

Executive Summary

Interest in electronics is increasing, as a larger number of available devices leads to increased consumer interest. An In-Stat/MDR online survey of our Technology Adoption Panel (TAP) conducted in October of this year reaffirms this trend, showing consumer interest in currently available products as well as new ones.

While the 604 survey respondents included more male respondents, higher-end consumers, and early adopters than are found in the general public, many of the results were quite notable. Interest in mobile electronics, which was the primary focus of the survey, indicated that while consumers may currently own a product or express an interest in purchasing one in the near future, they have specific ideas about the features and components the devices should have. A few examples from the four segments of the survey include:

MP3:

Of the 19.2% of respondents in the survey indicating they own an MP3 player, about 90% were over 35 years of age. While the majority of respondents in the survey sample skewed older (70% over 40), it is still interesting in that it shows that these products are attractive to a broad consumer age demographic.

Survey results also showed what types and brands of MP3 players users owned, capacity of current product and what is desired for their next device, and how much they were willing to pay for another MP3 player in the next year.

Online Music Services:

About 31% of the total respondents had downloaded music from the Internet, most using a broadband Internet connection. The percentage of those who had paid for downloaded music was almost equally divided, with the percentage of those who had paid for it rising nearly 20% from 2003.

Survey results also indicated demographic information about those downloading music, which services they had used, how much users had spent, and whether they had purchased individual tracks, streaming music, or albums.

Handheld Audio Video Players:

Since this is a relatively new product segment, it was interesting that over 30% of the respondents indicated they were familiar or very familiar with these devices. This may signify that marketing and media attention does influence product awareness, especially for new product categories.

Other survey questions revealed information about respondents' interest in purchasing one in the future, capacity desired, which features and functionality they were most interested in using, and the price they were willing to pay.

PDA's:

The majority of those owning PDA's indicated they owned a Palm OS-based device. However, the percentage of respondents owning PDA's fell about 10% since last year's survey.

Survey results also pointed to interest in new features, frequency of use of the Internet, and prices users were willing to pay.