



Press Release

J.D. Power and Associates Reports: Cable and Satellite Television Growth Fueled by Uptick in Market Penetration of DVRs and Other Services

AT&T U-verse and DIRECTV Rank Highest in Customer Satisfaction with Television Service Providers

WESTLAKE VILLAGE, Calif.: 13 October 2011 — Growth in residential television service revenues is being fueled by increased penetration of DVR hardware and additional viewing services, according to the J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM released today.

DVR subscriptions among residential TV customers with cable service have grown to 45 percent in 2011 from 38 percent in 2010. Among households with satellite TV service, 64 percent in 2011 have DVR boxes, compared with 59 percent in 2010. In addition, the proportion of households with more than one DVR box has notably increased. Among households with cable service, 35 percent have multiple DVR boxes in 2011, compared with 28 percent in 2010. Among households with satellite service, this figure has increased to 45 percent in 2011 from 40 percent in 2010.

“As prices continue to fall, penetration of HDTVs in homes has increased by 8 percentage points during the past year,” said Frank Perazzini, director of telecommunications at J.D. Power and Associates. “Increased integration of HDTVs with multi-room DVR setups has been key to driving additional revenue for service providers. In fact, average monthly billing for triple-play customers, those subscribing to telephone, television and Internet service, climbed to \$149.52 in 2011 from \$140.90 in 2010.”

The study finds that video-on-demand (VOD) was also a bright spot for service providers in 2011. VOD viewership rose to 39 percent from 35 percent in 2010 among cable subscribers and to 18 percent from 16 percent among satellite subscribers.

“Regular VOD viewing improves loyalty,” said Perazzini. “Thirty-nine percent of viewers who watch 10 or more hours of VOD per month consider themselves loyal to their provider, while the average among non-VOD users is 31 percent.”

The study measures [customer satisfaction with cable, satellite and Internet protocol \(IPTV\) television providers](#) in four regional segments: [North Central](#), [East](#), [West](#) and [South](#). In each segment, six factors are measured to determine overall customer satisfaction: programming; performance and reliability; customer service; cost of service; billing; and offerings and promotions.

For a fourth consecutive year, AT&T U-verse ranks highest in the West (with an index score of 686 on a 1,000-point scale) and South (687) regions. For a second consecutive year, AT&T U-verse also ranks highest in the North Central region (699). In the East region, DIRECTV ranks highest with a score of 686.

The study also finds that speculation regarding the impending demise of premium channels such as HBO and Showtime may be premature. While penetration of premium channels in households with satellite service has

declined to 29 percent in 2011 from 34 percent in 2010, penetration in households with cable service is up slightly to 30 percent from 29 percent during the same period.

