TVs. These devices are expected to represent the majority of the growth in installed and Internet connected units over the next three years.

As more of these connected devices are installed, the rate at which consumers connect Internet capable TV devices is expected to increase from 60 per cent in 2014 to 76 per cent of installed units by 2017. The increased connectivity will be bolstered by hardware upgrades that prompt consumers to connect, increased app programming from TV networks, and improvements to user interfaces.

“The evolution of hardware and digital content distribution is constantly changing the TV viewing experience,” said John Buffone, executive director, NPD Connected Intelligence. “Over the coming years, the consumer’s preferred device for apps on TV will be shaped by the next generation of video game consoles, Smart TVs, and a new wave of streaming media players.”

By 2018 the connected TV device market will begin to reach saturation. The average U.S. home has three TVs, and by 2018 a majority of homes that want apps on their TV will have a connected device on their primary and secondary displays. A large portion of the connected TV device market will move from being for first-time connected TV households to consumers entering a device upgrade cycle.

“Due to the rapid growth of connected TV devices, now is the time to establish consumer loyalty,” said Buffone. “Millions of viewers are trying new devices and apps, deciding which, if any, will become an indispensable part of their TV time.”