

# Despite coronavirus pandemic, consumers still turned on by big-screen TVs

July 21 2020, by Mike Snider, Usa Today

---



Credit: CC0 Public Domain

Even the coronavirus pandemic cannot sate Americans' appetite for big TVs.

During the spring as state and local regulations across the U.S. recommended people stay at home, consumers purchased televisions at levels normally seen during the [holiday season](#).

Some used the \$1,200 government stimulus payments they were sent to buy a new TV, while others took funds originally targeted for vacations.

Sales of TVs 65 inches and larger were up 53% (in units) over the first half of 2020, according to research firm The NPD Group. Especially big sellers were TVs bigger than 65 inches, which were up 77% in April-June, compared to a year ago.

With prices on 65-inch displays dropping, NPD had expected sales to be up this year, but were forecasted as about 20% higher than a year ago. The sales surge happened despite many workers being laid off and furloughed.

"Obviously the numbers have accelerated as the pandemic has kept many people in their homes," said Stephen Baker, The NPD Group's vice president of industry analysis.

"During the pandemic, TVs have served as a refuge for people, as we have seen double-digit increases in sound bars, streaming players, and mounts."

The average price for a 65-inch TV in the April-June period was \$644, about \$200 lower than the same time a year ago, NPD says.

At Video & Audio Center stores in Los Angeles, sales of the largest display it carries, a 98-inch Samsung 8K TV, have exceeded expectations. When the retailer began selling the \$60,000 8K display at its Santa Monica store on the last weekend of June, it sold three quickly. Since then, the chain has expanded sales of the display to its other four

L.A. area stores.

"Big screen sales are definitely up. It's all part of COVID-19 because people are spending more time at home for business and personal activities," said Tom Campbell, chief technologist for Video & Audio Center stores in Los Angeles. "As such the television is becoming an essential communication device."

Screens larger than 75 inches have become one of the fastest growing segments of the market, says James Fishler, senior vice president for Home Entertainment at Samsung Electronics America. "As consumers spend more time at home, work from home, and even teach their kids from home, they've invested more in home improvement projects to make their homes more comfortable and enjoyable," he said.

Competitor LG, too, has seen double-digit growth in premium TVs, priced at \$1,000 and up, in spending and number of sets sold since mid-March, says John Taylor, senior vice president of public affairs and communications at LG Electronics U.S..

"People are rethinking how to spend their discretionary income," Taylor said. "And the more time we spend at home, the more time we are exposed to this plethora of amazing content streaming and otherwise, people are going to want the biggest, best experience in their living room they can get."

This surge in consumer spending on TVs may not offset a likely down year for TV sales, according to the Consumer Technology Association's latest forecast, out Monday. Overall, the CTA projects a 2.2% decline in 2020 in sales of technology from smartphones and wireless earbuds to streaming services and video game consoles.

TV makers are expected to ship 39 million TVs in 2020, down 6% from

2019, CTA projects. And projected TV sales revenue of \$21 billion represents a 14% decline. But sales of higher-end TVs including 4K Ultra High Definition sets will surpass sales of 2019.

Many households added a display in March and April "to ease the pressure on the family TV" or decided to upgrade their TV ahead of schedule, said Steve Koenig, CTA's vice president of research. Then, federal stimulus dollars that began arriving in April also drove some consumers to buy new TVs.

"We see a different scenario playing out the rest of the year," Koenig said. "The second half of the year and more importantly holiday is going to be a lot weaker for TV sales because if you upgraded your flagship display in March you don't need to upgrade again at end of the year."

(c)2020 U.S. Today

Distributed by Tribune Content Agency, LLC.

Citation: Despite coronavirus pandemic, consumers still turned on by big-screen TVs (2020, July 21) retrieved 4 February 2023 from

<https://techxplore.com/news/2020-07-coronavirus-pandemic-consumers-big-screen-tvs.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.