

# *Monthly Report Extract*

March 2009



impulsa tdt

The success of the advertising campaigns that both Impulsa TDT and the Ministry of Industry, Tourism and Commerce launched between November 2008 and January 2009, has caused the equipment in Spanish homes to grow at a greater pace. Sales over the Christmas period (December/January) exceed 2.1 million DTT receivers, which makes up some 26% of total TV viewing and thus favours the increase in the viewing of digital terrestrial technology at a time when only four months remain before Phase 1 of the analogue switch-off.

#### HIGHLIGHTS

- **The one million mark was passed once again in January with 1,123,439 DTT tuners sold, thus beating the figure that was reached last December.**
- **The total sale of DTT equipment sold since 2003 numbers over 16.3 million.**
- **TVs with inbuilt DTT reach over half a million units with most sales coming from flat-screen TVs (46.5%).**
- **By February 2009, up to 48.5% of Spanish homes have access to DTT.**
- **With regard to penetration, an autonomous region hits 60% for the very first time with Catalonia now registering 60.6% of homes that are completed modified to receive DTT.**
- **In February, DTT share comes to 26% of the total viewing figure after enjoying a monthly increase of 2.2 points.**
- **Over 12 million people have watched DTT each day for at least one whole minute in February.**

## DEVELOPMENT IN THE SALE OF DTT TUNERS

### **New sales record in January: 1.1 million DTT set of equipment**

If a development landmark was reached in December 2008 in the sale of DTT equipment with the figure passing the one million mark for the very first time, then the month of January sees this number go even further with a record 1,128,000 tuners sold.

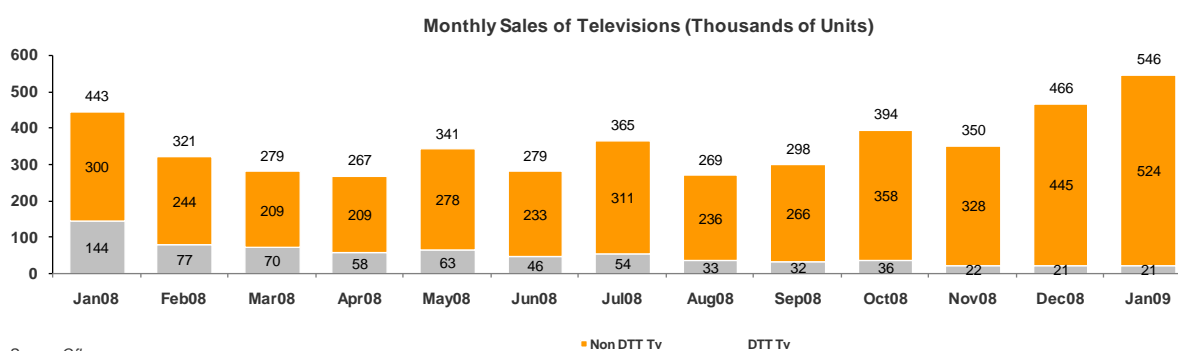
Therefore, the cumulative sales figure for January 2009 comes to 16.3 million units, which is a figure that takes into account all purchases made since the start of the digitalization of TV back in March 2003.

### **Over half a million TVs with DTT are sold in just one month**

Equipment with inbuilt DTT contributes the most to this outstanding monthly increase. The fact is that in January, 756,000 devices of this kind were sold which represents 67% of the total number of equipment and is also 107,000 more than December.

All the categories of inbuilt equipment achieved all-time highs last January: TVs with DTT passed the half million mark for the very first time in terms of monthly sales of units (524,264 to be precise) thus making up 46.5% of all tuner sales. The number of DVDs with DTT comes to over 185,000 devices, while the sale of digital terrestrial tuners for PCs numbers a little over 46,000.

When it comes to DTT external equipment, we find that the figure recorded for December is practically repeated: some 368,000 units.

