DETAILED FINDINGS

* Internet Usage

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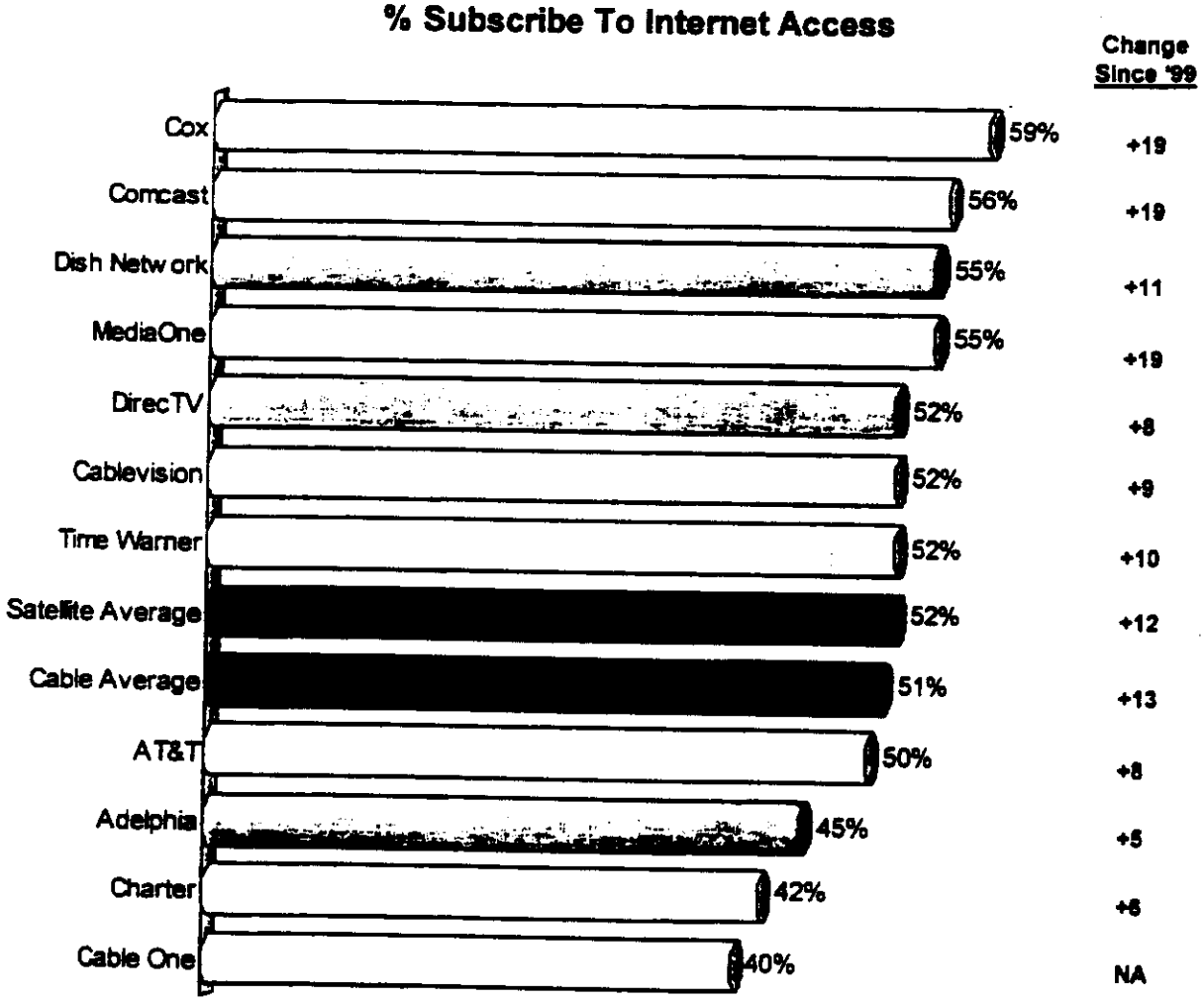
One-Half Of Cable/Satellite Households Now Have Internet Access. Cable One Reports The Lowest Cumulative Increase From 1999, Trailing Industry Leader Cox By A Significant Margin.



Source: 1999-2000 JDP&A Cable/Satellite CSI Studies

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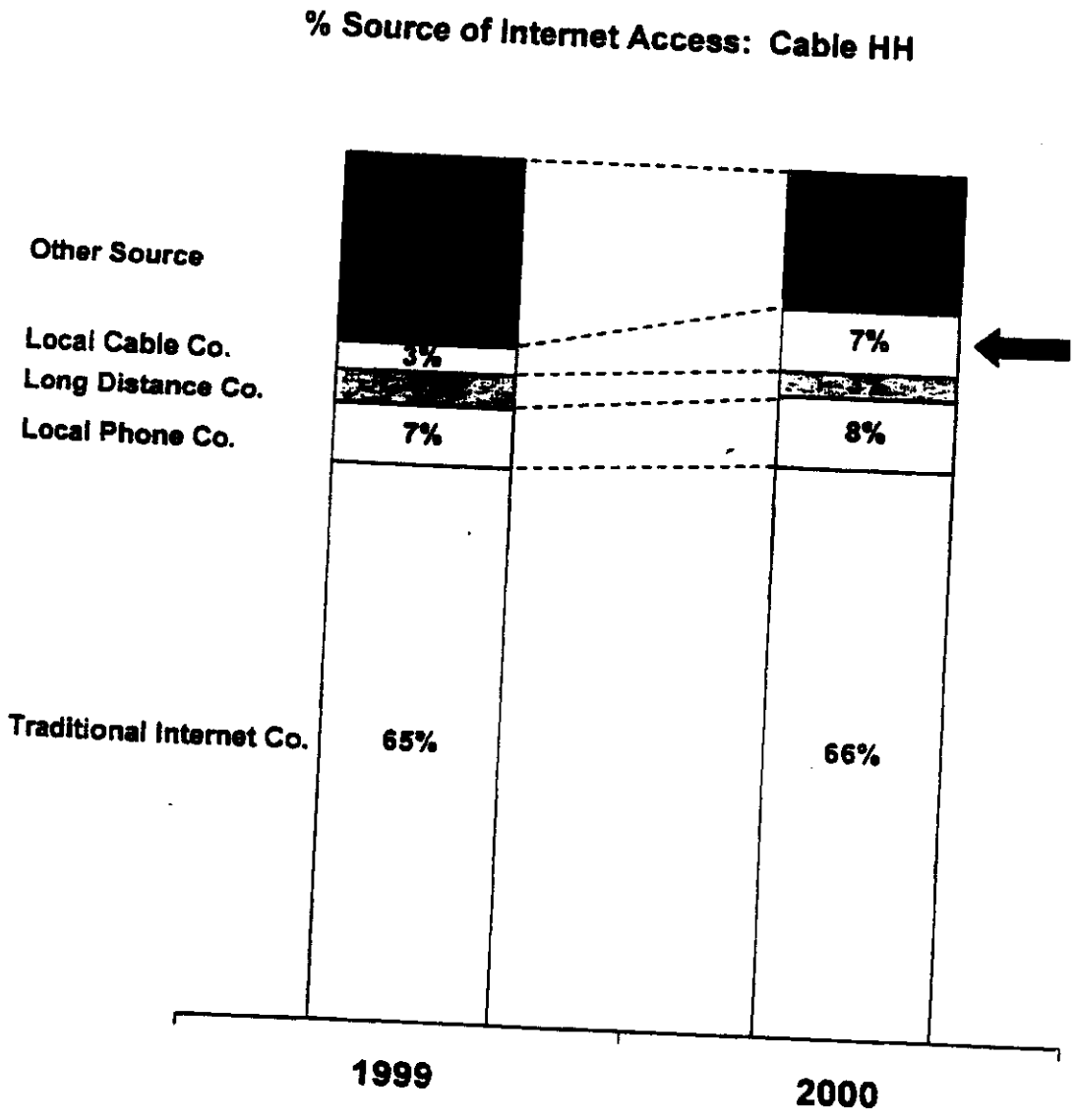
On Average, 7% Of Cable Households Subscribe To High-Speed Access From Their Cable Company, Doubling The Penetration Level From 1999 (3%).



Source: 1999-2000 JDP&A Cable/Satellite CSI Studies

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Cable Modem Users Tend To Have Higher Household Incomes, Live In Larger Households And In Suburban Regions.

Cable Modem Vs. Traditional Internet Connection Demographic Differences

	Cable Modem Households	Traditional Internet Connection Households	% Diff. Cable Modem vs. Traditional Modem
Age			
Under 35	19%	24%	-5
35-54	65%	49%	+16
55+	16%	27%	-11
Education			
High School or less	25%	28%	-3
College+	75%	72%	+3
Income (in HH)			
Less than $35,000	20%	28%	-8
$35K to $50K	28%	19%	+9
$50K or more	52%	53%	-1
Mean per year (000's)	$71.1	$61.9	+$9.2
Household Size			
One	12%	17%	-5
Two	27%	35%	-8
Three+	61%	48%	+13
Residential Location			
Urban	23%	25%	-2
Suburban	64%	53%	+11
Rural	13%	22%	-9

Source: 2000 JDP&A Cable/Satellite CSI Studies

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Cable Modem Users Are Significantly More Satisfied With Their Cable Companies Than Subscribers That Use A Traditional Internet Connection.

