

# Home Entertainment Technology: Hardware & Services - US - 2021

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## This report looks at the following areas:

Consumer spending on home entertainment technology is estimated at about one quarter of a trillion dollars in 2021. Spending for both hardware and services has grown consistently, though is expected to increase even more rapidly vs historical estimates, with an overall annual increase of 11.2% for 2021 for the category, overall. The COVID-19 pandemic has changed consumer priorities and altered consumer behavior that is driving overall spending on the category.

Growth in home entertainment hardware spending for 2021 will be driven largely through spending on new televisions. More than half of consumers say their households purchased a new TV within the past two years, and there has been an increase in high-end TV purchases. Young adults are a key segment as these more tech-savvy consumers are embracing the suite of tech products available to elevate the home entertainment experience, whether it is high-end TV models, next-generation video game consoles or wireless speakers.

Services spending has also grown significantly as consumers shift toward more digital-based entertainment like on-demand video and audio streaming, as well as vMVPD services like YouTubeTV and Sling. Even as the economy recovers, businesses reopen and outside the home leisure activities return, the growing consumer focus on the home will continue to drive overall growth in home entertainment spending.



**“The COVID-19 pandemic forced consumers to re-evaluate their relationships with their homes and has spurred wider investment into their home-entertainment devices and services.”**

**– Buddy Lo, Sr. Technology and Consumer Electronics Analyst**

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