The 2011 U.S. Residential Television Service Satisfaction Study is based on responses from 23,880 customers nationwide that evaluated their cable, satellite or telephone company-based provider. The study was fielded in four waves: November 2010, January 2011, April 2011 and July 2011.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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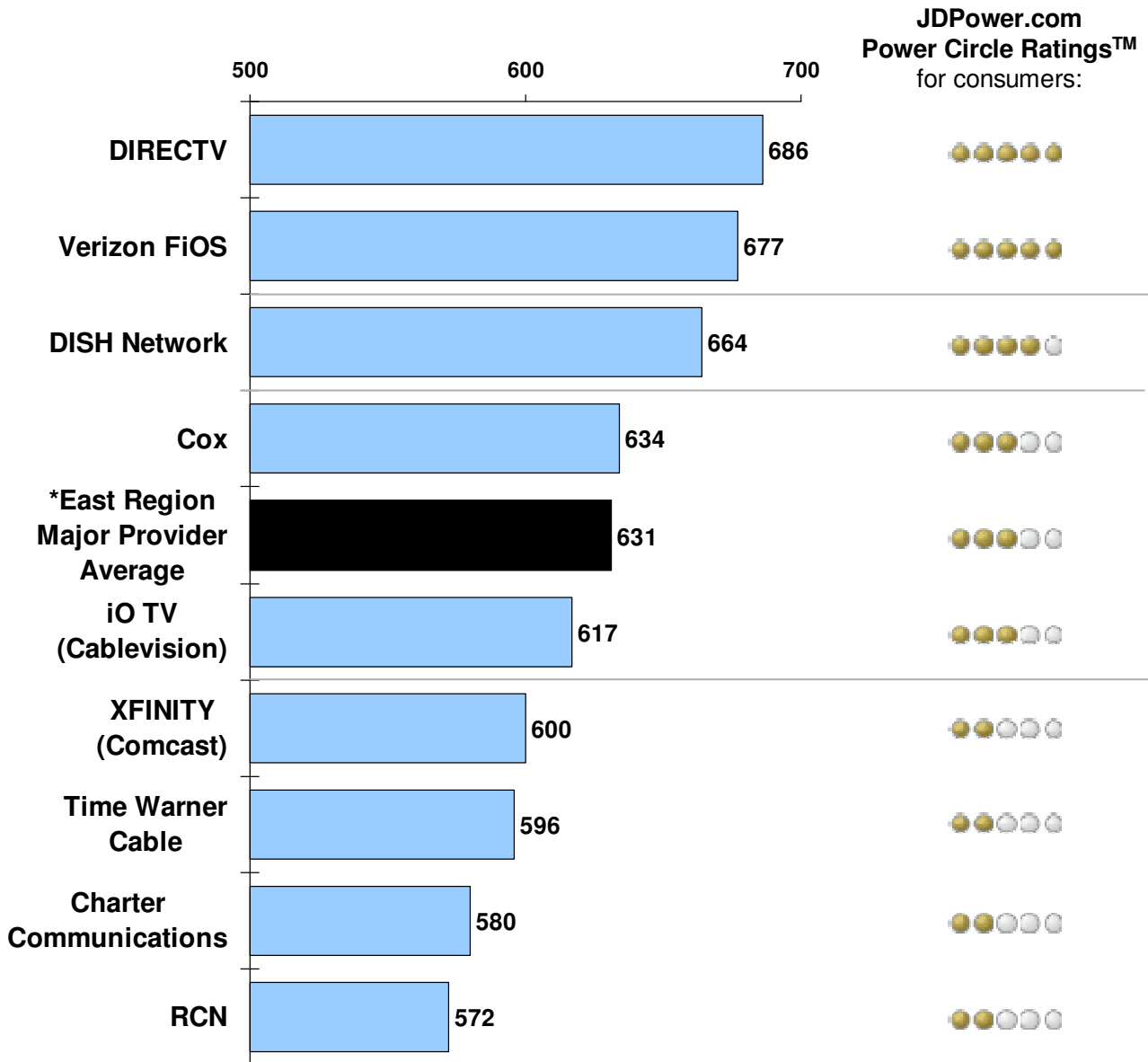
NOTE: Four charts follow.

J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM

Customer Satisfaction Index Ranking

East Region

(Based on a 1,000-point scale)



*The Major Provider Average for this region includes only those carriers with market share of 1.9% or greater.

Source: J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM



Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle Ratings™ are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.

