

Global TV Market Review

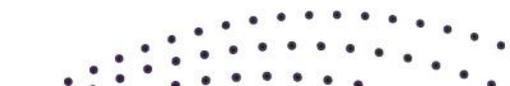
Paul Gray

Research Director

Consumer Electronics

paul.gray@omdia.com

November 2023



OMDIA

Connecting the dots
across the entire tech
ecosystem.

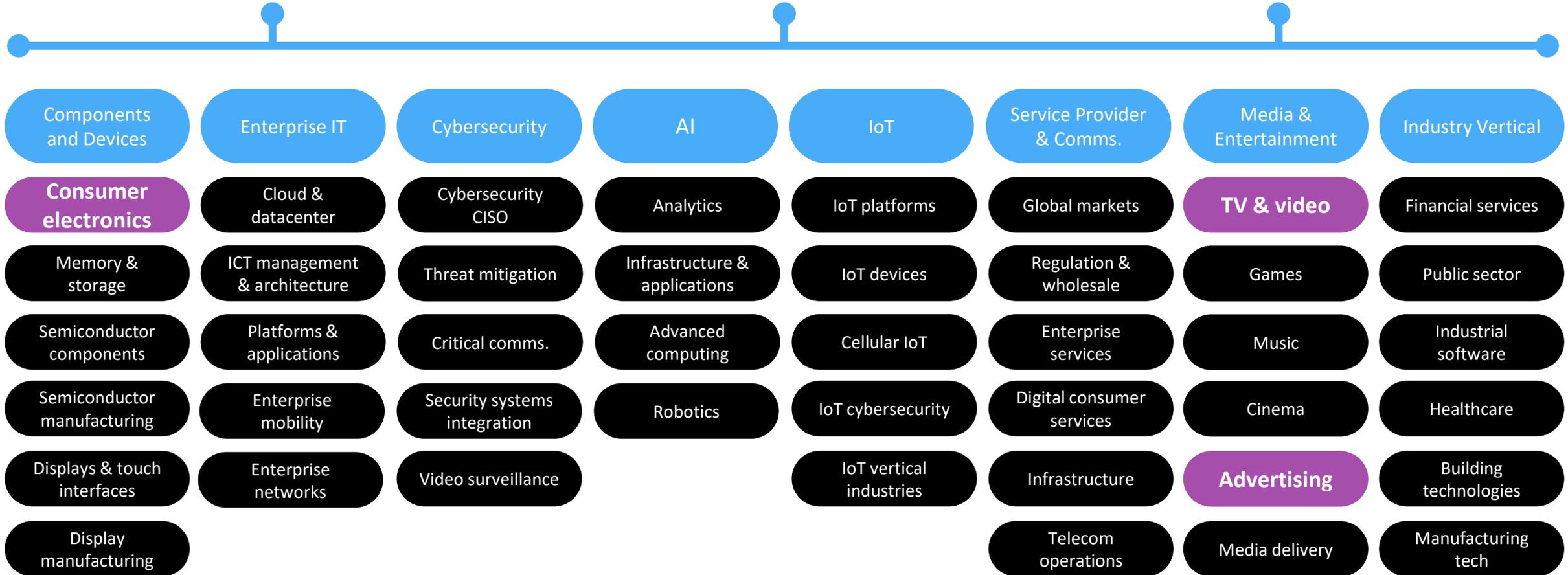
OMIA

Omdia expertise spans the TMT value chain

Components and Devices

Technologies and Applications