Cable Modem Vs. Traditional Internet Connection Satisfaction Index

	Cable Modem	Traditional Internet Connection	*Difference*
OVERALL	102	97	+5
Cost of Service	*99*	*96*	+3
Credibility/Billing	*101*	*97*	+4
Program Offerings	*106*	*97*	+9
Equipment & Service Capabilities	*105*	*98*	+7
Customer Service	*102*	*99*	+3
Reception Quality	*106*	*99*	+7

Source: 2000 JDP&A Cable/Satellite CSI Study

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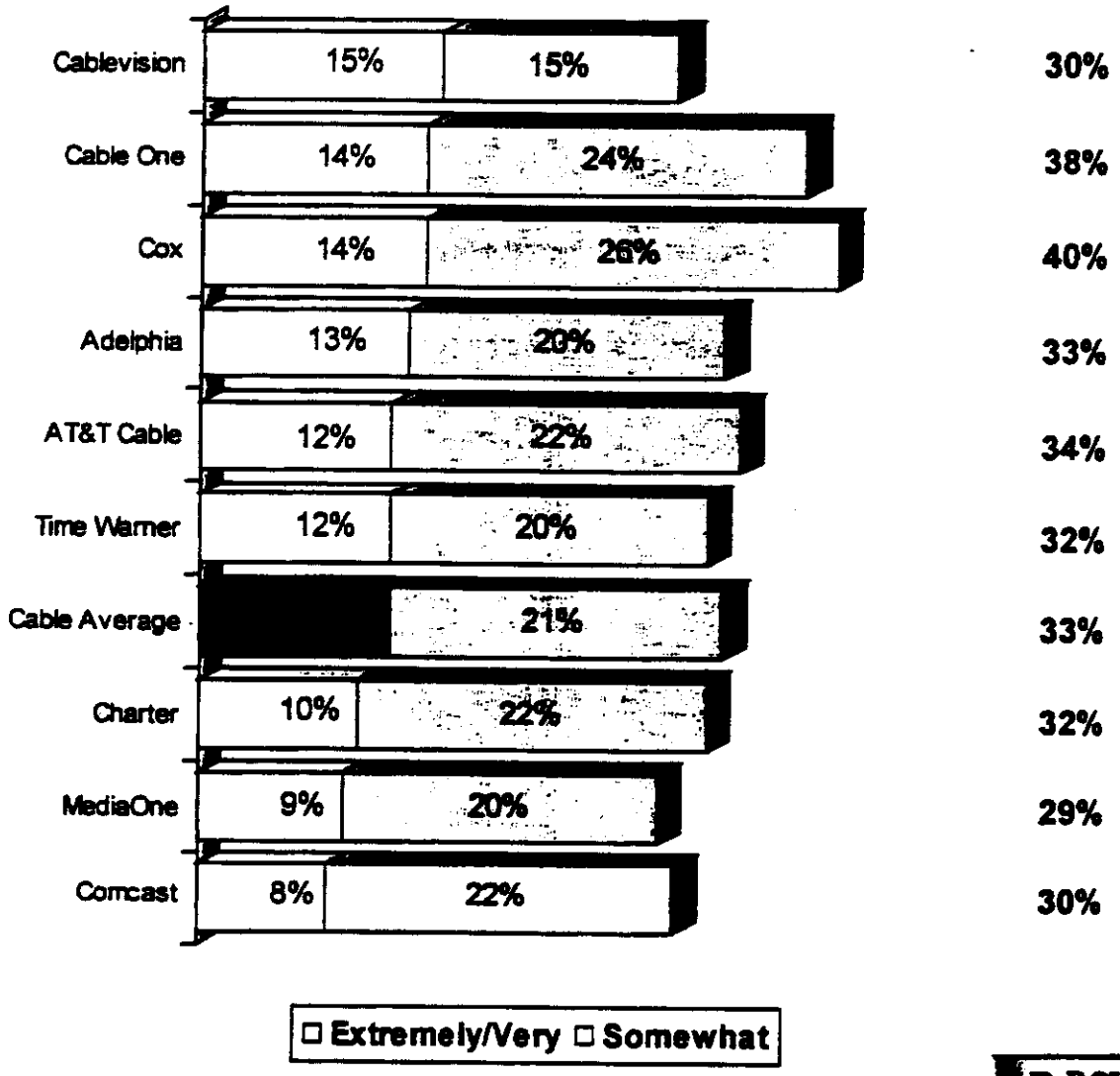
However, If High-Speed Internet Access For Approximately $45/Month Were Available In The Next Year, About One In Three Cable Households Would Consider It.

% Extremely/Very/Somewhat Likely To Subscribe To Internet Access With Local Cable Company: Next 12 Months If High-Speed Access Offered*



* Among those households with dial-up Internet service only

Source: 2000 JDP&A Cable/Satellite CSI Study

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DETAILED FINDINGS

* **Web-Based Customer Service Issues**

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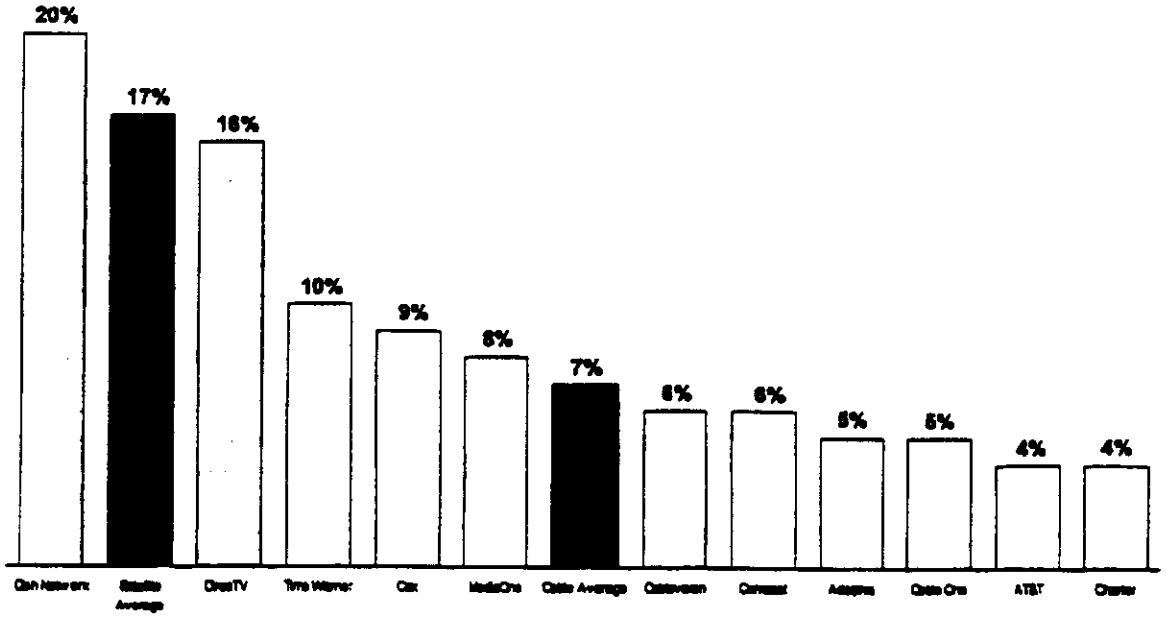
More Than Twice The Percentage Of Satellite Households Report Visiting Their Provider's Website Versus Cable Subscribers. One In Five Households Have Visited Dish Network's Website In The Past 6 Months.

% With Internet Access Who Have Visited Their Satellite/Cable Providers Website In Past 6 Months:



Source: 2000 JDP&A Cable/Satellite CSI Study

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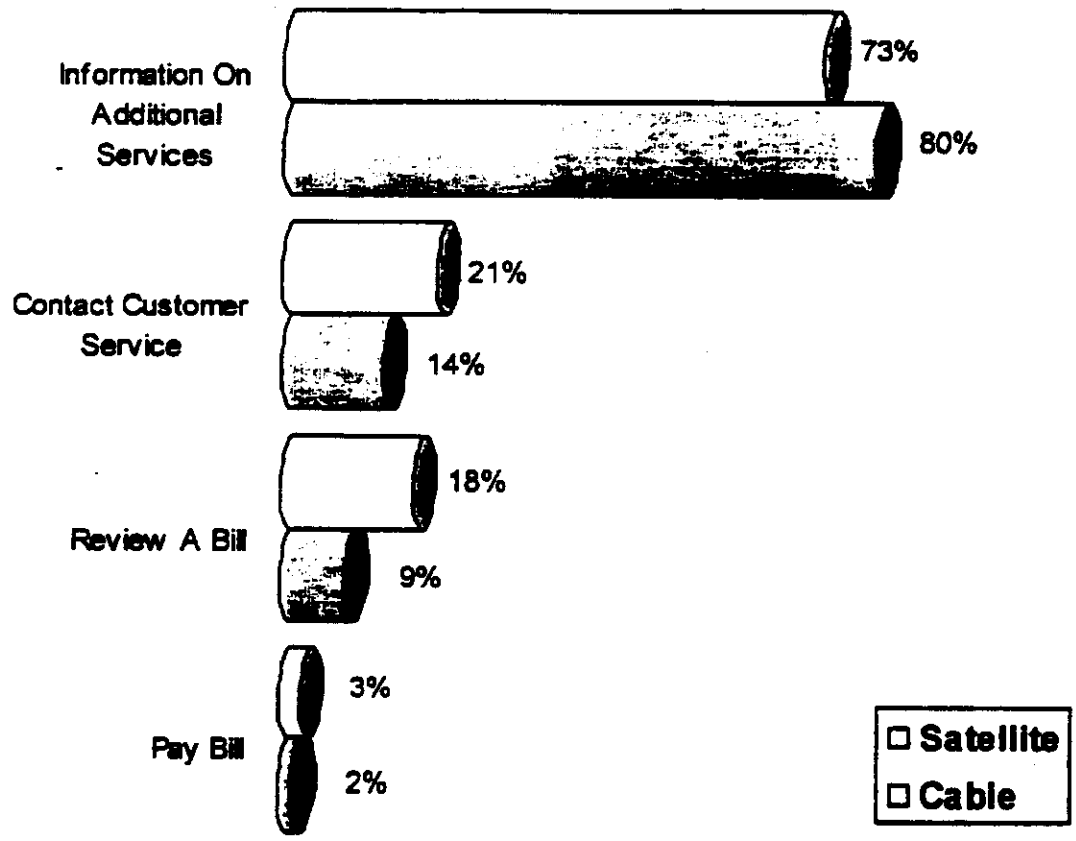
Information On Additional Services Is The Reason For Three-Quarters Of The Visits To Both Cable And Satellite Carrier Websites.