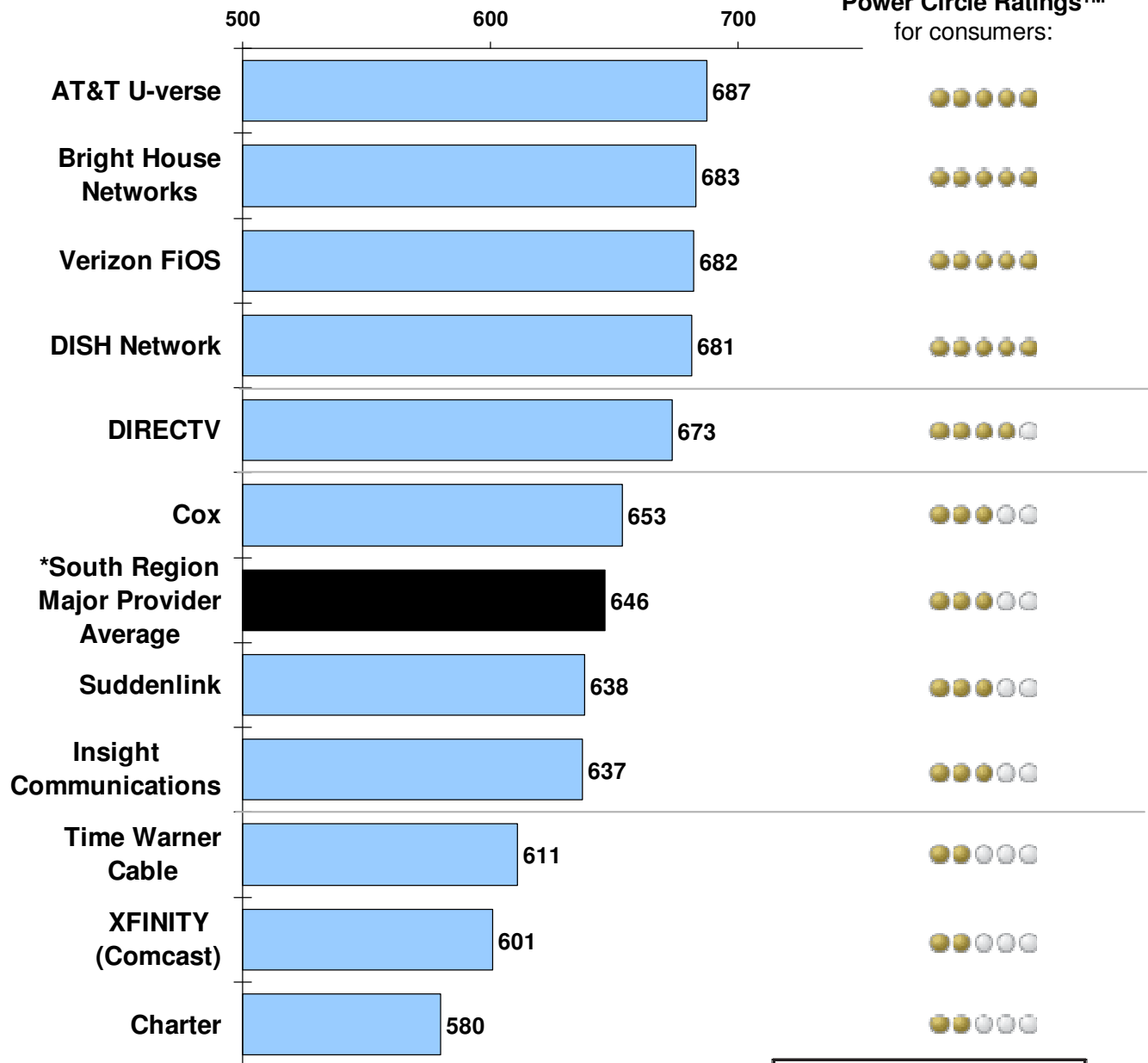
J.D. Power and Associates 2011 Residential Television Service Satisfaction StudySM

Customer Satisfaction Index Ranking

South Region

(Based on a 1,000-point scale)

JDPower.com
Power Circle RatingsTM
for consumers:



*The Major Provider Average for this region includes only those carriers with market share of 1.9% or greater.