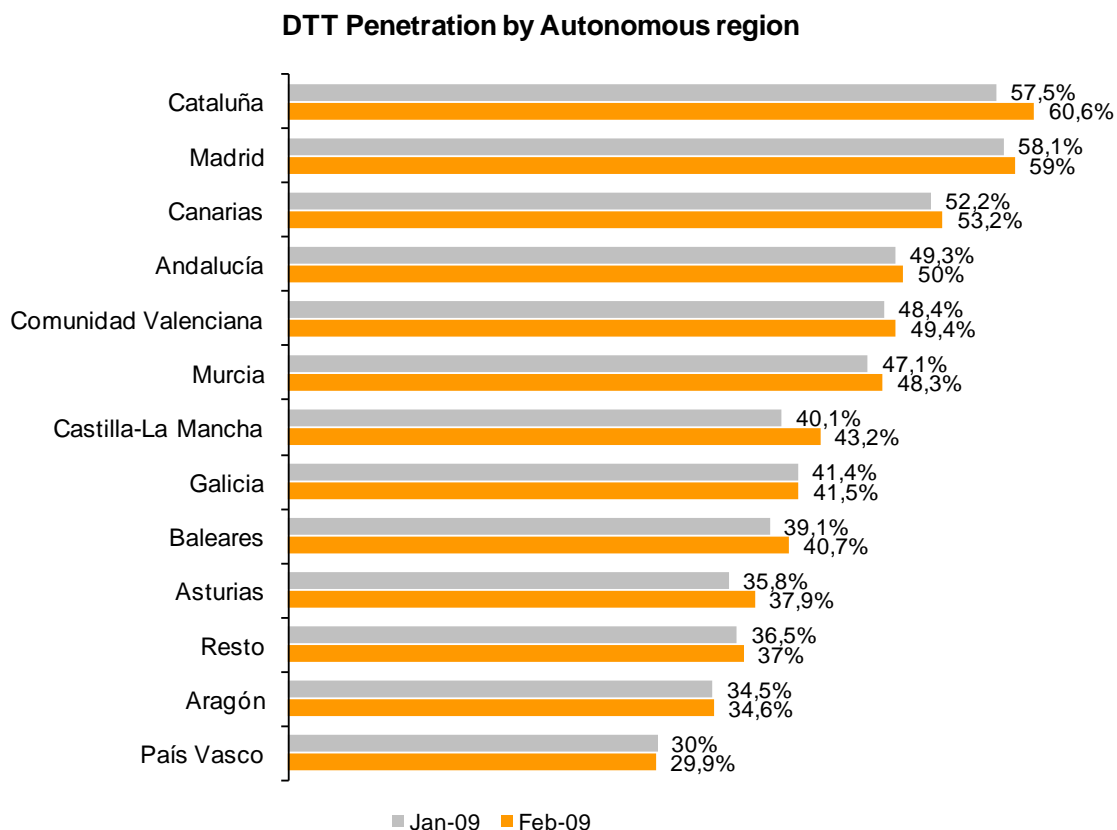


## DTT PENETRATION IN HOMES

### DTT is now found in 48.5% of homes

Data for DTT penetration in the principal home, which is provided monthly by TNS Audiencia de Medios, indicates that in February this category reached 48.5% of the total number of Spanish homes. When compared to the previous month, we find the increase to be 1.2 points. Therefore, overall figures reveal that some 200,000 new homes were added to those that can be called fully prepared for the transition to DTT in February.

Catalonia tops the list of regions with the highest DTT penetration and reaches 60.6% of homes. Second place goes to Madrid where DTT is found in 59% of homes. Penetration is placed at 53.2% in the Canaries and also Andalucía, which recorded 50%, can be added to the group of regions where DTT is found in at least half of all homes.



Source : Sofres

## DTT VIEWING

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### **DTT achieves a 26% screen- share in February**

Once again, the most noteworthy aspect of the viewing distribution in the general context of the market has been the dominant role of DTT that has seen a 2.2 point-growth in share over January. It now makes up 26% of total viewing.

The share that DTT achieved in February shows a double record: first of all, this 26% is the highest figure ever recorded for free digital TV, and secondly on it is the result of the highest monthly increase that has ever been attained.

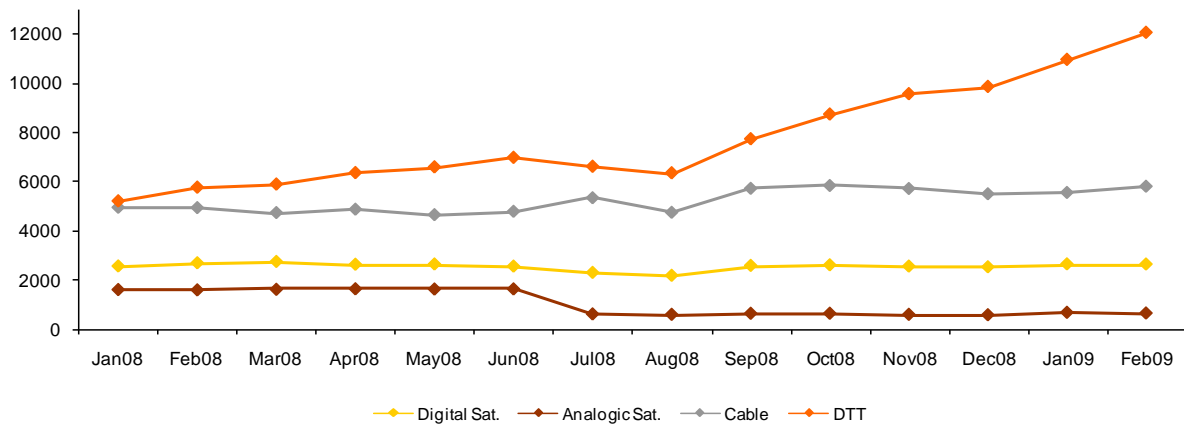
Between November 2008 (the first month which passed the 20% share-mark) and January 2009, the monthly increases were around the 2-point figure, while this figure is clearly overtaken in February 2009. As a result of this, over the last four months DTT screen-share has risen by 7.7 net points.