% Reasons For Visiting Cable/Satellite Provider Website*



* Among those who visited Cable/Satellite TV provider's website in past 6 months.

Source: 2000 JDP&A Cable/Satellite CSI Study

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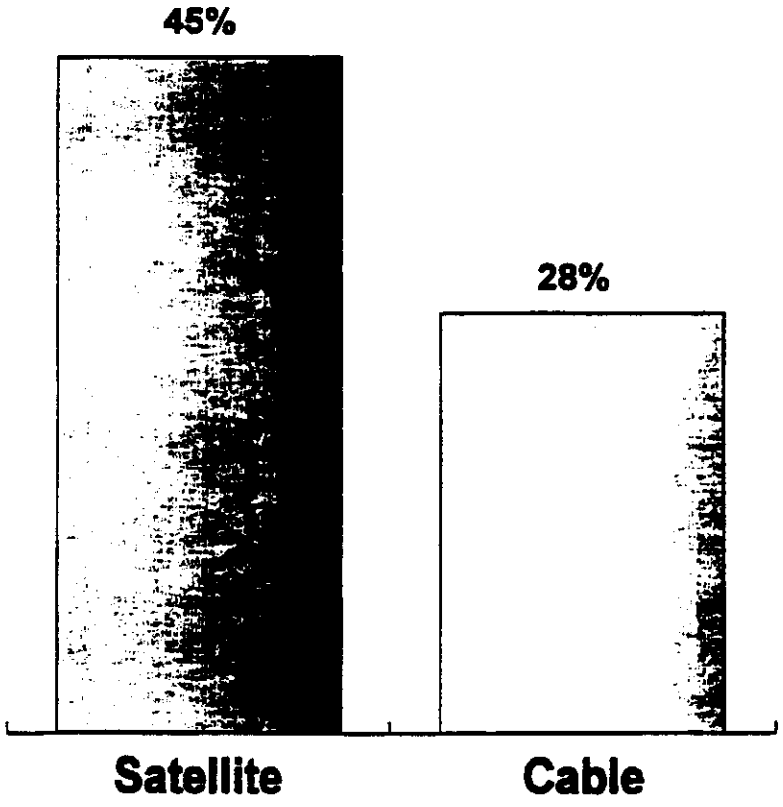
Satellite Users Report Much Higher Levels Of Satisfaction With Their Providers Website Than Do Cable Users.

%"Extremely/Very Satisfied" With Satellite/Cable Providers Website:



Source: 2000 JDP&A Cable/Satellite CSI Study

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DETAILED FINDINGS

* Impact Of Merger Activity

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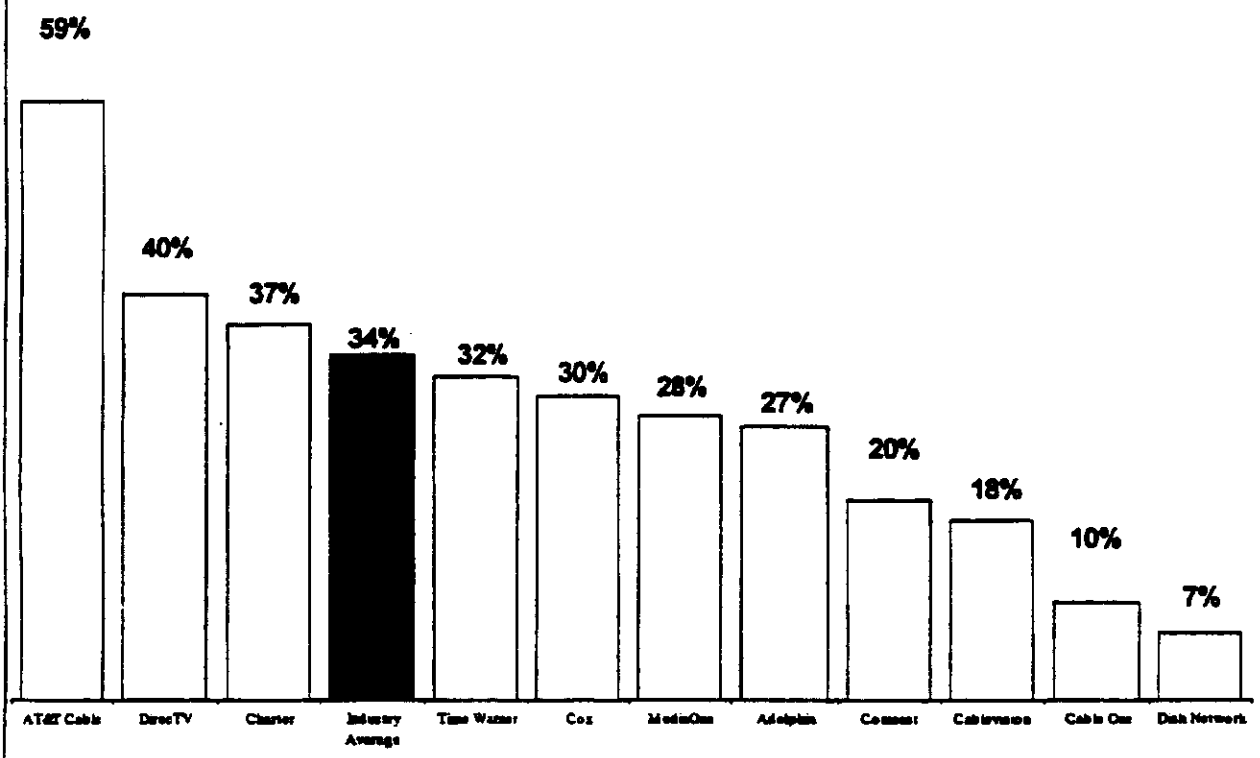
Household Awareness Of Mergers Among The Different Cable/Satellite Companies Differs From Company To Company. AT&T Cable Has The Highest Awareness Level.

% Of HH's Who Report Being Aware Of Cable/Satellite Provider Experiencing A Merger:



Source: 2000 JDP&A Cable/Satellite CSI Study

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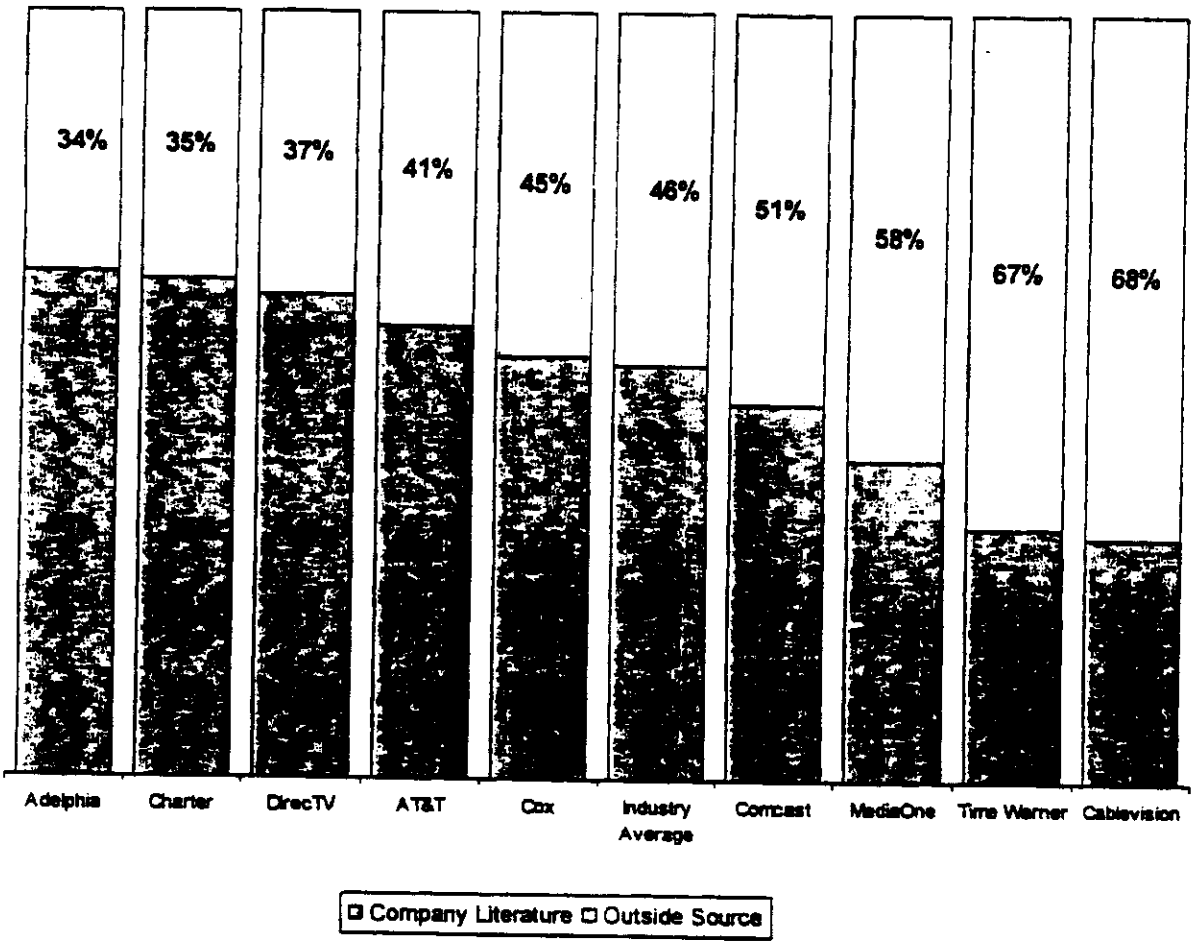
Adelphia And Charter Customers Are Most Likely To Find Out About Mergers Through Corporate Literature.