Services and Markets

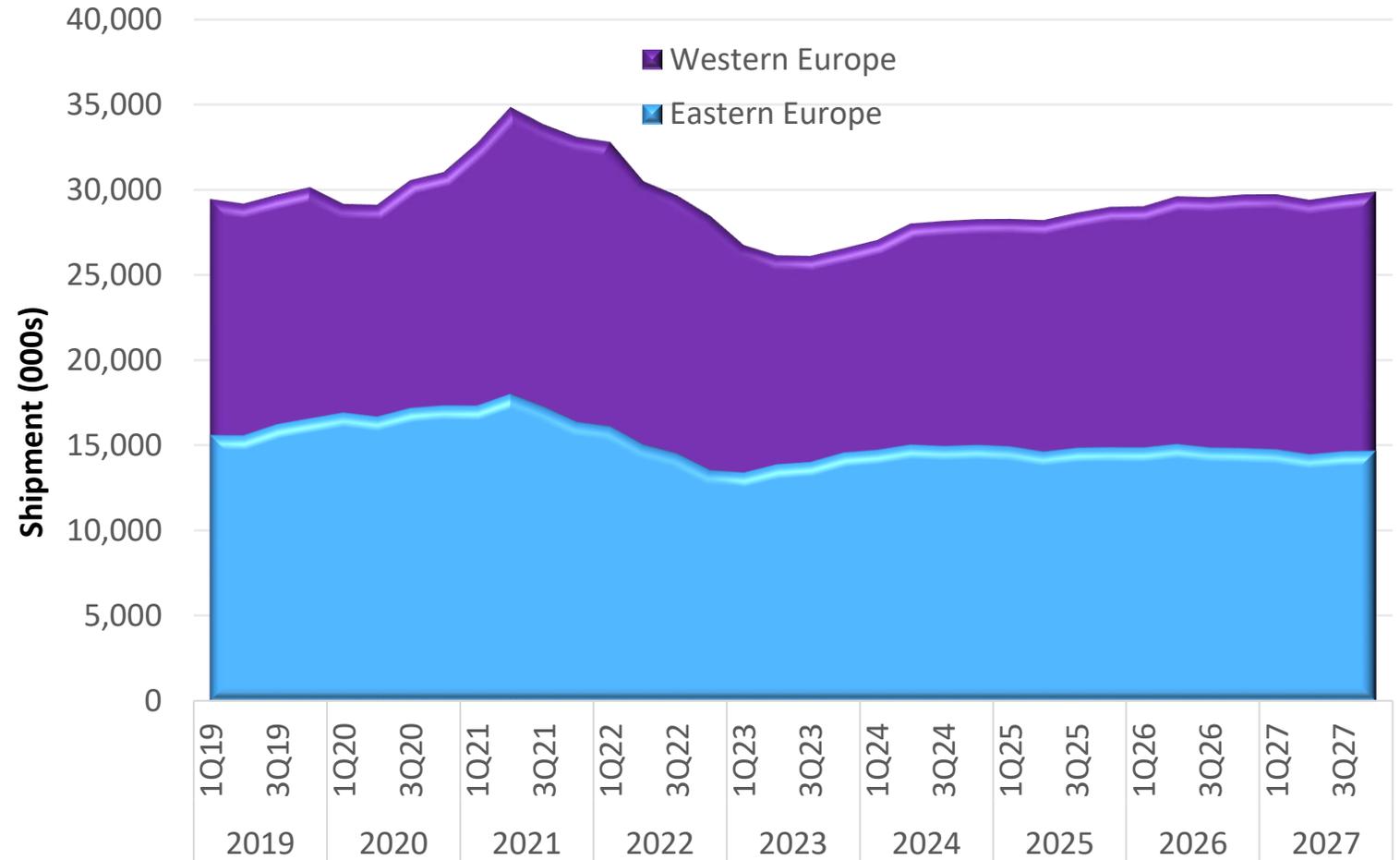


TV Sets

TV forecast overview

- Gradual recovery, but never returning to 2019 levels.
- Revenue continues to slide
- Consumers less brand and feature sensitive.
- TV Set industry lacks a growth model beyond screen size
- Brands seeking new business models: advertising

