



Press Release

J.D. Power and Associates Reports:

Gen Y and Pre-Boomers Are Most Satisfied with Their Home Phone Service, but for Different Reasons

Bright House Networks, Cox Communications, Optimum Voice and WideOpenWest
Each Rank Highest in Residential Telephone Customer Satisfaction in Their Respective Region

WESTLAKE VILLAGE, Calif.: 20 September 2012 — Both Generation Y and Pre-Boomer¹ customers are significantly more satisfied with their home telephone service than customers in other generational groups, but for very different reasons, according to the J.D. Power and Associates 2012 U.S. Residential Telephone Customer Satisfaction StudySM released today.

The study [measures customer satisfaction with both local and long distance telephone service](#) in four regions throughout the United States. Five factors are examined to determine overall satisfaction (in order of importance): performance and reliability; cost of service; billing; offerings and promotions; and customer service.

Overall satisfaction among Pre-Boomers with their residential telephone service is 709 (on a 1,000-point scale), compared with 690 among Gen Y customers. The average overall customer satisfaction is 682. In addition, Pre-Boomers and Gen Y customers are significantly more satisfied with their phone service than are customers in the Gen X (667) and Baby Boomer (678) generational groups.

Pre-Boomers are satisfied with their phone service simply because it is reliable, while Gen Y customers are satisfied because of their ability to bundle other services such as cellular phone service and high-speed Internet. While the majority of Pre-Boomers are unlikely to switch providers, nearly one-fourth of Gen Y customers are likely shop around for a different provider.

“Pre-Boomers tend to take an ‘if it’s working, why switch’ approach to their telephone service, while Gen Y customers are not afraid to switch and will consider a provider offering a less expensive alternative,” said Frank Perazzini, director of telecommunications at J.D. Power and Associates.

Slightly more than one-fifth (22%) of Gen Y customers indicate they “definitely will” or “probably will” switch phone service providers, compared with just 11 percent of Pre-Boomers. Among Gen Y customers who are willing to switch, 72 percent say they are willing to switch for a better price, compared with 60 percent of Pre-Boomers who say the same.

In addition, the study finds that 57 percent of Gen Y customers say it would be “extremely easy” or “somewhat easy” to switch their phone service, compared with 51 percent of Pre-Boomers who say the same.

While Gen Y customers have a high propensity to switch providers, they also present the greatest opportunity for growth—provided they remain satisfied with their current provider. Among Gen Y customers, 41 percent indicate

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

they will buy additional products from their provider, compared with 31 percent of Gen X customers, 25 percent of Baby Boomers and 21 percent of Pre-Boomers.

“The market for home telephone service is reaching a saturation point, so providers are working very hard to keep their current customers,” said Perazzini. “Phone providers will certainly be challenged to keep Gen Y customers, as few consider home telephone service part of their ideal telecom bundle, which includes wireless services and faster broadband services.”

In addition, the study finds:

- A higher percentage of Gen Y customers (12%) are interested in bundling home security services with their telephone service than are customers in the Gen X (11%), Baby Boomers (9%) and Pre-Boomer (7%) generational groups.
- Pre-Boomers have a notably higher propensity to use automatic banking deduction to pay their bills (21%) than customers in all other generational groups (14%). Gen Y customers more often opt to pay via their provider’s website (26%), which they find ideal to monitor their phone usage and view new product offerings.
- More than one in five (21%) Gen Y customers use online video chat, compared with customers in the other generational groups: Gen X (13%); Baby Boomers (9%); and Pre-Boomers (7%).

Provider results by region are:

East Region: Optimum Voice ranks highest with a score of 706, performing particularly well in cost of service; billing; and offerings and promotions. Verizon follows in the region with 692.

South Region: Bright House Networks ranks highest in the region for the seventh consecutive year with a score of 728 and performs well in all five factors. Following Bright House Networks in the rankings is Verizon (704) and Cox Communications (695).

North Central Region: WideOpenWest (WOW!) ranks highest for the sixth consecutive year with 732, performing well in all five factors. Cincinnati Bell follows in the region with 698, and AT&T ranks third with 680.

West Region: Cox Communications ranks highest in the region for a 10th consecutive year with a score of 704, performing well across all five factors. XFINITY (689) and Verizon (683) follow in the regional rankings.

The 2012 U.S. Residential Telephone Customer Satisfaction Study is based on responses from 18,033 customers nationwide who receive their local and long distance telephone service from one provider. The study was fielded in four waves: November 2011, January 2012, April 2012 and July 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 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.

