

Take-up of digital TV accelerates

An ACMA research report shows that growth in the adoption of digital free-to-air television has more than doubled since 2005 to 30 per cent of households, but that many non-adopters are still not aware of the future changes to free-to-air television. The report is part of a major ACMA research program that aims to better understand the Australian community's preparedness to make the transition from analog to digital free-to-air television.

The *Digital Media in Australian Homes - 2006* report gives the full results of a second national study into the household adoption of digital media—the drivers for adoption, reasons for non-adoption and awareness of digital television. Preliminary results were released in November 2006. The first, more detailed study was conducted in 2005 and a third study will be undertaken later this year.

The household penetration of digital free-to-air television has more than doubled to 30 per cent since

July 2005's level of 13 per cent. According to the report, the main reasons for adopting digital free-to-air television were clearer pictures, the replacement of television sets, improved reception and extra channels. It is estimated that approximately 41 per cent of households overall had either digital free-to-air television or digital subscription television.

Despite the growth in the take-up of digital free-to-air television, the number of non-adopters is still substantial. Around half of all the



households surveyed lacked interest or were not sure if they were interested in adopting. Knowledge gaps are evident in the 40 per cent of all surveyed households who did not know whether digital free-to-air

television is available in their area, one-third who did not know about the future switch-over from analog to digital, and 14 per cent who said they had not heard of digital free-to-air television.

Top 10 reasons for not adopting digital free-to-air TV, July 2005 and October 2006

Reason for lack of interest in adopting DTTB	Non-interested households (%)	
	2005	2006
Don't know much about it/haven't thought about it	20.4	25.4
Have to buy equipment/too expensive/not good value	26.6	22.0
Don't watch much (free-to-air) TV/don't want to watch more	32.0	19.4
Currently satisfied/no need	11.8	14.7
Reason not stated/don't know	4.4	6.5
Not until need to buy new TV	1.3	6.2
Just not interested/not important	nr	5.2
Will not purchase until required/absolutely necessary	nr	5.1
Too old	2.6	3.8
Not at the moment but probably in future	nr	3.2
(Digital) pay TV good enough	3.9	2.8

2005: N=609 non-adopters with no interest in DTTB; 2006: N=865 non-adopters with no interest, unsure whether interested, and interested with no plans
nr: not recorded as a main response category in 2005

Household penetration of digital media, July 2005 and October 2006

Media equipment	Households (%)	
	2005	2006
Digital TV (ie digital free-to-air and digital subscription*)	na	41.0
Digital free-to-air TV	13.0	29.6
Subscription TV	23.7	26.4
Hard-drive recorders	na	18.2
Internet (total)	66.6	69.3
Broadband	25.8	51.7
Dial-up	39.4	16.5
Audio-visual content streamed or downloaded	na	25.4
Watched on TV set	na	2.3
Watched on mobile device (incl. mobile phones)	na	11.5
Watched on computer or laptop	na	22.6

2005: N=1,148 television-using households; 2006: N=1,537 television-using households
*Assumes 90 per cent of subscription television is digital
na: not available

Digital terrestrial television broadcasting (DTTB), or digital free-to-air television, is currently being simulcast in digital alongside the existing analog services across most parts of Australia. DTTB will eventually replace the analog broadcast of these services. The five main free-to-air television services—Channels 7, 9 and 10 (and their affiliated regional services), the Australian Broadcasting Corporation (ABC) and the Special Broadcasting Service (SBS)—are available in digital to approximately 90 per cent of Australian households, provided they have the appropriate digital receiving equipment.

To receive the benefits of digital television, a minimum of either a digital set-top box (attached to an analog set or monitor) or an integrated digital television set is needed. Digital television uses a standard-definition television signal in a wide-screen format to provide better picture quality compared to current analog services. A superior picture quality is also available from high-definition television (HDTV), provided the viewer has a receiver and display screen capable of processing HDTV signals.

On 23 November 2006, the Minister for Communications, Information Technology and the Arts, Senator Helen Coonan, launched the Australian Government's Digital Action Plan—*Ready, Get Set, Go Digital*. A key objective of the plan is accelerated take-up of digital free-to-air television. It aims to ensure that government, industry, manufacturers, retailers, technicians and consumers work together for a smooth transition to digital. The government target for commencing digital switch-over is 2010 to 2012.