TV Shipment history & forecast



Source: Omdia

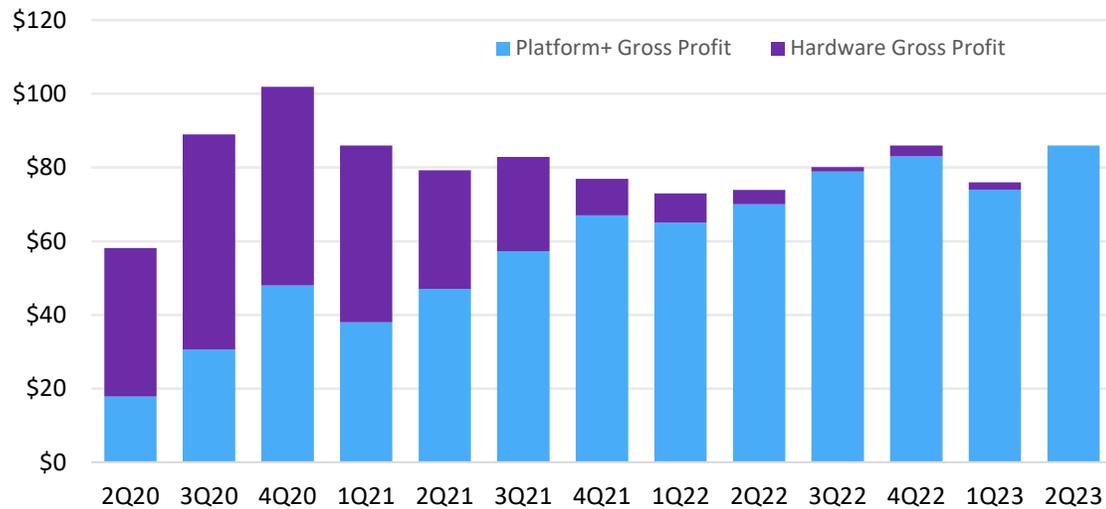
© 2023 Omdia

**Follow the
money...**

Vizio and Roku revenue

- Vizio’s smart TV platform revenue \$533m last four quarters (3Q22–2Q23), average \$133m per quarter. Profits \$322m (3Q22–2Q23) at 60% margin. Platforms 100% of profits in 2Q23.
- Roku’s platform revenue grown to \$2,777m in the four quarters (3Q22–2Q23), average \$694m per quarter. Platform profits \$1,510m (3Q22–2Q23) at a 54% margin. Roku plans only break-even on hardware.

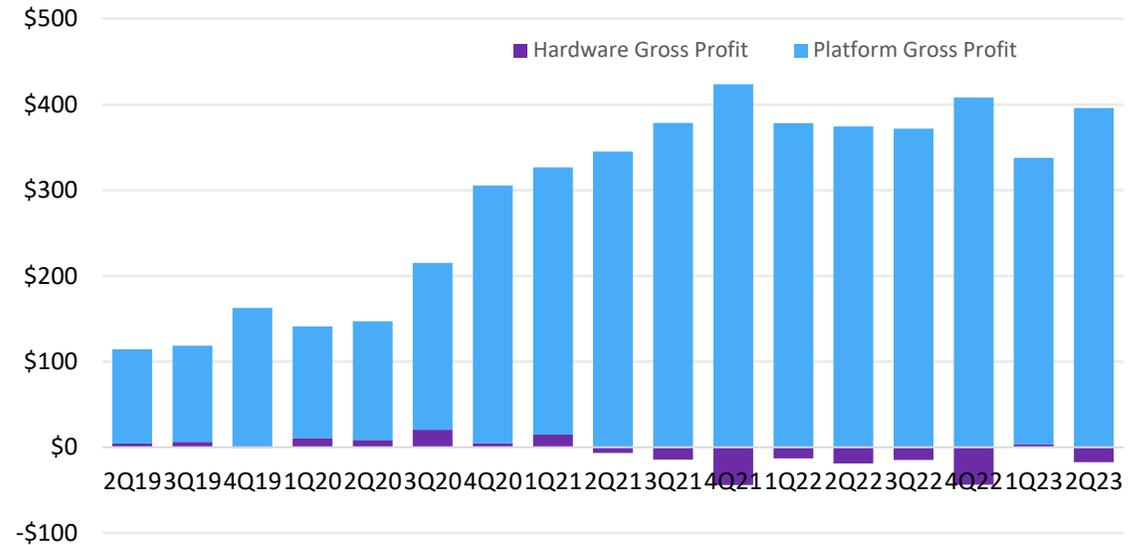
Vizio quarterly profits (\$m)



Source: Omdia

© 2023 Omdia

Roku quarterly profits (\$m)

