

Digital future

This session provided an opportunity to examine the implications of the findings of ACMA's second survey of digital television take-up.

As digital technology continues to develop rapidly, so too do the expectations and demands of consumers. Some of the industry representatives who are closely involved in the direction digital technology is taking us joined ACMA's Giles Tanner to discuss our digital future.

Findings of the research commissioned by ACMA to update its 2005 report on digital media in Australian homes was presented by Tom Loncar of Eureka Strategic Research. He revealed that 29 per cent of Australian households have adopted digital free-to-air television since its introduction in January 2001, with uptake more than doubling since mid-2005. Combined with digital subscription television, approximately 41 per cent of Australian households have some form of digital television. The research also shows that the number one factor influencing new television purchase decisions is better picture quality. Upgrading, replacing or buying a new TV was the second highest reason for digital adoption in 2006.

The ABC's Lynley Marshall talked about the exciting developments taking place on ABC2, with content focused on programs for and by regional Australians, children's television and material from the archives. For the quarter ending September 2006, ABC2 has a market reach of 225,000, with a strong link between ABC's digital and online audiences. For ABC2, compelling content is essential in attracting people to digital and encouraging them to continue watching. Interestingly, one of the drivers of digital content is children's television and as a result is a priority for the channel. Research tells us that young people and families are

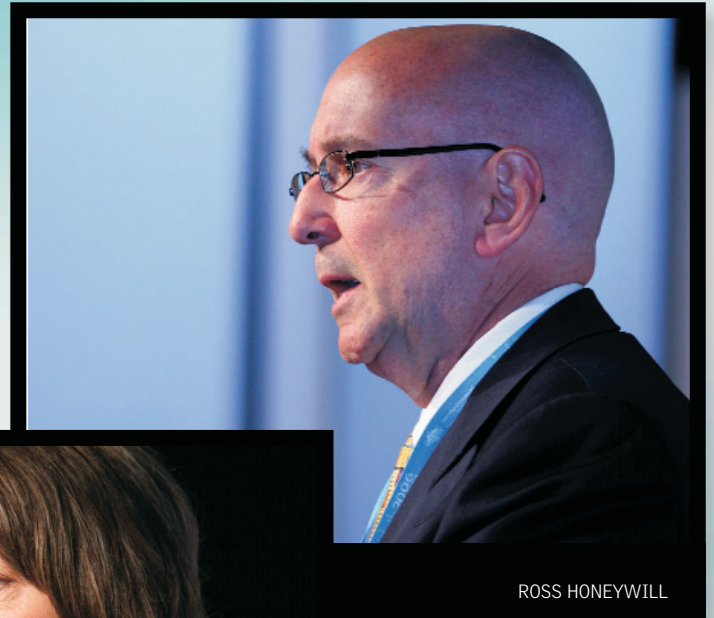
switching to digital television faster. Lynley said the key issue for the ABC as a broadcaster is having sufficient and compelling content to attract viewers.



LYNLEY MARSHALL

Tim O'Keefe of Digital Business Consulting called on the industry to establish an electronic television guide. As a representative of manufacturers and suppliers, he agreed that content together with picture quality will remain a key reason for the uptake of digital television. He said broadcasters needed to provide more compelling content and said the forum would be looking for government-funded incentives, such as cash-backs, to further encourage consumers to take up the new technology. He supported the idea of education for consumers, including a labelling system identifying devices that are compatible with digital technology.

The question 'Are you a digital laggard or a digital leader?' was posed by Ross Honeywill of Neo



ROSS HONEYWILL

Australians are uninterested in digital television and unwilling to adopt it. Four million Australians are very interested in digital television and are already adopting it and another 4.2 million are digital followers and ...



TOM LONCAR

Group. His research indicated that consumer demand, not industry supply, will dictate the future of digital and he said a deeper understanding of the demand characteristics of Australian consumers is required. He said there is a digital fault line that splits Australia in two. 'Eight million

respond to the same stimuli and messages as digital leaders.' He concluded that it will be impossible to achieve analog switch-off by 2010-12 if all consumers are treated as digital equals and called for different strategies and budgets to deal with the issues faced by these groups.