Source: J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM

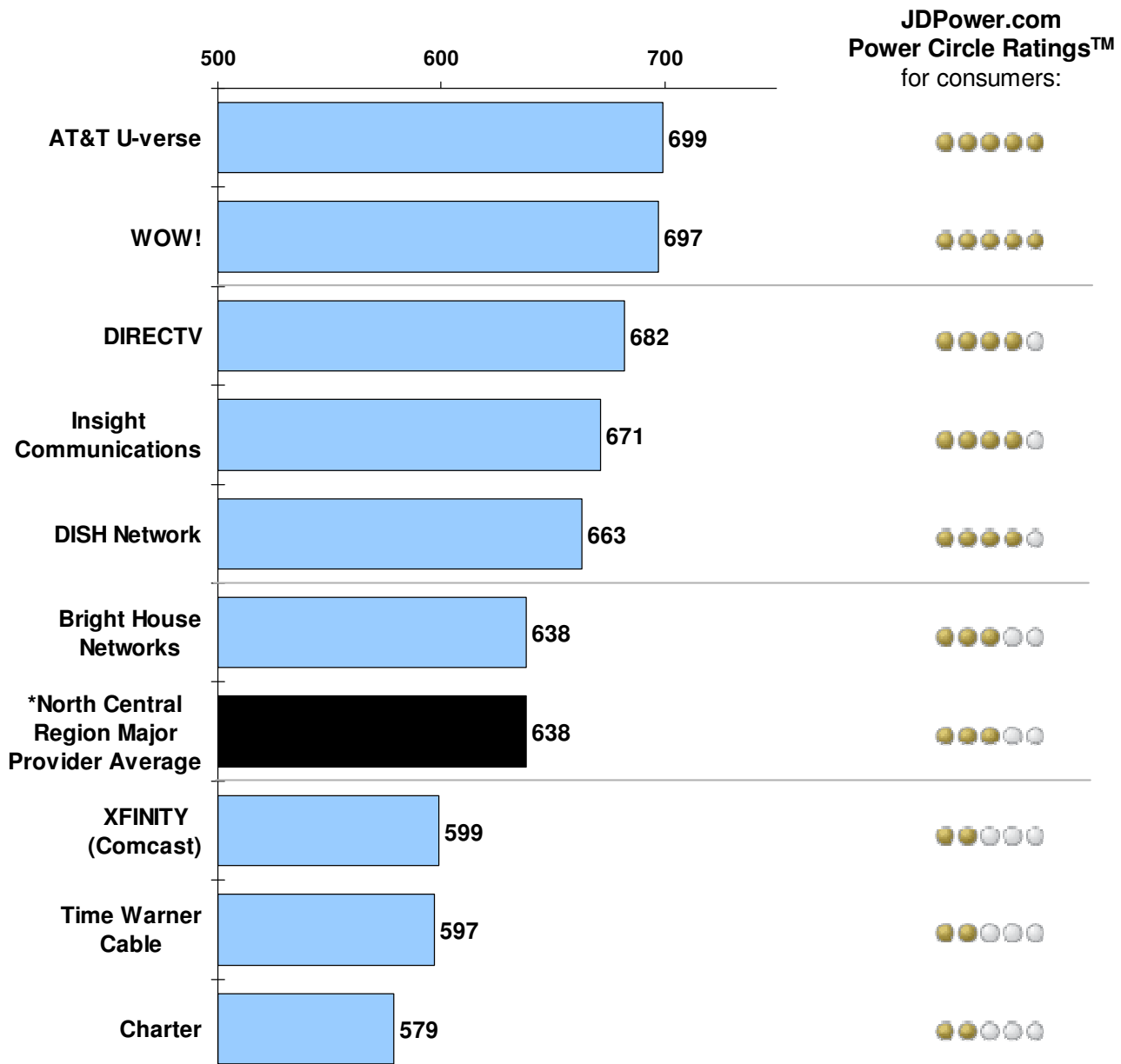
Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

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J.D. Power and Associates 2011 Residential Television Service Satisfaction StudySM

Customer Satisfaction Index Ranking North Central Region (Based on a 1,000-point scale)



*The Major Provider Average for this region includes only those carriers with market share of 1.9% or greater.