Manner In Which Household Became Aware Of Service*:



* Excluded: Cable One and Dish Network due to insufficient sample size.

Source: 2000 JDP&A Cable/Satellite CSI Study

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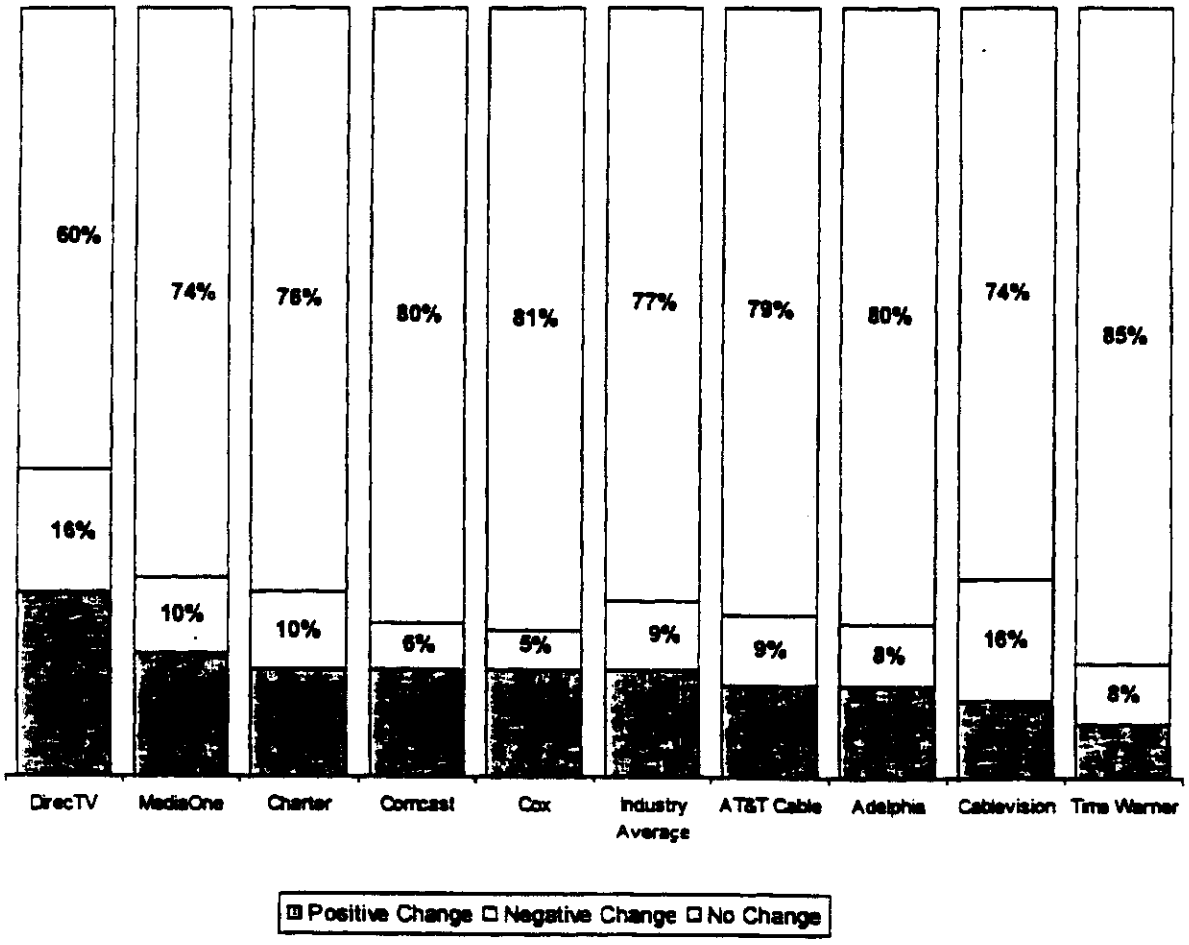
With The Exception Of DirecTV, The Majority Of Households Report Noticing No Change In Cable Or Satellite Service As A Result Of Recent Mergers. DirecTV Customers Report Higher Levels Of Positive Change Than Any Other Provider.

% Change In Cable/Satellite Service As A Result Of Merger*:



* Excluded: Cable One and Dish Network due to insufficient sample size.

Source: 2000 JDP&A Cable/Satellite CSI Study

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Appendix

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Customer Satisfaction Measurement Process

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The J.D. Power And Associates Customer Satisfaction Index Is Developed From A Three Step Methodology

Battery Of Customer Satisfaction Questions

1. Factor Analysis

Data Reduction

Factors/ Dimensions Of Satisfaction

- Cost of Service
- Credibility/Billing
- Program Offerings
- Equipment & Service Capabilities
- Customer Service
- Reception Quality

2. Regression Analysis

Establish Importance Of Factors Relative To Overall Satisfaction

3. Assemble Index

Combine Weights & Factor Scores Of Respondents

INDEX

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Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

Step 1. Factor Analysis

Attribute Example	*Specific Question*	*Factors Identified*
"How satisfied are you with cable/satellite TV service?"	Attribute 1	
	Attribute 2	Factor 1
	Attribute 3	
	Attribute 4	Factor 2
	Attribute 5	Factor 3
	Attribute 6	

Respondents answer a battery of specific satisfaction attribute questions measuring satisfaction level

Like attributes then are grouped into unique factors or dimensions using a technique called factor analysis

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Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

Step 2. Calculating Attribute Scores

Attribute 1

"Has knowledgeable customer service representatives"

Excellent =	**5**
Very Good =	**4**
Good =	**3**
Fair =	**2**
Poor =	**1**

Respondent's Score

Respondent's answer is converted into a numeric value

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Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

Step 2. Calculating Attribute Scores

Respondents attribute score for attribute 1:	4
Mean score of all respondents for attribute 1:	3.8
Standard Deviation:	.3
Scaling Factor:	10

Calculation of respondent's attribute 1 score:

$$\frac{4 - 3.8}{.3} \times 10 + 100 = 107$$

Each respondent's score for a given attribute is then averaged together
The Standard Deviation is computed
A Scaling Factor is determined
Respondent's score for that attribute is calculated

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Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

Step 4. Calculating Factor Scores

		Attribute Score		Attribute Weight	
Calculation Of Respondent's Attribute 1 Score:	$\frac{4 - 3.8}{.3}$ X 10 + 100 =	107	X	.2	= 21
Calculation Of Respondent's Attribute 2 Score:	$\frac{3.9 - 3.8}{.3}$ X 10 + 100 =	103	X	.3	= 31
Calculation Of Respondent's Attribute 2 Score:	$\frac{4 - 3.8}{.3}$ X 10 + 100 =	107	X	.5	= 54
					106

Respondent's Factor Score

Index scores are then calculated for each attribute in that factor

Attribute weights are applied

Attribute index score are multiplied by the weights and a respondent's factor score is arrived at

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Example Of How The J.D. Power And Associates' Customer Satisfaction Index Is Calculated

Step 5. Calculating The Overall Satisfaction Index

Factor 1	Weight 1		Factor 2	Weight 2		Factor 3	Weight 3		Overall Satisfaction Score
(106	X .3)	+	(105	X .4)	+	(96	X .3)	=	103

An overall satisfaction index score is then calculated by applying the respective factor weight to each respondent's factor score

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The J.D. Power And Associates Approach For Analyzing Customer Satisfaction Is To Examine The Three Levels Of Measurements Built Into The Index

INDEX

1. *Examine Overall Index Score Relative To Competition*

Factors/ Dimensions Of Satisfaction

- Cost of Service
- Credibility/Billing
- Program Offerings
- Equipment & Service Capabilities
- Customer Service
- Reception Quality

2. *Examine Factor Scores And Importance Of Factors Relative To Overall Satisfaction*

Question Answers Converted To Attribute Index Scores

3. *For Each Factor, Examine Attribute Index Scores (Which Add To The Respondents' Factor Score)*

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Sample And Methodology

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Sample And Methodology ✦

The study was conducted in two phases as follows:

Phase I

A screener was mailed to a total sample of 200,000 households, randomly selected from the NPD Consumer Panel* of approximately 330,000 households. The key objectives of the screener were to:

- Establish cable/satellite TV usage, and;
- Identify the primary provider of cable and/or satellite TV service.

A total of 131,401 usable screeners were returned.

Phase II

A twelve-page mail questionnaire was sent to a randomly selected sample of consumers who indicated that they had cable and/or satellite TV service. The sample was defined as follows:

An overall sample of 6,505 households was selected. This sample was divided into 12 groups, based on cable or satellite carrier. A random sample of 500 respondents per group was selected to be included in this phase.

Each group of households was balanced demographically to represent the universe of each carrier as defined by the screener. Questionnaires were mailed in late March, 2000 and were addressed to the key decision-maker responsible for selecting the cable or satellite TV service carrier in the household. Each returned questionnaire was validated for completeness, correct carrier and decision-maker names. A total of 4,883 usable questionnaires were received when the field closed at the end of May,1999, representing a response rate of 75%.