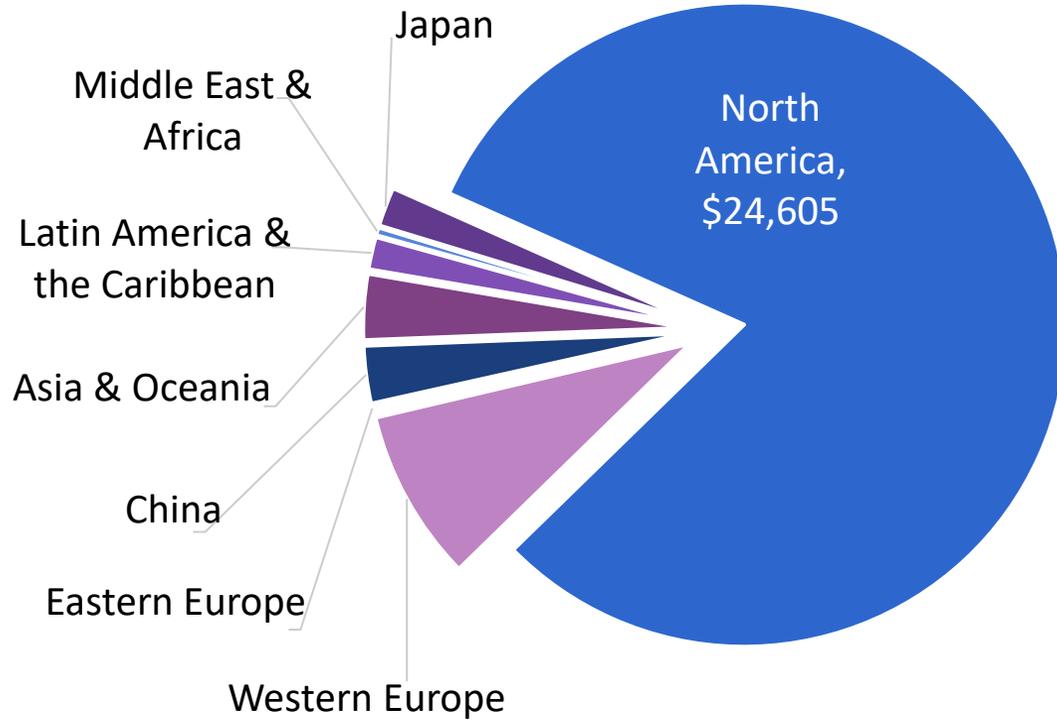


Source: Omdia

© 2023 Omdia

North America totally dominates smart TV advertising revenue

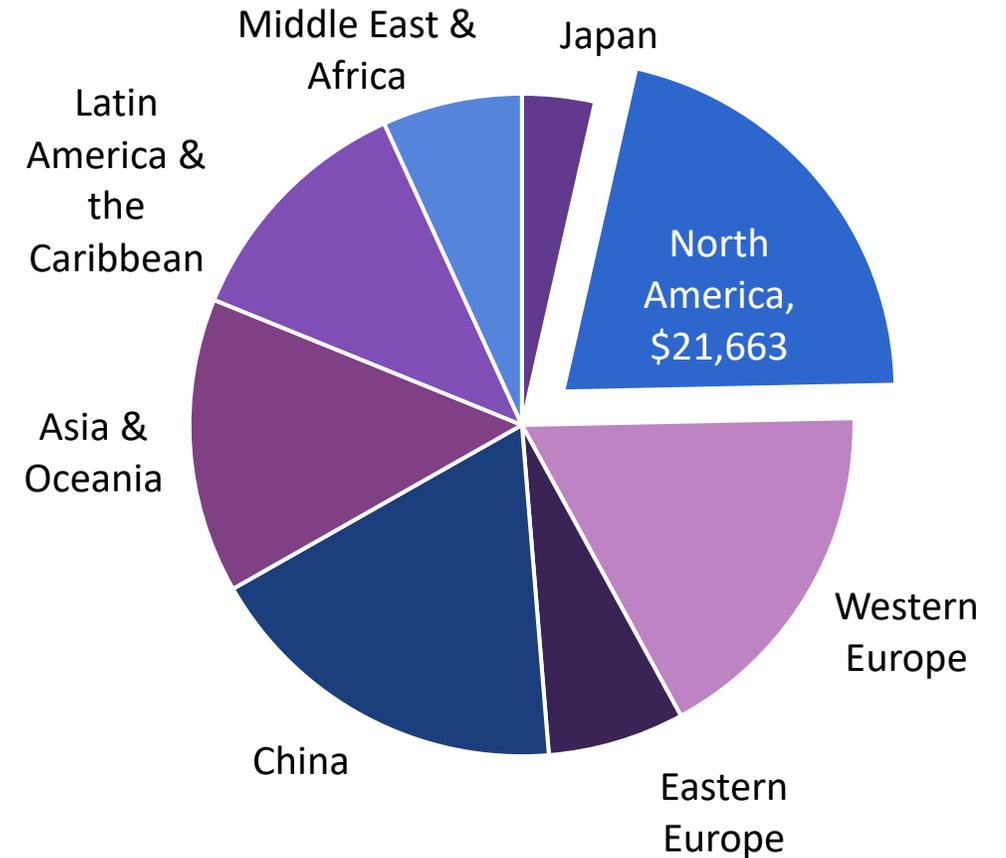
Smart TV advertising revenue, 2022 (\$m)



Source: Omdia

© 2023 Omdia

Total global TV hardware revenue, 2022 (\$m)

