

Table 13. Information and consumer electronics: Indexed spending by high-income consumer units, 2007

(indexed average annual spending of consumer units with high incomes on information and consumer electronics by before-tax income of consumer unit, 2007; index definition: an index of 100 is the average for all consumer units; an index of 132 means that spending by consumer units in that group is 32 percent above the average for all consumer units; an index of 68 indicates spending that is 32 percent below the average for all consumer units)

	total consumer units	\$100,000 or more	\$100,000– \$119,999	\$120,000– \$149,999	\$150,000 or more
Average spending of consumer units, total	\$49,638	\$101,041	\$77,838	\$91,864	\$126,443
Average spending of consumer units, index	100	204	157	185	255
Information and consumer electronics spending, total	100	170	145	164	195
Books	100	236	177	213	301
Cable and satellite television services	100	145	131	143	158
Cellular phone service	100	155	148	156	161
Compact discs, records, and audio tapes	100	181	159	154	217
Computer information services	100	176	159	173	192
Computer software and accessories, nonbusiness use	100	215	189	242	216
Computers and computer hardware, nonbusiness use	100	232	200	190	287
Film	100	171	153	176	182
Global positioning devices	100	300	85	300	472
Global positioning services	100	389	100	444	598
Internet services away from home	100	150	206	156	102
Newspaper and magazine subscriptions	100	186	160	174	214
Newspapers and magazines, nonsubscription	100	164	139	170	181
Personal digital assistants	100	233	224	66	356
Personal digital audio players	100	264	190	295	303
Phone cards	100	90	78	125	75
Photo processing	100	222	191	219	248
Photographic equipment	100	233	154	223	304
Rental of video cassettes, tapes, discs, films	100	168	141	183	179
Repair of computer systems for nonbusiness use	100	175	144	140	225
Repair of TV, radio, and sound equipment	100	211	105	192	309
Residential telephone service and pay phones	100	132	119	125	148
Satellite radio service	100	182	169	211	172
Sound components, equipment, and accessories	100	261	190	160	395
Streamed and downloaded audio	100	246	210	238	281
Streamed and downloaded video	100	253	227	175	329
Telephones and answering machines	100	242	180	274	272
Television sets	100	258	174	236	342
Video cassette recorders and video disc players	100	222	146	229	279
Video cassettes, tapes, and discs	100	151	122	145	180
Video game hardware and software	100	139	88	158	170
Voice over IP services	100	212	219	258	173

Source: Calculations by New Strategist based on the Bureau of Labor Statistics' 2007 Consumer Expenditure Survey

Compact Disks, Audio Tapes, and Records

Best customers: Householders aged 35 to 54
Married couples with school-aged or older children at home

Customer trends: Average household spending on compact disks, audio tapes, and records will decline as online downloads become the dominant mode for purchasing music.

Households with children dominate spending on compact disks, audio tapes, and records. Householders aged 35 to 54, most of them parents, spend 19 to 27 percent more than average on this item and control half the market. Married couples with school-aged or older children at home spend 33 to 37 percent more than average on CDs, audio tapes, and records.

Average household spending on CDs, audiotapes, and records fell 42 percent between 2000 and 2007, after adjusting for inflation. The decline in spending should continue as downloads replace compact disks as the preferred way to purchase music.

Table 35. Compact disks, audio tapes, and records

Total household spending	\$3,291,483,690.00		
Average household spends	27.39		
	AVERAGE HOUSEHOLD SPENDING	BEST CUSTOMERS (index)	BIGGEST CUSTOMERS (market share)
AGE OF HOUSEHOLDER			
Average household	\$27.39	100	100.0%
Under age 25	30.64	112	7.6
Aged 25 to 34	25.94	95	16.2
Aged 35 to 44	32.69	119	23.3
Aged 45 to 54	34.72	127	26.6
Aged 55 to 64	28.53	104	16.9
Aged 65 to 74	19.26	70	7.0
Aged 75 or older	7.10	26	2.5

	AVERAGE HOUSEHOLD SPENDING	BEST CUSTOMERS (index)	BIGGEST CUSTOMERS (market share)
HOUSEHOLD INCOME			
Average household	\$27.39	100	100.0%
Under \$20,000	12.37	45	9.3
\$20,000 to \$39,999	17.19	63	14.6
\$40,000 to \$49,999	27.89	102	10.0
\$50,000 to \$69,999	30.83	113	17.2
\$70,000 to \$79,999	30.89	113	6.5
\$80,000 to \$99,999	38.27	140	11.4
\$100,000 or more	49.52	181	31.0
HOUSEHOLD TYPE			
Average household	27.39	100	100.0
Married couples	30.39	111	56.1
Married couples, no children	24.81	91	19.5
Married couples, with children	34.56	126	31.5
Oldest child under age 6	23.72	87	4.2
Oldest child aged 6 to 17	37.60	137	17.4
Oldest child aged 18 or older	36.49	133	9.8
Single parent with child under age 18	24.62	90	5.3
Single person	20.95	76	22.7
RACE AND HISPANIC ORIGIN			
Average household	27.39	100	100.0
Asian	19.40	71	2.5
Black	23.32	85	10.2
Hispanic	24.49	89	10.6
Non-Hispanic white and other	28.50	104	79.4
REGION			
Average household	27.39	100	100.0
Northeast	30.73	112	20.9
Midwest	24.92	91	20.8
South	24.00	88	31.5
West	32.49	119	26.8
EDUCATION			
Average household	27.39	100	100.0
Less than high school graduate	15.63	57	8.7
High school graduate	19.21	70	17.7
Some college	28.66	105	22.8
Associate's degree	30.74	112	10.0
College graduate	38.68	141	40.9
Bachelor's degree	36.62	134	25.1
Master's, professional, doctoral degree	42.47	155	15.8

Note: Market shares may not sum to 100.0 because of rounding and missing categories by household type. "Asian" and "black" include Hispanics and non-Hispanics who identify themselves as being of the respective race alone. "Hispanic" includes people of any race who identify themselves as Hispanic. "Other" includes people who identify themselves as non-Hispanic and as Alaska Native, American Indian, Asian (who are also included in the "Asian" row), Native Hawaiian or other Pacific Islander, as well as non-Hispanics reporting more than one race.

Source: Calculations by New Strategist based on the Bureau of Labor Statistics' 2007 Consumer Expenditure Survey