* see page A&R 1 in the "Analysis & Reporting" section for more details on panel

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Sample And Methodology ✦

Questionnaire Contents:

The questionnaire with accompanying cover letter was sent to each household in the sample and included the following topics:

- Overall Opinion of Cable/Satellite TV Provider
- Customer Satisfaction With Cable/Satellite TV Providers On 40 Attributes
- Cable/Satellite TV Switching Behavior
- Satisfaction With Customer Service Experience
- Evaluation of Digital TV Usage
- Evaluation of Internet Usage
- Evaluation of Current Cable/Satellite TV Provider Website
- Bundling Services
- Demographic Characteristics/Incidence

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Analysis And Reporting

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Analysis And Reporting ✦

Balancing of Household Profile

The NPD Consumer Panel, from which the sample was drawn, consists of approximately 330,000 households. Within this household universe, a continuous maintenance program is maintained to yield a nationally representative return sample. This panel is balanced on six demographic, socio-economic and geographic variables to reflect total U.S. household composition. These six variables include:

- Household size
- Household income
- Age of householder
- Socio-economic status
- Education of householder
- Region and market size

Research has shown that each of the above variables has been identified as being significant societal segments that drive consumer behavior. By establishing these criteria, the returns and responses from the panel are not subject to bias by under-representing or over-representing a specific target group such as single householders, which tend to have a lower response rate. The balancing targets are based upon statistical packages using data from the Current Population Survey of the U.S. Census Bureau.

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Analysis And Reporting ✦

Weighting of Data:

The data in this study has been weighted to reflect the 80 million households* who subscribe to cable or satellite TV service, as well as the percentage shares of each carrier, as obtained in the screener. The percentage shares are detailed below:

Cable Carriers		Satellite Carriers	
	%		%
Adelphia	7.4	DirecTV	49.5
AT&T Cable	18.3	Primestar By DirecTV	27.3
Cablevision	6.7	Dish Network	11.1
Cable One	1.5	Other	12.1
Charter	7.9		
Comcast	9.5		
Cox	10.4		
MediaOne	5.7		
Time Warner	16.6		
Other	16.0		

* Source: Federal Communications Commission

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Analysis And Reporting ✦

Customer Satisfaction Index (CSI):

While the survey covers many areas, an overall index of critical satisfaction components has been constructed for the cable/satellite industry to simplify the review of the information. This Customer Satisfaction Index (CSI) provides a single objective measure by which cable/satellite companies can judge customer satisfaction among their customers particularly relative to competition. A total of 40 attributes were used to obtain the overall index for cable/satellite service. These attributes, along with the relative weights associated with each attribute, were selected via factor analysis and represent a balanced synthesis of customer experiences.

The Customer Satisfaction Index is a synopsis of the data collected through the Syndicated Cable/Satellite Study and is a measurement of relative levels of residential consumer satisfaction. For cable/satellite service, the CSI is based on six related factors. These factors are Cost of Service, Credibility/Billing, Program Offerings, Customer Service, Equipment & Service Capabilities and Reception Quality.

CSI Weighting

Response Weighting: The traditional industry approach of assigning values to responses is used in the first weighting stage of the index. Rating scales are assigned positive values for each point. In this study, a five point scale with excellent to poor ratings have the following values assigned:

- Excellent = 5
- Very Good = 4
- Good = 3
- Fair = 2
- Poor = 1

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2000 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Analysis And Reporting ✦

Relative Question Weighting: Once values are assigned to responses within a question, the relative importance of each question is determined using factor analysis. Factor analysis is employed as the first step because the original attributes used are not independent of each other. In other words, an individual's experience and response to one question can clearly be affected by an experience and response to another question. For example, there are several attributes in the survey that are address the cost of service. There are also some that are related to billing -- a closely related concept. The issue of how much weight the cost of service and billing concepts should have in the CSI, and how many variables or components it should contain, is determined using factor analysis.

Sometimes not all variables are ultimately included in this type of analysis. Often variables are deleted from the factor analysis procedure for one or more of the following reasons:

- The question yields a low level customer response. As such, the sample size is not large enough to measure customer satisfaction.
- The question shows no significant variation across carriers.
- The question bears little or no relationship to the other variables.

As a result, below are the six factors detailed below.

* The first factor (Cost of Service) is derived from five variables all highly correlated on some aspect of the cost of cable/satellite TV service

* The second factor (Credibility/Billing) is derived from eleven variables all highly correlated on the aspect of the companies' reputation, billing practices and honesty.

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1999 Syndicated Residential Cable/Satellite TV Customer Satisfaction Study

✦ Analysis And Reporting ✦

* The third factor (Program Offerings) is comprised of seven variables, which are all highly correlated on some aspect of cable/satellite TV programming

* The fourth factor (Equipment & Service Capabilities) is comprised of five variables, which are highly correlated with equipment and installation issues

* The fifth factor (Customer Service) is comprised of ten variables, which are highly correlated on the aspects of the customer service reps and their timeliness

* The sixth factor (Reception Quality) is comprised of two variables, which are highly correlated on the aspects of picture and sound quality

The attributes are summarized into the six factors based on the results of the factor analysis. Any indexed factor score for a carrier overall above 105 is considered significantly above, while a 95 or lower is considered significantly below the industry average in the 2000 study. By using indexed data, priorities can be readily set in exploiting positive areas and eliminating potential weaknesses versus the competition.

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2001 Syndicated Cable/Satellite TV Customer Satisfaction Study

- 6th Annual Benchmark Wave -

September, 2001

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KEY OBJECTIVES

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Key Objectives

- Determine key drivers of customer satisfaction for residential cable/satellite TV service
- Determine the performance of the major players in the cable/satellite TV industry, including:
  - CABLE: Adelphia, Ameritech americast, AT&T Cable/Broadband, Cable One, Cablevision, Charter, Comcast, Cox, Insight, Mediacom, RCN and Time Warner
  - SATELLITE: DirecTV and DISH Network
- Identify areas of strength and weakness for each major provider
- Recognize future trends which could have an impact on the market
- Gauge the impact new services/issues may have on the cable/satellite industry
- Track performance on an annual basis

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METHODOLOGY

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Methodology

- Survey Technique
  - Mail panel of representative sample of U.S. households
  - Initially screened 200,000 households to
    - Establish cable/satellite TV usage, and;
    - Identify the primary provider of cable and/or satellite service
  - Mailed a twelve page survey to a random sample of households for each carrier based on the information obtained from the screener
  - A total of 6,163 surveys were mailed at the end of March 2001
  - Received 4,167 usable completed surveys - 68% response rate

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Methodology (Con't)

- Sampling Frame
  - Survey completed by the key household decision maker regarding cable/satellite services
  - Each group of households was balanced demographically to represent the universe of each provider, as obtained in the screener
  - Sample weighted, using the results from the screener, to reflect:
    - the 80 million households that use either cable or satellite*
    - the share of each cable and satellite provider within the total customer base

* Source: Federal Communications Commission

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Return Sample Size By Major Cable TV And Satellite TV Service Providers

Cable TV Service Providers	
Adelphia Cable Comms.	355
AT&T Cable/Broadband•	445
Ameritech americast	146
Cablevision	189
Cable One	209
Charter••	331
Comcast	349
Cox Communications	336
Insight Communications	333
Mediacom Comms.	290
RCN	168
Time Warner	355
Other	91

Satellite TV Providers	
DirecTV•••	355
DISH Network	355

• AT&T Cable includes TCI Cable

•• Charter Cable includes Falcon Cable

••• DirecTV include Primestar

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EXECUTIVE SUMMARY

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Executive Summary (Con't)

Market Penetration:

- Cable/satellite TV market penetration now reaches 83% of the population, continuing the growth trend from 1996. The penetration rate for satellite companies increased slightly over the past year (12% to 14%), while cable households fell slightly from their levels over the previous year (66% to 65%). Cable accounts for a majority of the households with approximately four cable households for every satellite household, nationwide.

Customer Satisfaction

- Ameritech's offering of Ameritech americast local cable took the top honors in Overall Satisfaction among cable and satellite users this year, significantly besting its closest competitor and the previous year's winner, DISH Network:

Ameritech americast	123	Time Warner	97
DISH Network	118	Insight	96
DirecTV	114	AT&T	96
Cox	104	Cable One	95
RCN	101	Cablevision	92
Industry Average	101	Charter	91
Adelphia	100	Mediacom	88
Comcast	98		
Satellite Average	115	Cable Average	97

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Executive Summary (Con't)

Customer Satisfaction (con't.)

- Despite Ameritech americast scoring significantly higher than its closest competitors, satellite companies still maintain a higher overall average than that of cable companies. With the exception of Ameritech americast, no other cable company scores significantly above the overall industry average and only one other, Cox, scores significantly above the cable average.
  - Among cable companies, Ameritech americast (123) is the top scorer by a significant margin, followed by Cox (104), RCN (101), Adelphia (100) and Comcast (98).
  - Ameritech americast scores significantly above the cable and industry averages in all six of the factors contributing to Overall Satisfaction, while Cox scores significantly above the industry average in three of the factors, Credibility/Billing, Equipment & Service Capabilities and Customer Service.
- Among the two major satellite companies, DISH Network edged out DirecTV in Overall Satisfaction and in all six of the factors.
  - DISH Network scored significantly below Ameritech americast in Overall Satisfaction and within the Program Offerings, Equipment Service & Capabilities and Customer Service factors. DISH Network scores directionally above Ameritech americast in the Reception Quality factor.
- Both DISH Network and DirecTV outscore the majority of the cable companies with Ameritech americast being the only exception.

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Executive Summary (Con't)

Customer Satisfaction (con't.)