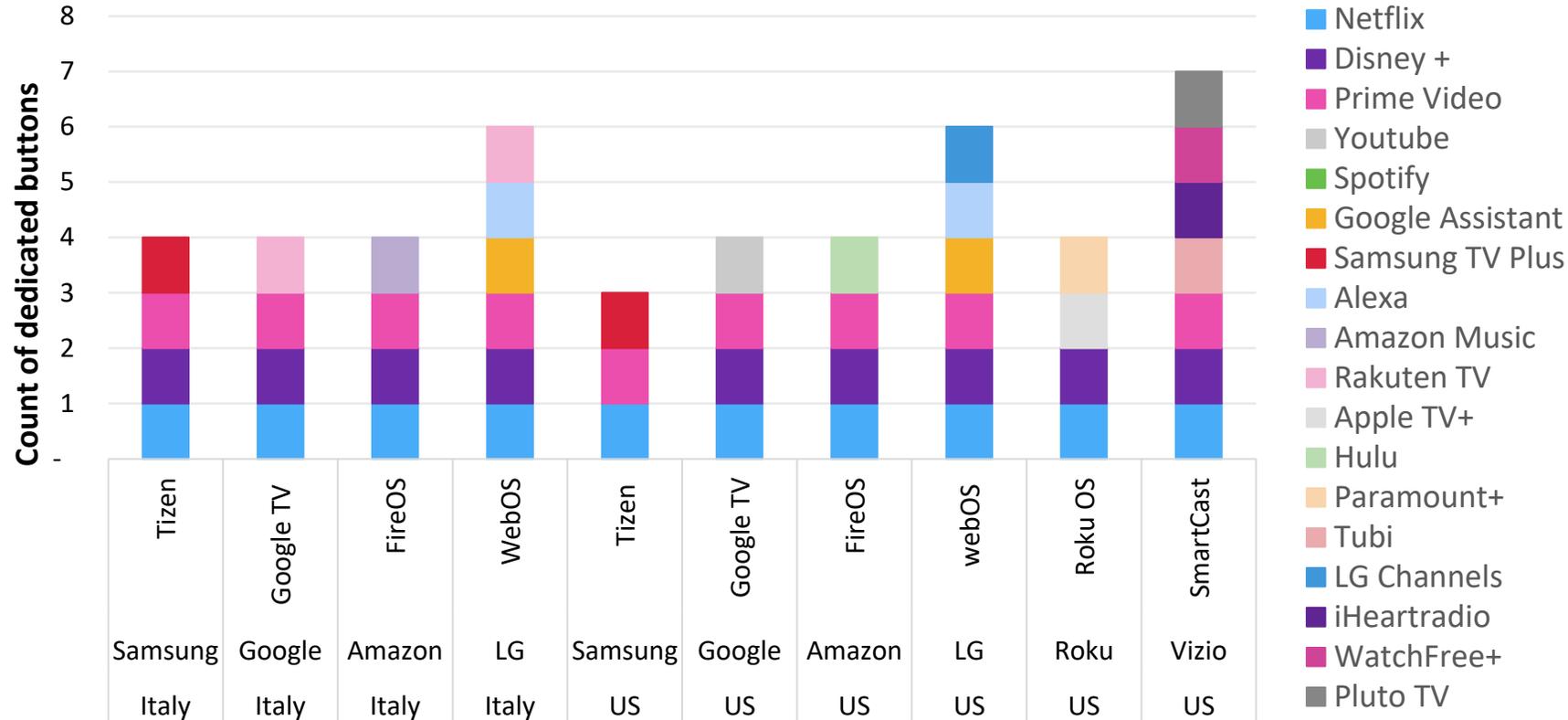


Source: Omdia

© 2023 Omdia

Remote Button Battleground: 7 and counting!

Dedicated Remote Control Service Buttons: Omdia Hardware and Platforms Tracker – 2023



