

New TVs offer solid value, but few whiz-bang features

November 22 2012, by Troy Wolverton

If you're shopping for a new television this holiday season, you won't find much in the way of new technology - at least not at prices most people can afford.

But you will find low prices on entry-level TVs - even on jumbo-sized sets. And you'll also find that when it comes to features, midrange TVs are offering much more bang for the buck than ever before.

"I think consumers will be pleasantly surprised," said Shawn DuBravac, chief economist of the [Consumer Electronics Association](#), especially if they haven't "gone out and looked at TVs lately."

For the past five or six years, a steady stream of new features have made their way into TVs. Higher resolutions and faster refresh rates improved screen images, LED backlights resulted in extra-thin sets, and growing production of ever-larger display sizes gave consumers the chance to buy huge TVs at moderate prices.

But this year, the market is in a lull. The premium features from the past two years - [Internet connectivity](#) and 3-D viewing - are becoming standard fare on midrange sets, but nothing is really taking their place.

"We're sort of in this awkward position" in the market, said Linn Huang, a senior [research analyst](#) at IDC, a technology consulting firm. "From a technology standpoint in terms of holidays, you're not going to see anything groundbreakingly new."

At least that's true at the big-box stores where most consumers shop for TVs. Some cutting-edge features - most notably ultrahigh resolution "4K" TVs and TVs based on OLED technology - are starting to make their way into production models. But the numbers of those TVs being produced are so small that they likely won't show up at your local [Best Buy](#) or Costco, Huang said.

And even if they did, the prices on those TVs will put them out of reach for everyone but the most affluent consumers. Sony's 84-inch 4K TV, for example, is priced at around \$25,000.

"Obviously prices will come down, but not enough to be meaningful" in the near term, said Jim Willcox, a senior editor who covers electronics at Consumer Reports.

But if you're willing to settle for something other than the cutting edge in TV technology, you're likely to get a good deal. On a tour of big-box stores last week, a reporter found 32-inch models priced as low as \$200, 46-inch ones as low as \$480 and 60-inch plasma TVs for less than \$800. And that was before the expected discounts for Black Friday.

According to NPD Group, a market research firm, the average price of a 50-inch television sold in September was \$644. That's down from \$661 in September of last year and well off what consumers would have paid two or three years ago.

But don't expect prices to continue to drop dramatically on entry-level models, warn analysts.

Prices fell sharply in recent years in part because the Great Recession struck at the same time that TV makers were ramping up production. That left manufacturers, distributors and retailers with an abundance of inventory that they needed to clear out. With the resulting low prices,

profits on TV sales are small, and prices can't get much lower.

This [holiday season](#), "the discounts will be good, but they won't be exorbitant (discounts) that we saw last holiday season," Huang said.

Where consumers are likely to find good deals is on midrange models, which are now more fully featured than ever. Of TVs sold in September that were 50 inches or larger, 54 percent can be connected to the Internet for the purpose of accessing online services such as Netflix or Pandora, according to NPD. That month, 22 percent of TVs sold that were 40 inches or larger offered 3-D viewing capabilities.

Particularly on bigger-screen TVs, "you definitely are getting more features," said Ben Arnold, an industry analyst at NPD. "You're definitely getting more sets that are connected."

But consumers will pay a premium for those features. According to NPD, consumers on average paid about \$350 extra to get a 50-inch TV that can connect to Internet and about \$360 more for one that has 3-D viewing.

But analysts expect those prices to come down this holiday season - and to be negotiable.

Retailers have "no wiggle room on those advertised specials," which are typically low-end models, noted Consumer Reports' Willcox. But they can be flexible on pricier TVs, he said, adding that [consumers](#) can use the special prices "to negotiate a deal on a step-up model with the features that really matter to you."

And Willcox offered another tidbit of advice: If you can wait to buy a TV, it may save you money. The lowest [prices](#) on TVs typically aren't found on Black Friday but closer to Christmas.

The end of February and early March is another good time to buy, because that's when retailers typically clear out the previous year's models to make way for the new ones.

"People are well aware that it's an industry that rewards you for procrastinating," Willcox said. "TVs will be better and maybe cheaper the longer you wait."

(c)2012 San Jose Mercury News (San Jose, Calif.)
Distributed by MCT Information Services

Citation: New TVs offer solid value, but few whiz-bang features (2012, November 22) retrieved 23 June 2024 from <https://phys.org/news/2012-11-tvs-solid-whiz-bang-features.html>

<p>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.</p>
--