With regard to autonomous regions, four of them currently break the 30% “barrier” of digital share. Madrid remains in first place for DTT use with a share of 34% and a monthly increase of three points, followed by Catalonia with 33.2% and a monthly growth of 3.4 points. The Valencia Region (31.5% share) and the Canaries (30.1%) join those territories that pass the 30% mark.

### **DTT Daily Average Reach Exceeds 12 Million People**

In February, the number of people that, on average, view DTT for more than one minute each day has also experienced a remarkable acceleration. The reach achieved during this month was some 12.04 million people that turns out to be 1.1 million higher than the previous month. The exceptional sale of DTT equipment over the Christmas period is closely related to the regular use of DTT that has also rocketed and sees the addition of 2.4 million new users.

Average daily contact by distribution medium (thousands of individuals)



Source: Sofres

## CONCLUSIONS AND EVALUATIONS

The strong growth seen in DTT categories that is highlighted in this report enables us to speak about a standardized use of digital terrestrial technology. However, given the fast-approaching analogue switch-off date for Phase 1 of the National Technical DTT Plan, which is set for June 30, 2009, Impulsa TDT wish to underline just how close we are to the partial “switch-offs” that will take place in upcoming months.

It is vital to remember that although the three dates set for the analogue switch-off that correspond to the phases that are outlined by the PNT, the ‘A.S.O.’ is programmed to take place among 90 Technical Projects in a staggered way. This means the 1,286 towns included in Phase 1 will start to experience the A.S.O. this spring and the final deadline for all of them is June 30, 2009.

Therefore, on exactly March 23, only 100 days will remain before the Phase 1 analogue switch-off deadline. As an obvious result of this timeframe, Impulsa TDT and other organizations are stepping up the needed work that is involved in the changeover process:

- Approval of the satellite solution so that 100% of the Spanish population will have access to free view TV, thus making the distribution of the signal easier in those areas where terrestrial broadcasts and re-broadcasting of the signal is not a viable option.
- Aid provided by some regions so that community buildings can get their antennas converted. Given the need for qualified personnel and the time involved, the correct modification is of utmost concern.

- Aid provided by autonomous regions so that homes receive a DTT receiver and thus allows them to be properly equipped.
- An increase of coverage by the C.C.A.A.
- DTT information campaigns at a regional level that is aimed at citizens.
- The approval of protective measures for the consumer. The Ministry of Industry, Tourism and Commerce has given the logo “Switchover to DTT” to DTT tuner manufacturers as well as distributors and manufacturers of DTT equipment. This is to act as a reminder not to leave the necessary conversion to the new technology to the very last minute.
- Corporate agreements relating to conversion in public premises, such as hotels and other places with a high number of audiovisual devices, made with manufacturers and associations with a view to getting these areas prepared for the analogue switch-off.

It is worth mentioning the initiative taken by the Lleida Town Council that will organize an event on the first and second of April called the “3, 2, 1 DTT!” Forum- whereby reporters, presenters and managers from the audiovisual sector will analyze the arrival of DTT in our country.

All such tasks have a positive multiple affect on the conversion of homes, as it generates and leads to other types of activities that aid the changeover process:

1. The ‘word-of-mouth’ effect that is being produced more and more as DTT users play an increasingly important role as recruiters for the members of the public who have yet to install DTT in their homes.
2. The offers launched for DTT receivers in different parts of the media that make these tuners available by different means (large department stores, IT channels, etc.)
3. A constant media hype that all these current events are causing due to the technology migration and thus allowing DTT to appear daily in the media.
4. New channels and contents that are exclusive to DTT by means of broadcasters.

However, despite the positive general data and the ever-growing awareness of the many characters that play a part in the process, the Association is still concerned about the pace of antenna conversions and the feared ‘bottle-neck’ effect that may take place due to the high demand for this service and the eventual situation where technicians are unable to adequately keep up with all the work that they have been asked to do.

This could start to happen in the very near future, especially in towns that are included in Phase 1, as not only the installation work but also the necessary checks for the signal reception must all be done well in advance.

At Impulsa TDT, we estimate that the reasonable amount of time that is needed to modify antennas is at least three months prior to the analogue switch-off. So then, this fact brings us to a critical point when we consider the many buildings that still need to have this necessary work carried out. Hence, considering that some towns will start to be switched off before June 30, the time limit is very tight.

Document compiled with data from Gfk y Sofres and the collaboration of Aptivo y Corporación Multimedia

For more information: [www.impulsatdt.es](http://www.impulsatdt.es)