

Press Release



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New Report: The Multimedia Future of Next-Gen Game Consoles Remains Uncertain

June 29, 2007 (Dallas, Texas) – According to new research from The Diffusion Group, though 80% of game console households own a console capable of some form of DVD playback or online download, only 13% have used their game console for movie viewing purposes (some eight million U.S. households). Among this small segment, the vast majority (74%) use only DVD for movie viewing, while approximately one-fourth have also ventured online to purchase or rent a digital movie download.

“Today’s next-generation games consoles such as the Xbox 360 or Sony PS3 are true digital multimedia powerhouses,” said Dale Gilliam III, director of primary research and author of the report. “Yet very few of these devices are connected to the Internet and, even though these same platforms may feature a high-definition DVD playback system, very few consumers are using them for non-gaming media applications.”

Other key findings of TDG’s new report include the following:

- Approximately half of U.S. broadband households have at least one game console (GC) in the home with 15% having two or more game consoles;
- Among broadband households that own a game console, 52% have a console in their family or living room, compared to 24% with a GC in the second bedroom, and 21% with a GC in the den or game room;
- Though the majority (80%) own a console capable of playing DVDs, only 30% stated that they owned a console that it actually enabled DVD playback – a fact that demonstrates how poorly many consumers understand the capabilities of today’s game consoles and a major barrier to persuading consumers to start using these platforms for non-gaming media consumption.
- Among those that own a game console connected to the Internet, 42% have used their game console to watch watched an Internet-based movie on their TV.

TDG's latest report on new media usage, [On the Use of Game Consoles for Movie Viewing](#), features quantitative research and analysis based on a survey of 2,000 U.S. broadband heads-of-household and details the media consumption habits, technological proclivities, and demographic characteristics of this emerging segment. The report also offers a top-level discussion of how operators can leverage the growing connected game console audience for delivering an "over-the-top" online movie download service.

About TDG

The Diffusion Group is a market planning and research firm dedicated to keeping our clients *In Front of the Curve*.™ Since 2004, TDG has helped more than 250 technology leaders, media companies, and service providers to understand and manage the quantum shifts now impacting how consumers access, navigate, distribute and consume media – whenever and wherever they may be.

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