About The McGraw-Hill Companies

McGraw-Hill announced on September 12, 2011, its intention to separate into two public companies: McGraw-Hill Financial, a leading provider of content and analytics to global financial markets, and McGraw-Hill Education, a leading education company focused on digital learning and education services worldwide. McGraw-Hill Financial's leading brands include Standard & Poor's Ratings Services, S&P Capital IQ, S&P Indices, Platts energy information services and J.D. Power and Associates. With sales of \$6.2 billion in 2011, the Corporation has approximately 23,000 employees across more than 280 offices in 40 countries. Additional information is available at <http://www.mcgraw-hill.com/>.

Media Relations Contacts:

John Tews; J.D. Power and Associates; Troy, Mich.; (248) 680-6218; media.relations@jdpa.com
Syvetril Perryman; J.D. Power and Associates; Westlake Village, Calif.; (805) 418-8103;
media.relations@jdpa.com

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power and Associates. www.jdpower.com/corporate

#

(Page 3 of 3)

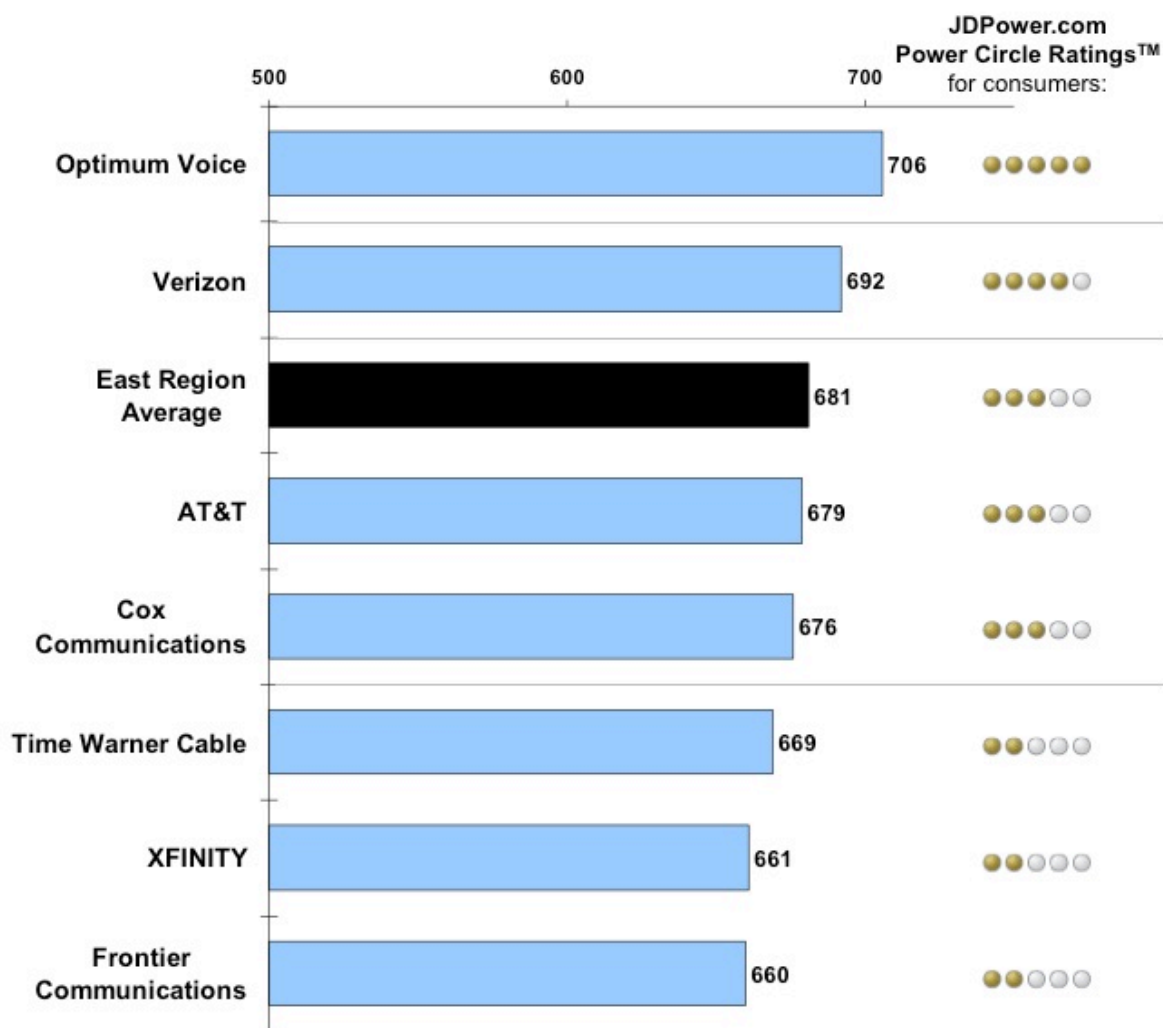
NOTE: Four charts follow.