As part of its Digital Action Plan activities, ACMA developed a five-year community research strategy from 2007 to 2011. In 2007, ACMA will commission a third national annual digital media 'adoption' survey and qualitative research as a prelude to a more specific series of 'switch-over' surveys and other studies between 2008 and 2011.

ACMA is responsible for managing the conversion of television transmissions from analog to digital mode. ACMA (as the Australian Broadcasting Authority) developed legislative schemes for the conversion of commercial and national television broadcasting services from analog to

digital mode over a period of time. Under these schemes, ACMA develops digital channel plans, which determine the channels to be allotted in each area and assigned to each broadcaster, as well as the technical limitations and characteristics of those channels.

SURVEY RESULTS

The research consisted of a nationally representative telephone survey conducted in October 2006 by Eureka Strategic Research. The sample of 1,537 Australian households achieved a representative sub-sample of 455 digital free-to-air television adopters, which ensured a statistically meaningful result for this sub-group.

Nationally, 29.6 per cent of households indicated they received DTTB, more than double the penetration recorded in the 2005 study (13 per cent). It is estimated that approximately 41 per cent of households had either digital free-to-air television or digital subscription television. Of the 3,564 display devices used to watch television programs in the sample, 609 (or 17.1 per cent of the overall 'stock') were identified as DTTB-capable, compared with 7.1 per cent in 2005.

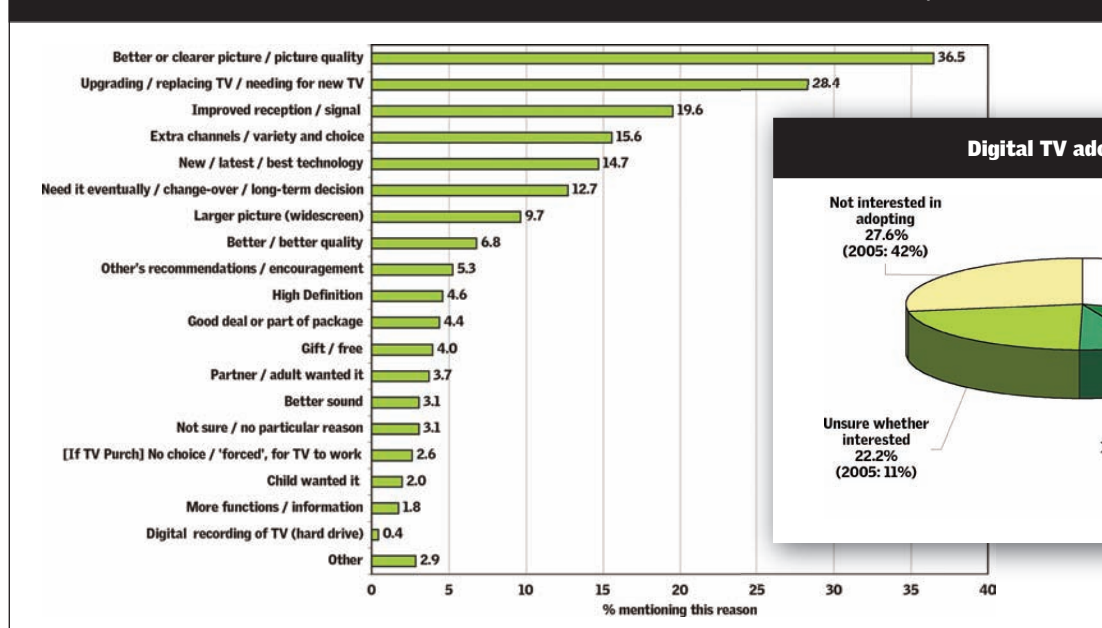
There were differences between households that had adopted, or were planning to adopt, digital free-to-air television, largely mirroring the 2005 results. Homes without digital free-to-air television had:

- significantly less subscription television and broadband connectivity
- a relatively high incidence of low incomes, and a relatively low incidence of high incomes
- a lower incidence of children aged under 16 years in these homes and
- a higher proportion of flats or apartments than homes or townhouses.

Of the non-adopter households, 70.7 per cent (49.8 per cent of all households) either were not interested or did not know whether they were interested in obtaining digital free-to-air television. An additional 6.5 per cent of all households indicated an interest in DTTB, but had no plans to adopt.

The report is on the ACMA website at www.acma.gov.au (go to About ACMA: Publications & research > Broadcasting publications > Research > Broadcasting research publications index).

Reasons for conversion, October 2006



Digital TV adoption-intention, October 2006

