



The Communications Market: Digital Progress Report

Digital TV, Q3 2010

This is Ofcom's twenty-eighth Digital Progress Report covering developments in multichannel television. The data are the latest available at the time of writing and include quarterly take-up figures derived from consumer research, alongside subscriber figures reported by platform operators and device sales data.

Q3 2010

Overview

- 1.1 **Consumer survey results for the third quarter of 2010 show that take-up of digital television in UK households stood at 92.6%, up by 3.1 percentage points year on year. This figure was flat quarter on quarter.**
- 1.2 **Consumers are continuing to convert additional sets in the home. Almost three-quarters (74.0%) of all *secondary* TV sets had been converted to digital by the end of June 2010. This was up by 6.7 percentage points in a year and also up by 3.3pp quarter on quarter.**
- 1.3 **Taking these figures together, 82.4% of all TV sets had converted to digital television by the end of Q3 2010.** This was up 3.9pp year on year and also up by 2.3pp quarter on quarter. The remaining 17.6% of sets continue to receive analogue terrestrial broadcasts.

Other findings

1.4 Other findings in the third quarter of 2010 include:

- Sales of DTT-enabled equipment reached 2.5 million units in Q3, this total was down by 12% on Q3 2009. Integrated digital television sets (IDTVs) accounted for almost 76% of sales in the quarter (1.9 million units). Almost all TV sets sold (99.5%) now include an integrated digital decoder. Freeview set-top boxes accounted for over 608,000 sales in the quarter.
- In the year to Q3 2010 13.7 million DTT units (IDTVs and set-top boxes) were sold, compared to 13.4 million in the previous year, an increase of 2.4%.
- Ten million homes claimed that DTT was their primary means of digital TV reception. This was equivalent to 39.1% of all homes and was up by 1.1 percentage point on a year ago.
- According to our consumer research results for Q3, around 1.6 million homes claimed to have access to some form of free-to-view digital satellite device on any set in the home. This was up from around 600,000 a year ago.
- The Q3 survey also indicated that almost 9.4 million, or 36.8% of homes, received pay-satellite TV services, up 1.8 percentage points year on year. Separately, BSkyB reported that it added 96,000 subscribers to its pay television service in the UK and the Republic of Ireland during the third quarter; we estimate that around 80,000 of these were UK additions.
- Research results for Q3 show that 13.1% of homes took cable television, up from 12.4% a year before. Separately, Virgin Media reported net additions of almost 15,000 TV subscribers, with a total TV customer base now over 3.76 million. Digital cable added over 17,000 subscribers in the quarter (including conversions from analogue cable), with 99.4% of all cable television customers using digital cable services by Q3 2010.

Background on survey methodology

The GfK consumer research used in this report is based on a panel of 12,000 homes surveyed quarterly via the internet and by telephone. The survey provides data on ownership and acquisition of television sets and related receiving equipment. The ratio of online to telephone interviews is designed to specifically meet demographic representative quotas. The error margin for the research results is estimated to be within 1-2 percentage points, (up to +/- 500,000 homes).