



NEWS RELEASE

# DTS Reports Radio Remains Crucial While Video and Gaming Surge In-Vehicle

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- Video use in the car grew 25% year-over-year
- 46% of millennials/38% of Gen Z play games while in the car
- AM/FM radio is most important in next car purchase at 60%

SAN JOSE, Calif.--(BUSINESS WIRE)-- A new report, "Connected Car Entertainment Trends," released by DTS, Inc., a global leader in next-generation audio and a wholly owned subsidiary of Xperi Inc. (NYSE: XPER), examines consumption of entertainment in the car based on findings from surveys on how U.S. consumers listen to audio, watch video and play games in-vehicle. The findings of the surveys, which were fielded by Xperi, were presented by DTS and Xperi executives in an **Automotive News webinar** on June 11.

"Consumer perception of the car as a leading 'third space' is driving demand for audio, video and gaming," said Jeff Jury, senior vice president and general manager of connected car at Xperi. "Audio continues to dominate, confirming radio's importance as vehicle entertainment's anchor. But, the growing impact of video is clear, not only in its dramatically increased usage but also in consumers' increased interest in front and rear cabin screens. And the emergence of in-vehicle gaming with younger generations, particularly casual games, is indicative of its growing importance to in-cabin entertainment platforms."

According to the report, the vast majority of consumers surveyed listen to some type of audio in the car with AM/FM radio leading that charge. Nearly 70% tune into AM/FM to listen to music, compared to 53% opting for music streaming services and 30% for satellite radio. But, in spite of audio's dominance, other in-vehicle entertainment formats are rapidly growing, especially video and gaming.

Video watching in-vehicle grew to nearly 40%, versus 31% just a year ago, with streaming movies and TV shows being the top entertainment options among those interested in the vehicle as a third space (a physical or virtual environment, other than home or office, where one can relax or unwind). While consumers are mostly listening to

audio while running errands or commuting, video consumption increases if those drives include kids.

Gaming is rapidly emerging in-vehicle, according to the report, particularly the playing of casual games such as Candy Crush, versus more involved games like those on PlayStation or Xbox consoles. This is especially true of millennials (46%) and Gen Z (38%).

The report provides evidence that in-vehicle entertainment impacts vehicle purchase choices with over 50% willing to pay more for better in-car entertainment. AM/FM radio is rated overwhelmingly as the most important entertainment option for consumers when considering their car purchase. The 25% growth in video consumption is of further significance because, **as previously reported**, video capability can increase a consumer's likelihood of buying a particular vehicle.

The report also underscores that consumers want more than they are getting from their in-vehicle entertainment. They dislike having to hop from source to source and want a wider variety of options and a built-in entertainment system that is easier to use. Over 50% are interested in having screens in the front and rear cabins of their next car.

"Consumers continue to demand a better in-vehicle entertainment experience, including more media choices and formats. Offering more personalized discovery that sifts through content, from audio to video to gaming, to deliver robust entertainment relevant to consumers' preferences, will be key to that improved experience — and a key differentiator for automakers," concluded Jury.

## Additional Key Report Findings

### Keeping hands at ten and two at all times:

- 42% would like a wider variety of entertainment in-vehicle, 41% dislike having to hop from source to source just to find something good to listen to in the car and 33% wish their car's built-in entertainment system was easier to use

### Audio remains king:

- Audio remains the most consumed form of entertainment in-vehicle with nearly 90% listening to some type of audio in the car, most commonly music
- AM/FM radio is the most popular form of audio entertainment for music listening (69%), compared to music streaming (53%) and satellite radio (30%)
- Consumers mainly spend time in a car to run errands around town (46%). When they do this, they are in the car for under 30 minutes and use audio entertainment (87%)

## Streaming calls shotgun:

- Streaming movies and TV shows is the #1 entertainment option of those interested in the car as a third space (35%)
- 28% of those driving kids to school/activities use video in the vehicle

## Gaming calls backseat:

- 58% want rear cabin screens vs 54% who want front cabin screens
- Gen Z (60%) and millennials (49%) suggest that games will be played more by rear-seat passengers if their car offers gaming features on built-in screens in the vehicle
- 32% think touch screens would be the best way to control the car's entertainment system, 40% would prefer voice commands

## Driving purchase decision:

- 52% of respondents are willing to pay more for a better in-car entertainment system
- AM/FM radio is the most important (59%) entertainment option for consumers when considering their car purchase

Download the DTS In-Cabin Entertainment Trends report [here](#).

For more information about DTS, visit [dts.com](https://dts.com).

## Methodology:

Xperi's connected car online study was conducted in August 2023 among 3,000 respondents ages 18+ across the U.S. Xperi's consumer survey on gaming in the car was conducted in December 2023, among over 500 respondents ages 18+ in the U.S. Findings were presented by Xperi and DTS executives in an Automotive News webinar, along with expert commentary, which is now available on-demand [here](#).

## About Xperi Inc.

Xperi invents, develops, and delivers technologies that enable extraordinary experiences. Xperi technologies, delivered via its brands (DTS®, HD Radio™, TiVo®), and by its startup, Perceive, are integrated into billions of consumer devices and media platforms worldwide, powering smart devices, connected cars and entertainment experiences, including IMAX® Enhanced, a certification and licensing program operated by IMAX Corporation and DTS, Inc. Xperi has created a unified ecosystem that reaches highly engaged consumers, driving increased value for partners, customers and consumers.

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## About DTS, Inc.

Since 1993, DTS has been dedicated to making the world sound better. Through its pioneering audio solutions for mobile devices, home theater systems, cinema and beyond, DTS provides incredibly high-quality, immersive and engaging audio experiences to listeners everywhere. For more information, please visit [www.dts.com](http://www.dts.com).

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Allyse Sanchez, Xperi

**[Allyse.sanchez@xperi.com](mailto:Allyse.sanchez@xperi.com)**

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