- Among cable companies, Ameritech americast significantly outscores the rest of the competitive pack on all factors contributing to Overall Satisfaction.
  - Cox scores significantly above the cable industry average in Overall Satisfaction, due in large part to strong scores in the Cost Of Service, Credibility/Billing, Equipment & Service Capabilities, Program Offerings and Customer Service dimensions.
  - RCN, Adelphia and Comcast perform slightly above the cable industry average. Both RCN and Adelphia are bolstered by significantly better than average scores in the Cost of Service factor.
- Time Warner, Insight, AT&T and Cable One perform on par with the cable industry average overall and across most of the factors of customer satisfaction.
- Cablevision, Charter and Mediacom score significantly below the cable industry average in Overall Satisfaction.
  - Cablevision scores significantly below the cable industry average in two of the six factors, that influence Overall Satisfaction, Cost Of Service and Credibility/Billing. Charter falls significantly below the cable industry average in four of the six factors, including Reception Quality and Credibility/Billing. Mediacom performs significantly below the cable industry average in all of the factors except for Cost Of Service.

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Executive Summary (Con't)

Digital Vs. Analog

- On average, almost nine out of ten cable subscribers report that their cable company offers digital cable service. More than one fourth of cable households (27%) report subscribing to some type of digital service. Ameritech americast has the highest reported incidence of digital subscribers (38%), followed by Cablevision (35%) and Charter (34%).
  - Among households that do not have digital service, one in three (30%) report being at least somewhat likely to subscribe to it in the next year.
  - Digital households significantly outscore analog households in Overall Satisfaction as well as within all six of the factors. Digital's largest advantages are within the Program Offerings and Equipment & Service Capabilities factors, while its narrowest lead is within the Customer Service dimension.
  - Digital households tend to be slightly younger than their analog counterparts, with larger households sizes and slightly larger average incomes.
- Although Digital cable households still rate their Overall Satisfaction levels below that of satellite households, they are narrowing the gap, scoring slightly above satellite in the Equipment & Service Capabilities factor and slightly below in the Program Offerings and Customer Service dimensions.

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Executive Summary (Con't)

Impact of Switching

- Almost one half (47%) of current satellite households report having switched from cable service. In contrast only one in twenty (5%) current cable households report previously having satellite service.
- Of those households considering switching their service, five times as many would switch from cable to satellite as would switch from satellite service to cable TV.
  - Among Satellite users, "Price", "Features/Services", "Unhappy With Current Company" and "A Lack Of Local Programming" are the reasons given most often for wanting to switch their service.
  - Among Cable users, "Price", "Features/Services", "Number of Channels Available" and "Lower Price" were the top reasons given for considering switching service.

Impact of Bundling

- Almost four in ten cable households (38%) would at least somewhat consider switching all of their telecommunications services to one provider, while close to one half (46%) of satellite households would do the same.
  - Among cable and satellite households likely to bundle their telecommunications, a majority cited "Convenience" as the reason they would be most likely to switch, followed by "Receiving A Single Bill", "Discounted Prices" and "Having Only One Contact."

* Extremely/Very/Somewhat likely to combine all telecom services with one company

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Executive Summary (Con't)

Usage Patterns

- Seven out of ten (71%) cable households report subscribing to basic cable plus additional channels. Cablevision households have the highest incidence of this (81%), while Cable One households have the lowest (56%).
  - Cablevision users report the highest average cable expenditures, $54.45 per month, while Mediacom users report the lowest, $38.43. Among satellite companies, DirecTV has the higher average monthly expenditure level at $51.60 a month.

Internet Usage

- Slightly more than one half of cable households (55%) and three out of five satellite households (63%) report having some type of Internet access. Access among cable households is up four percentage points over last year, while among satellite households it is up eleven percentage points.
  - Among cable households with Internet access, almost one in ten (8%) report receiving service from their local cable companies. Of households without high-speed access, one in three (31%) are at least somewhat likely to subscribe to high-speed access from their local cable company.
  - Households that receive high-speed Internet access through a cable modem are significantly more satisfied than households that use a traditional Internet provider in overall cable satisfaction and within five of the six factors.

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Executive Summary (Con't)

Web-Based Customer Service

- One in five (20%) satellite users report visiting their provider's website within the past six months. DISH Network users have the highest reported incidence of website visits (26%).
- Information on other services offered is the leading reason given by both cable and satellite users for visiting their providers website.
  - Almost one quarter of cable households (23%) that have visited their provider's website have done so to contact customer service.

Effects Of Mergers

- On average, one quarter of all satellite and cable households (27%), reported being aware of a merger or acquisition involving their company. AT&T Cable/Broadband households reported the highest incidence of merger awareness (49%), while DISH Network households reported the lowest levels of awareness (8%).

In Sum

- Satellite TV continues its steady growth in penetration of the cable/satellite market, but its domination of the satisfaction area continues to erode. Ameritech americast cable outscored incumbent DISH Network for the first time, while the continued support of digital cable service has further narrowed the gap between cable and satellite technology.
- Continued growth in the bundling of multiple telecommunications services will continue to make the cable industry a hotbed of technological improvements and growth.

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DETAILED FINDINGS

* Competitive Environment

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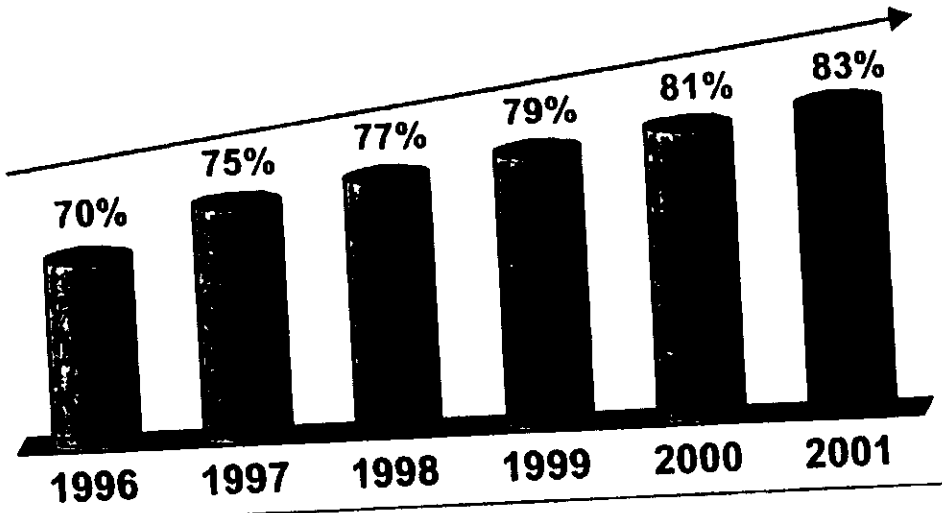
Cable/Satellite TV Penetration Has Continued To Rise Steadily Since 1996.



The Number Of Satellite-Only Households Continues To Grow, While Cable-Only Household Penetration Has Dropped Slightly From Its 2000 Levels.

	1996	1997	1998	1999	2000	2001
Cable-Only Households	64%	65%	68%	68%	66%	65%
Households that have "Both" Cable & Satellite TV Services	1%	4%	2%	3%	3%	4%
Satellite-Only Households	5%	6%	7%	8%	12%	14%

Source: 1996-2001 JDP&A Cable/Satellite CSI Studies

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Cable Companies Account For A Majority Of The Market, Although Satellite Providers Maintain A Steady Rate Of Growth From Year To Year. Following The Acquisition Of Primestar Last Year DirecTV Is Now The Third Largest Provider Of Cable/Satellite Service Nationally.

	1996	1997	1998	1999	2000	2001
Cable Providers	%	%	%	%	%	%
AT&T Cable/Broadband+	20	20	17	14	15	18
Time Warner	14	15	14	15	14	14
Comcast	9	9	9	10	8	10
Charter	2	3	3	5	7	8
Adelphia	1	3	4	5	6	7
Cox	5	5	5	5	9	7
Cablevision	*	5	6	8	6	5
Cable One	*	*	1	*	1	1
Insight	na	na	na	na	na	1
Mediacom	na	na	na	na	na	1
Others	38	27	25	20	13	11
Satellite Providers						
DirecTV++	5	5	5	5	11	12
DISH Network	*	1	2	2	5	7
Others	4	7	3	6	2	2

* = Less Than 1%
+ = Formerly TCI Cable
++ = Includes Primestar
na = data not available

Base: Subscribe to Cable/Satellite TV
Note: Columns may add to more than 100% due to HH's with both cable and satellite

Source: 1996-2001 JDP&A Cable/Satellite CSI Studies

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DETAILED FINDINGS

- Customer Satisfaction Measurement Process

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Customer Satisfaction Measurement Process

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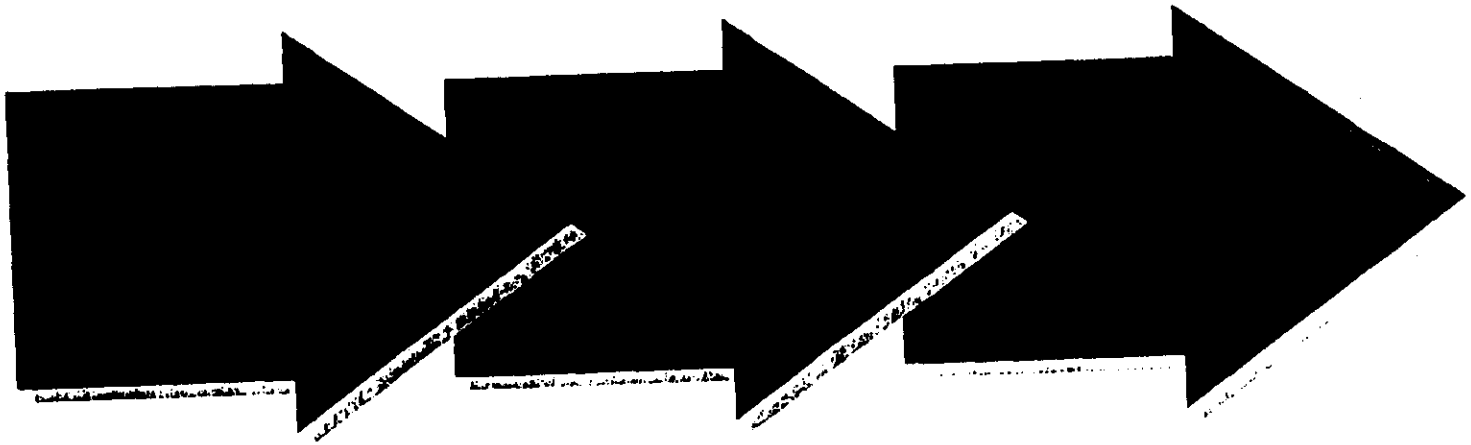
We Employ The J.D. Power And Associates' Three Step Process To Measure Customer Satisfaction...