Source: Omdia

© 2023 Omdia

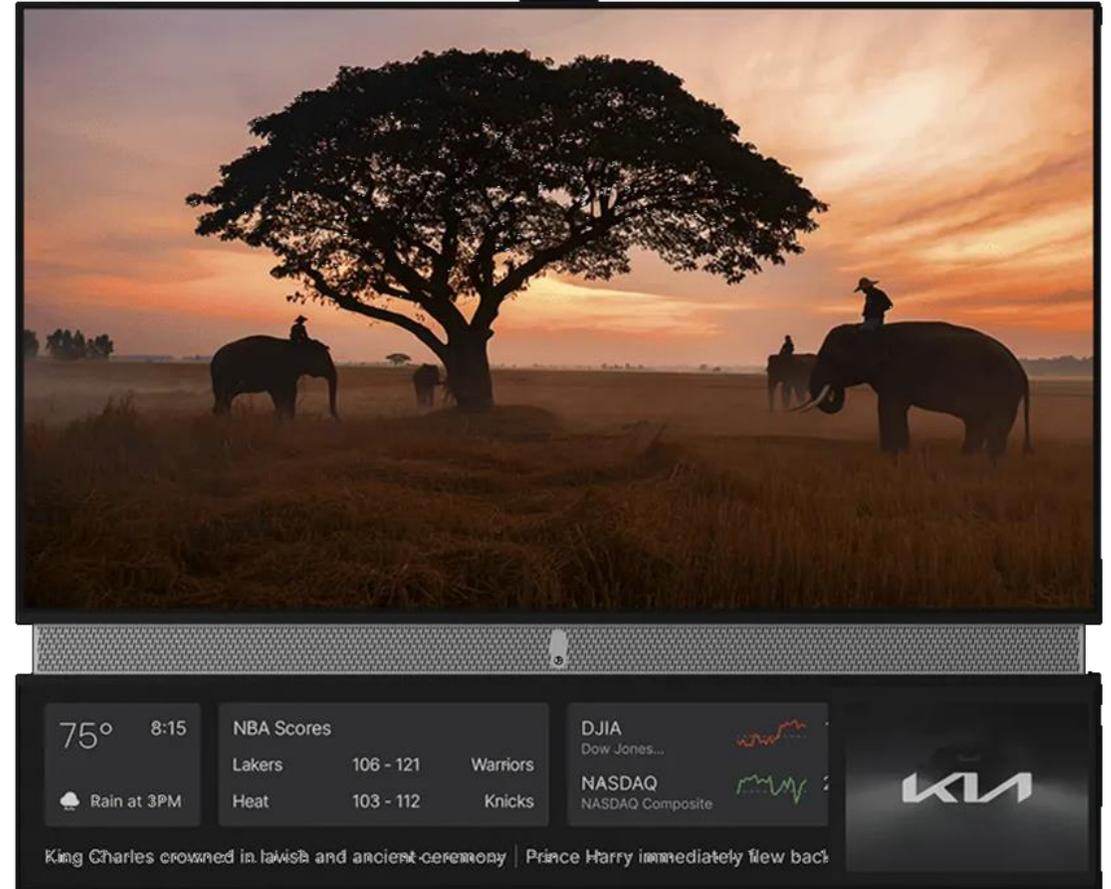
Source: Omdia Hardware and Platforms Tracker – 2023



Free TVs?

- 'Telly' in the US promises a free TV with a streaming subscription
- Targeting 500,000 subscribers
- Hard to see how this business model works
- Around \$20/year revenues from competitors
- Credit risk, cost of finance (need \$250M just for sets)
- Are such consumers attractive to advertisers?
- Chinese brands like LeTV tried and failed in 2016-19.

Telly TV, from Freetelly.com



Source: Freetelly.com

© Omdia 2023

How Platforms Can Make Money...

- Targeted Advertising placement
- Banner ads on home screen
- Click-through on ads
- Audience data
- Service placement on home screen
- Finder's fee (and revenue share) for VOD services
- Remote Control buttons

