



Press Release

J.D. Power and Associates Reports:

While Viewing of Paid Video via Tablets and Wireless Phones Increases, Viewing via Computers Declines

WESTLAKE VILLAGE, Calif.: 21 June 2012 — As paid video content becomes more available via different distribution channels, tablet and wireless phone-viewing usage has increased, while PC/Mac-viewing usage has decreased from 2011, according to the J.D. Power and Associates 2012 U.S. Residential Pay-to-View StudySM released today.

The study, now in its second year, provides unique insights concerning attitudes, viewing preferences, behavior patterns, awareness and experiences among pay-to-view customers of the major home television and video service providers in the United States.

The study finds that 18 percent of customers use tablets for viewing paid video content, making them the most-often-used handheld device, up from 11 percent in 2011. Usage by wireless phone customers increases to 16 percent, up from 14 percent in 2011. Overall, 29 percent of video service customers watch paid content on a handheld device. PC/Mac viewing of paid content has declined to 39 percent from 48 percent in 2011.

“Customers are becoming more comfortable viewing their paid content on a smaller screen, such as a tablet or mobile phone,” said Frank Perazzini, director of telecommunications at J.D. Power and Associates. “The convenience of the device, as well as the availability of the content, has made it much easier to experience video on a variety of devices. However, the desire to watch events and video content as it happens is still prevalent, as more than 50 percent of viewers watch live television programming.”

The study measures customer satisfaction with the pay-to-view service experience across seven factors: performance and reliability; variety of videos/programming provided; ease of use; cost of service; customer service; billing; and offerings and promotions. Overall satisfaction with pay-to-view video service providers averages 750 (on a 1,000-point scale), up from 743 in 2011.

Generation Gap

The study finds a stark difference in the usage and viewing practices of paid content by Gen Y and Baby Boomer¹ customers, yet finds a minor difference in their satisfaction levels. For instance, satisfaction with video service providers among Gen Y customers has declined to 752, down 18 points from 2011, while satisfaction among Baby Boomer customers is 748, an increase of 19 points from 2011. Among Gen Y customers, satisfaction has declined in part due to lower ratings for cost of service and customer service, while satisfaction among Baby Boomer customers has increased due to higher ratings for billing, ease of use and variety of videos/programming provided.

“Baby Boomers are more becoming more comfortable with paid video technology and, as a result, are becoming more satisfied with the services available,” said Perazzini. “Conversely, Gen Y customers are already familiar

¹ J.D. Power and Associates defines generational groups as Pre-Boomers (born before 1946); Baby Boomers (1946-1964); Generation X (1965-1976); and Generation Y (1977-1994).

with the technology and not only demand a high level of service from video service providers, but also are quick to seek alternatives when they believe they could have a better experience elsewhere.”

The study also finds that when selecting a video service provider, 21 percent of Gen Y customers consider mobility a factor, compared with only 9 percent of Baby Boomer customers, further highlighting the different needs of these two generations.

Customers Spend More Time with Gaming Consoles

Nearly one-fourth (23%) of customers view paid content via gaming consoles, compared to those who view paid content via handheld devices (29%). However, customers who view content on a gaming console watch 6.3 hours per week, compared with 5.3 hours on a PC/Mac; 4.9 hours on a wireless phone; 4.5 hours on a music player; and 4.4 hours on a tablet.

“These findings illustrate that while customers appreciate the convenience and value that gaming consoles provide, the TV screen is still a preferred viewing media,” said Perazzini. “On the other hand, average viewing times for mobile devices and computers are likely impacted by battery life and screen size.”

The 2012 U.S. Residential Pay-to-View Study is based on responses from 4,097 U.S. households that evaluated video service providers, including Amazon, Apple TV, Blockbuster/Blockbuster Express, Google TV, Hulu/Hulu Plus, Local Video Stores, Netflix and Redbox. The study was fielded in April 2012.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing 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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