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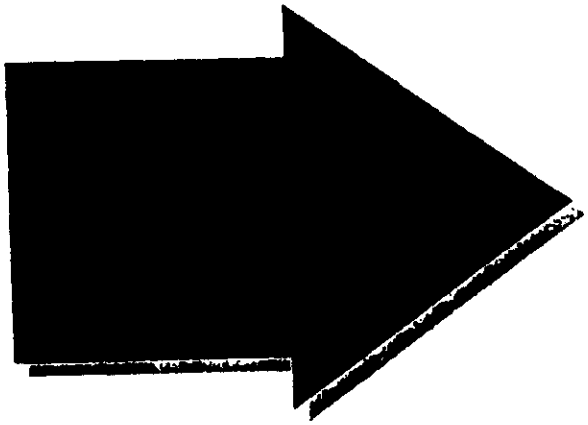
...The First Step, Factor Analysis, Groups Attributes Together Based On The Similarity Of Responses



Identifies unique satisfaction dimensions and eliminates non-discriminating dimensions

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Customer Satisfaction Attributes Covered For Cable/Satellite TV Service

Cost of Service

- Total cost of monthly service
- Provides good value
- Cost of adding additional channels
- The initial cost of installation
- Cost of adding service to 2 or more TVs

Credibility/Billing

- Is a technical innovator and leader in the industry
- Company's reputation
- Company's honesty with no gimmicks, misleading ads or hidden charges
- Active in supporting activities in community
- Keeps you informed about new services or promotions
- Timeliness in making adjustments to your bill
- Ease of understanding Company correspondence such as bill inserts
- Availability of a variety of payment methods
- Company's ability to stand behind the services they sell
- Accuracy of your monthly bills
- Ease of understanding your monthly bills

Equipment & Service Capabilities

- Offers the services you want in your area
- Keeps service outages to a minimum
- Ability to restore service after temp. outages
- Equipment that is easy to operate
- Provides replacement or loaner equipment

Customer Service

- Has courteous customer service reps
- Can get through to customer service without being put on hold or transferred to different departments
- Has knowledgeable customer service reps
- Ability to resolve service issues in a timely manner
- Promptly makes changes to service when requested
- Thoroughness of information provided
- Has responsive customer service reps.
- Has a user-friendly automated response system
- Has convenient customer service hours
- Time it takes to reach a customer service rep

Source: 2001 JDP&A Cable/Satellite CSI Studies

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Customer Satisfaction Attributes Covered For Cable/Satellite TV Service

Program Offerings

- Offers channels you like as a part of "basic"
- Number of channels available
- Offers special discounts on select channels
- Makes it easy to find something to watch
- Provides a variety of program packages
- Ease of ordering pay-per-view
- Provides local programming

Reception Quality

Consistently delivers clear reception on all channels

Clarity of reception

Source: 2001 JDP&A Cable/Satellite CSI Studies

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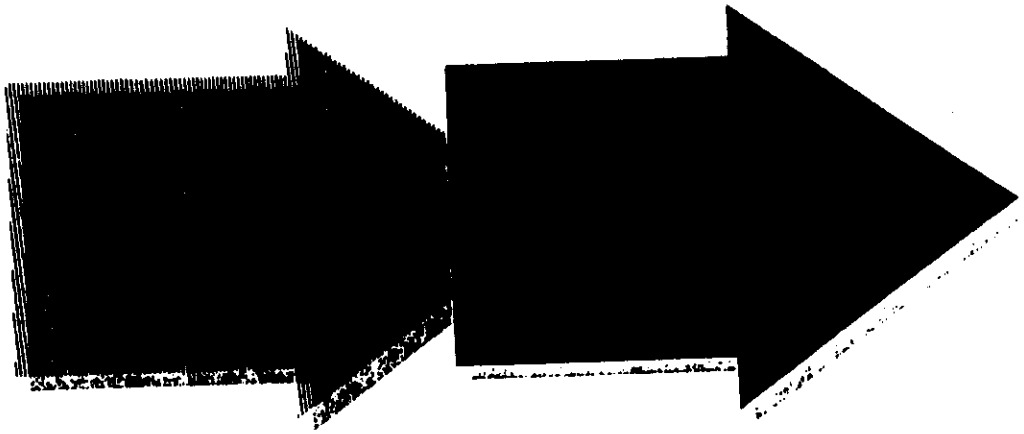
The Second Step, Regression Analysis, Identifies Strength Of Relationships Between Attributes And Overall Satisfaction.



Identifies unique satisfaction dimensions and eliminates non-discriminating dimensions

Identifies importance based on implied weights of each unique dimension

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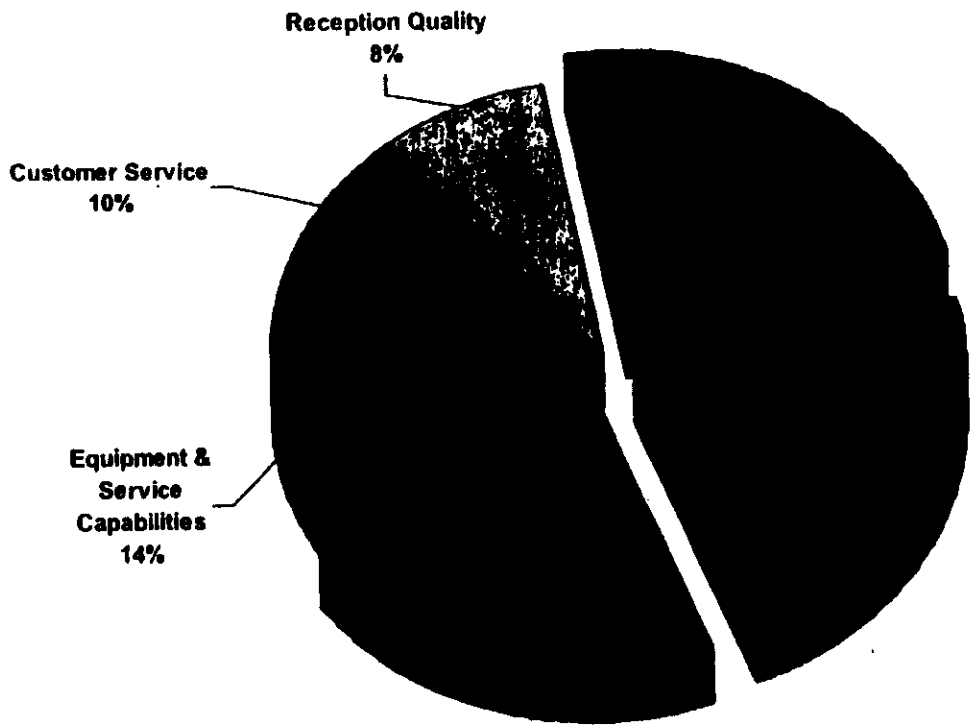
Cost Of Service, Credibility/Billing And *Program Offerings* Have The Most Impact On Overall Customer Satisfaction With Cable/Satellite TV Service, Followed By *Equipment And Service Capabilities, Customer Service* And *Reception Quality.*

Customer Satisfaction Index Weights: Cable/Satellite TV



Source: 2001 JDP&A Cable/Satellite CSI Studies

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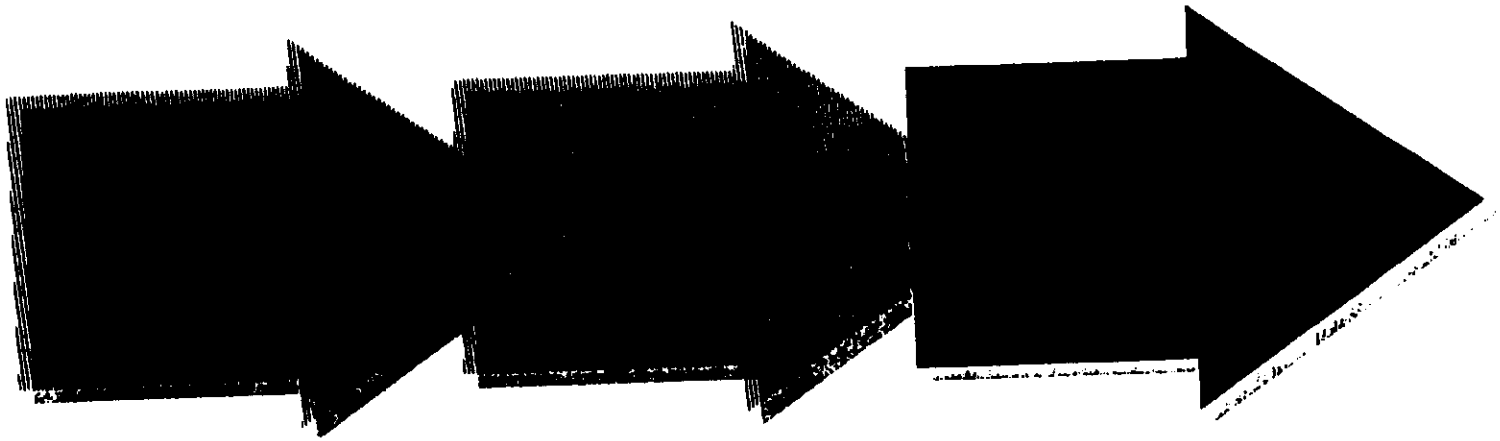
The Third Step Involves *Deriving* Satisfaction Index Scores For Each Service Provider Using The Weights Established In The Regression Analysis.



