

The Web: An iPod for your car

April 5 2006

Would you like some digital music downloaded directly to your dashboard -- not just your desktop? That may be the next phase of mobile music, as automotive aftermarket suppliers and computer and consumer electronics companies eye autos as the latest, emerging market for Internet music distribution, experts are telling United Press International's The Web column.

Last year some 700 million mobile phones were sold globally, making the cellular devices the hub for downloading digital content from the Internet.

A new survey released this week by Boston-based Strategy Analytics demonstrates that 47 percent of new car buyers in the United States, the United Kingdom, Germany and France already own an iPod or another MP3 player. Another 35 percent are planning to buy a digital music player during the next year. Most tellingly, according to the survey, about one-third of those polled indicate that they want an interface of some sort for their car to enable them to play their MP3 song collection through the car's audio system.

This is an opportunity for Detroit, whose sales figures are languishing, to revive their brands, experts are saying. "If car makers react quickly by launching MP3 connectivity in the correct target car models, set attractive price points, and promote the benefits of having integrated solutions, significant new revenue streams can stay with the manufacturer, rather than being passed directly to the aftermarket vendor," said Joanne Blight, the London-based director of the

automotive practice at Strategy Analytics.

Companies like Microsoft, Motorola and wireless operators are moving forward with plans to enable consumers to download music into their cars -- soaring ahead of the carmakers themselves.

"Our survey shows that there is a major gap between demand and supply," said Blight. "Just as we've seen with portable navigation, carmakers are again running the risk of delivering the risk of delivering a major automotive opportunity gift straight to the aftermarket suppliers."

The survey showed that aftermarket MP3 solutions for cars start at about \$50, but car makers are talking about charging hundreds of dollars for MP3 players or docking devices.

Music producers and artists are taking sides in the distribution battle, because they want the best audio systems possible in cars so their performances and productions are heard properly. A firm called MusicGiants is promoting a system that provides "lossless, high sound quality downloads" from music labels at seven times the quality of standard MP3 downloads, a spokesman tells The Web. The company is working with Elliott Mazer, the longtime producer for Neil Young and former producer of Janis Joplin, as well as Doug Clifford, the former drummer of Creedence Clearwater Revival, on marketing.

At the Geneva Auto Show in late February Microsoft and Italy's Fiat debuted a new Windows-for-mobile auto application, priced at \$261, or 240 Euros, a spokesman tells The Web.

To be sure, carmakers are not totally out of it when it comes to digital music. Many have worked to put satellite radio and high-definition systems into their vehicles. There are emerging services, like Motorola's

new iRadio, which is planning for 435 commercial-free radio channels.

But right now, it looks as if the aftermarket product makers -- those who sell products for cars once they've been driven off the dealers' lot -- are making the most headway in this emerging music distribution market.

A spokesman for a firm called Tweeter Home and Mobile Entertainment Group, based in Canton, Mass., told The Web that mobile MP3 technologies are getting smaller and more efficient all the time. The market for automotive MP3 players is estimated to be \$1.7 billion, according to Strategy Analytics. Today, consumers who are not in a position to buy a new car with the latest stereo system can have their present car stereo system upgraded, said the spokesman for Tweeter. The new equipment allows the average person to bring his or her MP3 player everywhere - from any room in the house to the car or just walking down the street, she added.

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