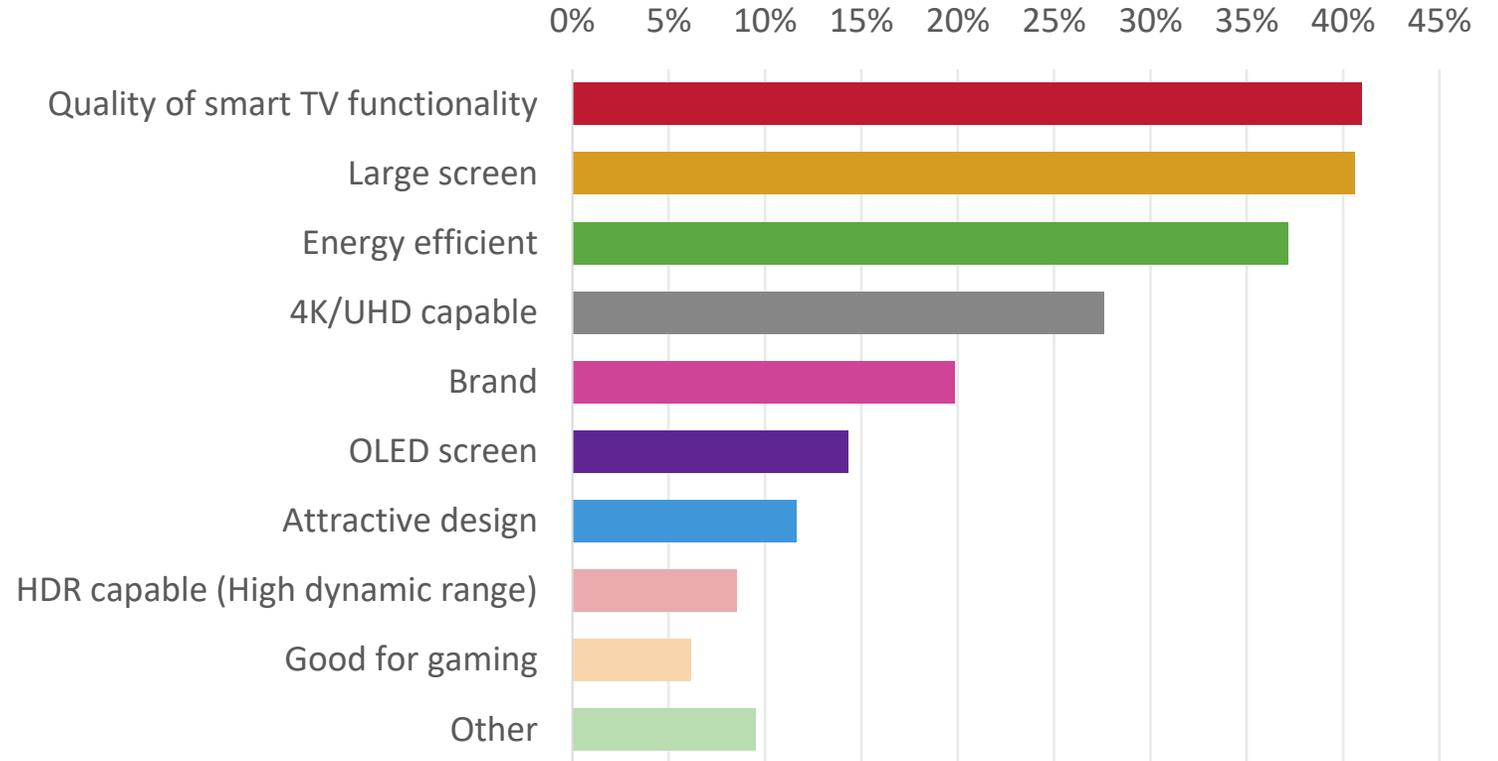
But Other Participants Demanding a Share...

- Tivo OS promises to share platform revenues with brands
- Retailers already being rewarded in some partnerships

Consumers sensitive to usability: but will it sell TVs?

TV Purchase Considerations, (France / Germany / UK, Apr '23)

- **Consumers increasingly aware of ease of use**
 - A dissatisfier after purchase?
- More important than brand!
- UHD a weak motivator (comes for free in large screen anyway)