Source: J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM

Power Circle Ratings Legend

- ★★★★★ Among the best
- ★★★★☆ Better than most
- ★★★★☆ About average
- ★★★☆☆ The rest

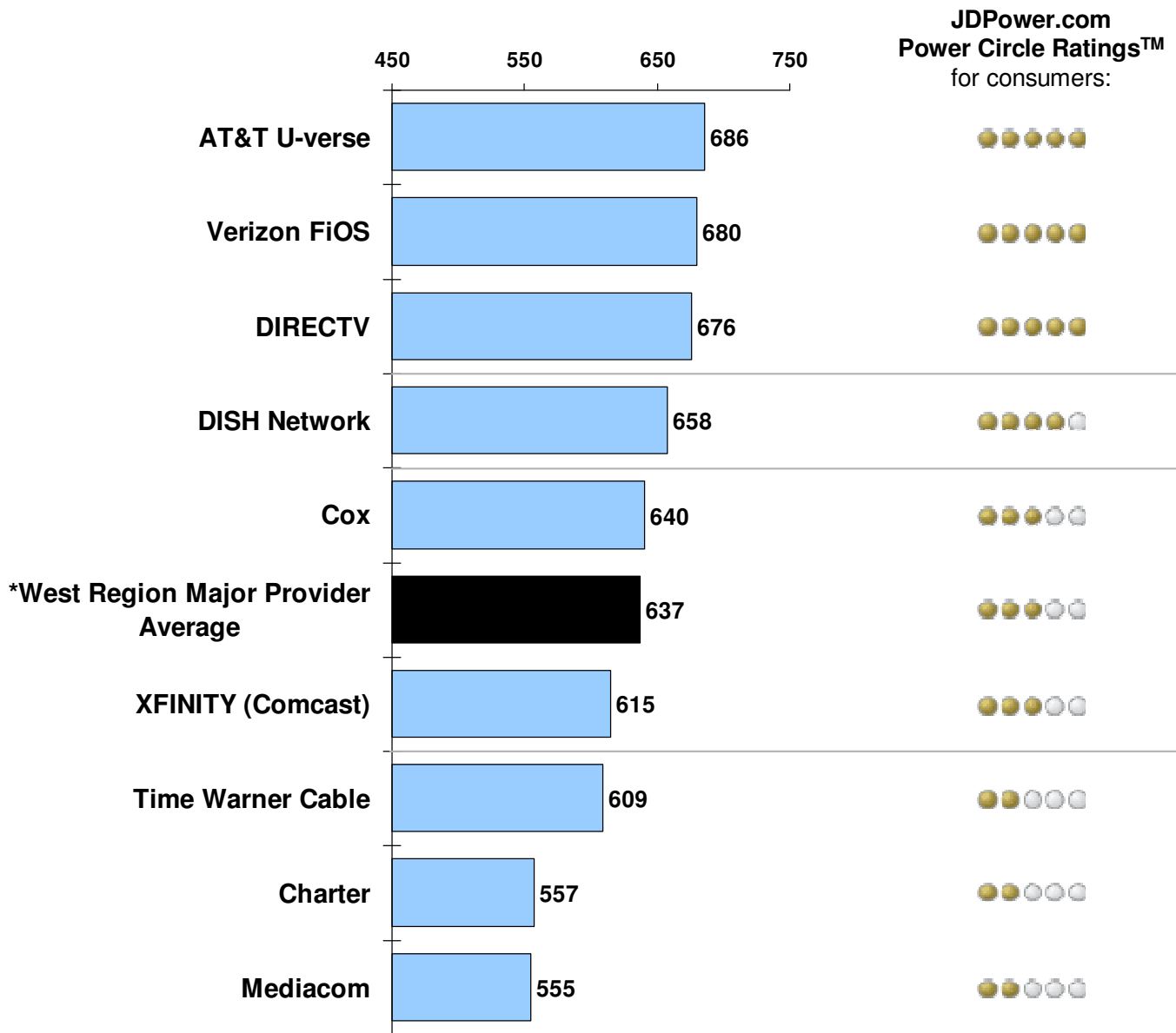
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J.D. Power and Associates 2011 Residential Television Service Satisfaction StudySM

Customer Satisfaction Index Ranking

West Region

(Based on a 1,000-point scale)



*The Major Provider Average for this region includes only those carriers with market share of 1.9% or greater.

Source: J.D. Power and Associates 2011 U.S. Residential Television Service Satisfaction StudySM



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