

TrendForce: TVs Get Bigger Amidst Fierce Competition

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According to TrendForce division WitsView, global TV shipments total 219 million units in 2018-- a 4.1% increase as the market recovers from a weak 2017. Looking ahead, the analyst expects shipments to increase by 1.6% in 2019 to reach 223m units.

"The year 2018 has witnessed replacement demand in emerging markets such as Latin America driven by the World Cup," the analyst says. "The steady economy situation in N. America was also favorable for the recovery of global TV demand. TV brands were willing to offer promotions as well, considering the downward trends in overall TV panel prices last year."

Tabel: Global Market Share of Branded TV by Specs, 2018-2019

Specs		2018 Market Share	2019 Market Share (E)
Size (inch)	≤ 32	32.0%	28.9%
	39-43	24.5%	24.6%
	48-50	16.0%	15.5%
	55-60	18.7%	19.3%
	≥ 65	8.8%	11.7%
Resolution	HD/FHD	54.5%	46.3%
	4K or above	45.5%	53.5%
	8K	0.04%	0.2%
High-end TV	QLED	1.4%	1.7%
	OLED	1.2%	1.6%
	Traditional LCD	97.4%	96.7%

Source: WitsView, Jan., 2019

2019 should see a more steady supply of large-size panels, as vendors kick off more production capacity. The CSOT Gen 11 fab, HKC Gen 8.6 fb and Sharp Gen 10.5 fab in Guangzhou are set to enter the market at the beginning, middle and end of the year respectively. Such production capacity will bring decreases in panel prices, not to mention cheaper large-screen TVs, meaning the industry will seek constant spec improvements to create both brand value

and differentiation to products.

Brands see little room for differentiation in TVs smaller than 32-inch, since most of such sets are positioned as entry-level products. One also has to keep in mind the long-term oversupply of panels under 32-inch leading to relatively transparent costs. As such, TV brands are decreasing the portion of 32-inch or smaller TVs in product mixes, and the analyst expects the percentage will be less than 30% in 2019.

In the meantime the portion of 55-inch or larger TVs is on the up-- the percentage of 65-inch or above TVs will increase from 8.8% in 2018 to 11.7% in 2019. ASPs are also set to decline, and Witsview expects H2 2019 peak season promotion will bring about an ultra-low price 75-inch TV. As such, while the above mentioned price declines of large-size panels allow for more larger TVs on the market, these do not necessarily bring profits. Even OLED panel prices are expected to drop, following LG Display investment in its Guangzhou OLED fab in H2 2019.

Witsview also points out 4K TVs are to make over 50% of the 2019 TV market. The same cannot be said for 8K TV, as it lacks content, transmission, hardware and even a whole industry chain. As such, 8K TVs will account for just 0.2% of 2019 shipments. Vendors also find it easier to increase the value added of products through spec differentiation, such as Mini LED and dual-cell technologies able to achieve HDR and full-screen border-free designs.

Go [TV Brands Seek Differentiation of Specs amid Fierce Competition for Large-Size TVs, Says TrendForce](#)