Identifies unique satisfaction dimensions and eliminates non-discriminating dimensions

Identifies importance based on implied weights of each unique dimension

Scores respondents based on weights and establishes an industry average

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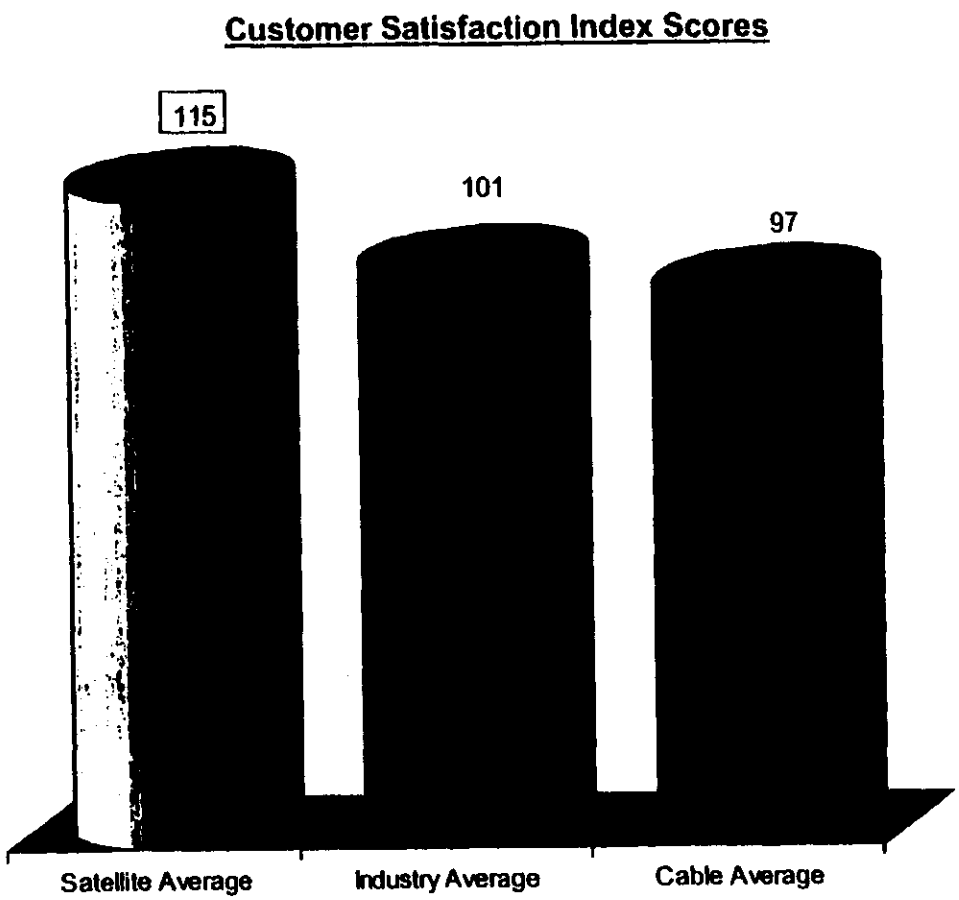
Satellite Users Are Significantly More Satisfied Than Cable Users.



▭ = Statistically significant above INDUSTRY average at 95% confidence level
⬭ = Statistically significant below INDUSTRY average at 95% confidence level

Source: 2001 JDP&A Cable/Satellite CSI Study

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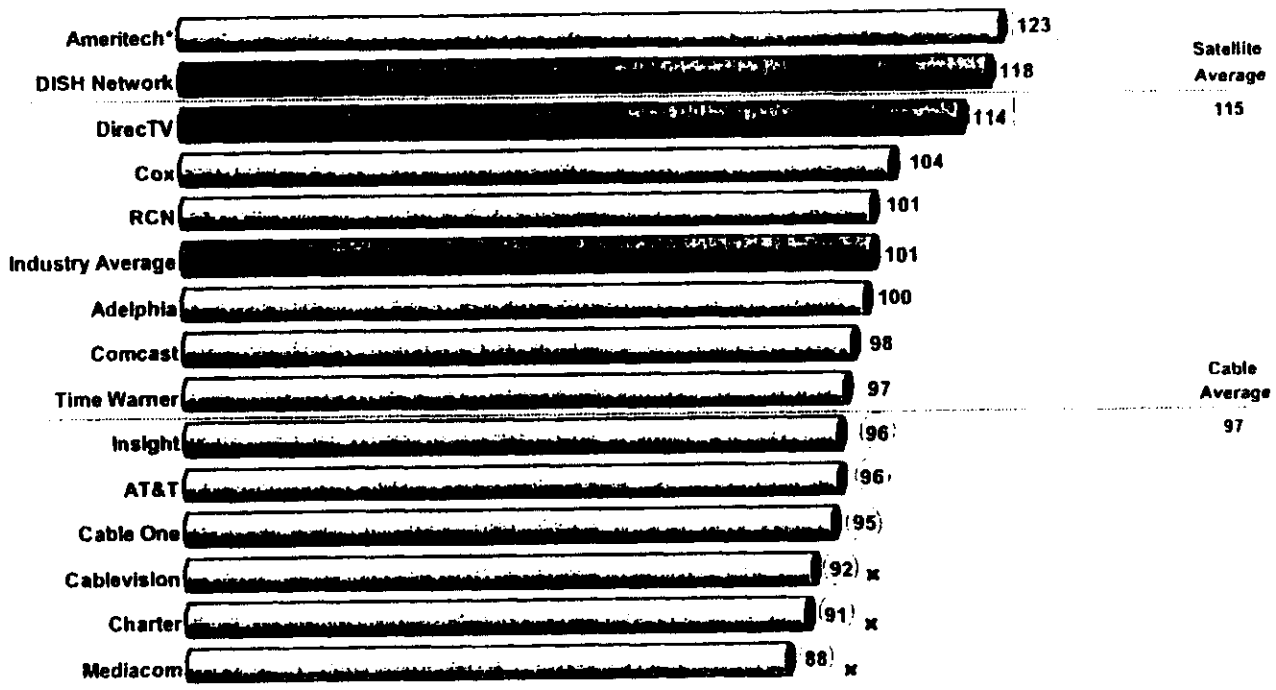
Ameritech Americast Significantly Outscores The Rest Of The Competitive Cable/Satellite Field In Overall Satisfaction. Among Satellite Companies, DISH Network Ranks Above DirecTV.

Customer Satisfaction Index Scores



* = americast cable provided by Ameritech
= Statistically significant above SEGMENT average at 95% confidence level
✖ = Statistically significant below SEGMENT average at 95% confidence level
▭ = Statistically significant above INDUSTRY average at 95% confidence level
⬭ = Statistically significant below INDUSTRY average at 95% confidence level

Satellite Service Providers
Cable Service Providers

Source: 2001 JDP&A Cable/Satellite CSI Study

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DISH Network's Lead Over DirecTV Can Be Attributed To Strong Scores In The *Cost Of Service*, *Customer Service* And *Reception Quality* Factors. Ameritech Scores Significantly Above The Cable Industry Average In All Factors Of Overall Satisfaction.

[illegible]	[illegible] Average	[illegible] Average	DISH Network	DirecTV
[illegible]	101	115	118	114
[illegible]	102	120	124	118
[illegible]	100	115	117	113
[illegible]	102	118	119	117
[illegible]	99	109	111	108
[illegible]	97	105	111	102
[illegible]	99	120	123	118

= Statistically significant above SEGMENT average at 95% confidence level
✖ = Statistically significant below SEGMENT average at 95% confidence level
▬ = Statistically significant above INDUSTRY average at 95% confidence level
· = Statistically significant below INDUSTRY average at 95% confidence level

Source: 2001 JDP&A Cable/Satellite CSI Studies

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Ameritech Americast Scores Significantly Above The Cable Industry Average In All Factors Of Overall Satisfaction.

							Comcast	Warner		AT&T	Cable One	Cable Vision	Charter	Media-com
	101	97	123	104	101	100	98	97	96	96	95	92*	91*	88*
	102	98	123	103	106	103	97	97	100	98	95	86*	95	94
	100	97	121	106	98	100	98	98	94	95	97	92*	89*	87*
	102	98	124	104	102	100	99	98	97	97	92*	94	93*	88*
	99	97	125	105	101	98	99	98	95	94	93	98	91*	84*
	97	96	124	105	95	102	96	95	94	91*	100	94	92	91*
	99	94	120	99	102	94	92	99	94	94	90*	97	85*	80*

* = americast cable provided by Ameritech
= Statistically significant above SEGMENT average at 95% confidence level
* = Statistically significant below SEGMENT average at 95% confidence level
= Statistically significant above INDUSTRY average at 95% confidence level
. = Statistically significant below INDUSTRY average at 95% confidence level

Source: 2001 JDP&A Cable/Satellite CSI Studies

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