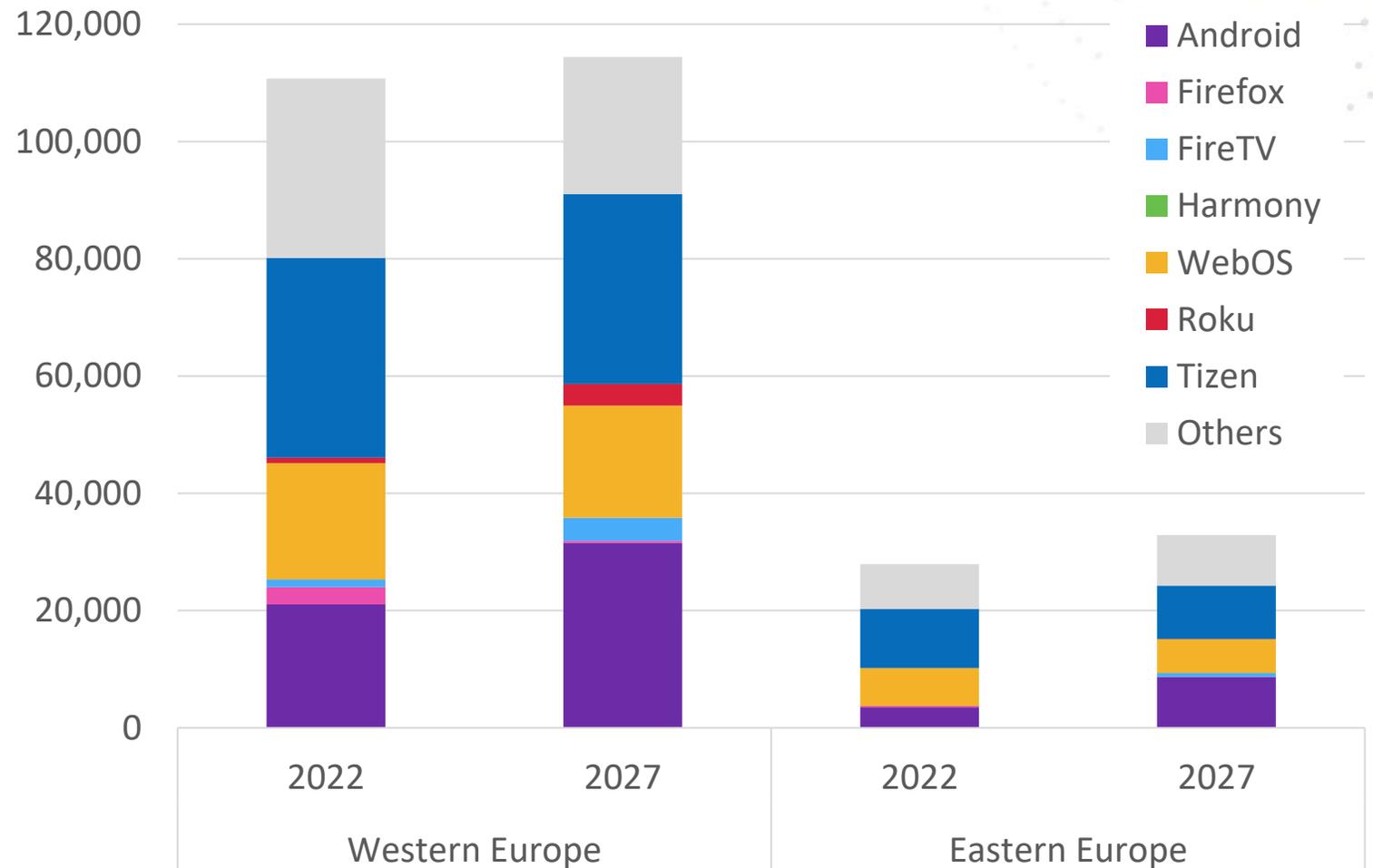
Source: Omdia

© 2023 Omdia

Installed base by active OS platform: Europe exc. Russia

- Europe is 3-way battle between Android, Tizen & WebOS
- Roku and FireTV aggressive in select countries

Smart TV household forecast comparison by OS (millions)



Source: Omdia
Note: excludes Russia

© 2023 Omdia

TV Services

**App Silos don't serve
the consumer**



HbbTV Opportunities:

- What is Hbb's part in solving the search and silo problem?
- How can Hbb add value to broadcasters and bridge into streaming?
- How to manage a world where TV brands are more motivated by subscribers than hardware?

Get in touch!

 paul.gray@omdia.com

 [linkedin.com/in/paul-gray-873491/](https://www.linkedin.com/in/paul-gray-873491/)

 [@paulgray_DS](https://twitter.com/paulgray_DS)

 OMDIA

Thank you

Disclaimer

The Omdia research, data and information referenced herein (the “Omdia Materials”) are the copyrighted property of Informa Tech and its subsidiaries or affiliates (together “Informa Tech”) or its third party data providers and represent data, research, opinions, or viewpoints published by Informa Tech, and are not representations of fact.

The Omdia Materials reflect information and opinions from the original publication date and not from the date of this document. The information and opinions expressed in the Omdia Materials are subject to change without notice and Informa Tech does not have any duty or responsibility to update the Omdia Materials or this publication as a result.

Omdia Materials are delivered on an “as-is” and “as-available” basis. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, or correctness of the information, opinions, and conclusions contained in Omdia Materials.

To the maximum extent permitted by law, Informa Tech and its affiliates, officers, directors, employees, agents, and third party data providers disclaim any liability (including, without limitation, any liability arising from fault or negligence) as to the accuracy or completeness or use of the Omdia Materials. Informa Tech will not, under any circumstance whatsoever, be liable for any trading, investment, commercial, or other decisions based on or made in reliance of the Omdia Materials.

Get in touch!



customersuccess@omdia.com

 @Omdia



@OmdiaHQ