J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM

Customer Satisfaction Index Ranking

East Region

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM

Power Circle Ratings Legend

- 5 Gold Circles: Among the best
- 4 Gold, 1 Silver Circle: Better than most
- 3 Gold, 2 Silver Circles: About average
- 2 Gold, 3 Silver Circles: The rest

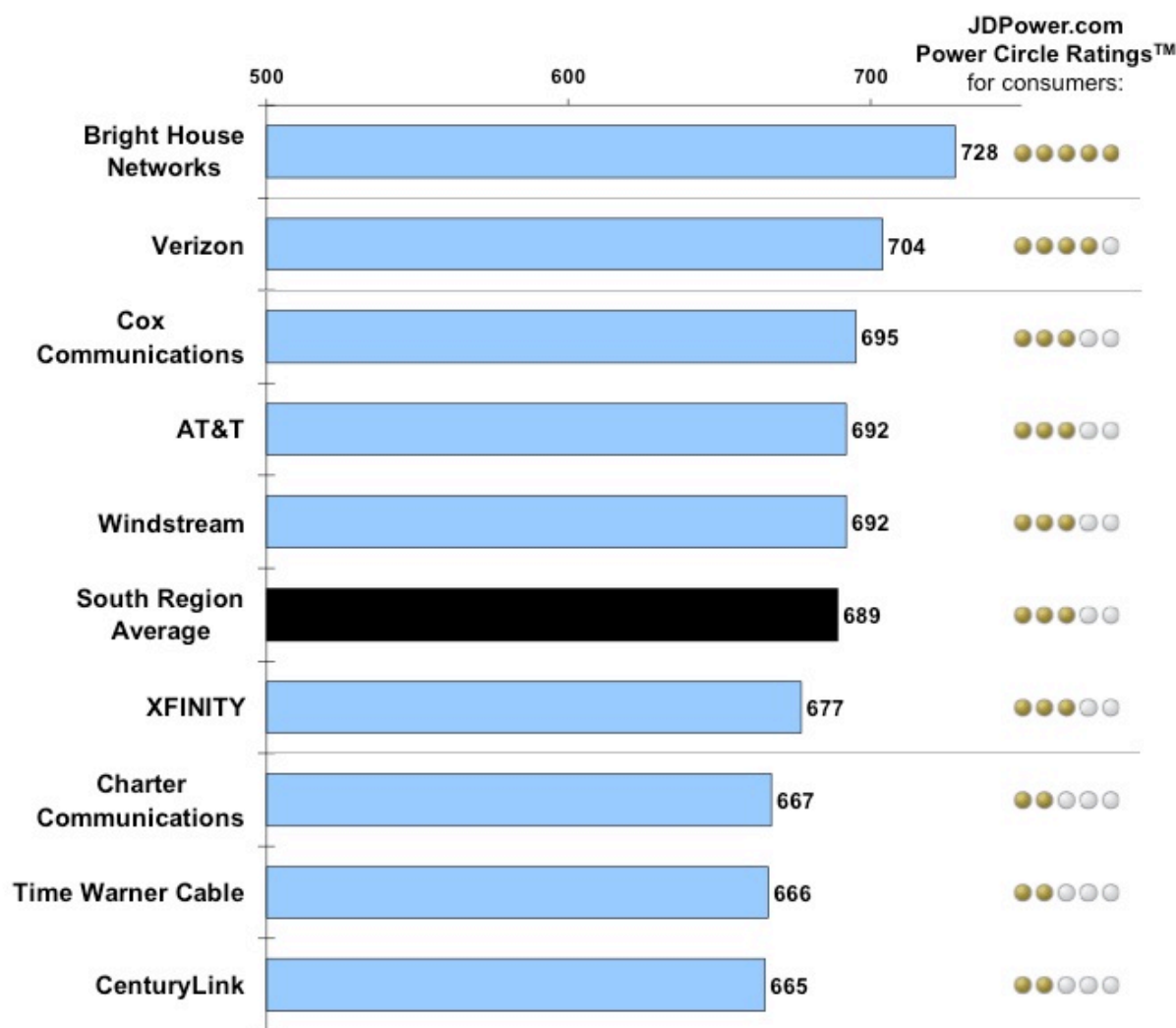
Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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 2012 Residential Telephone Satisfaction StudySM

Customer Satisfaction Index Ranking

South Region

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM

Power Circle Ratings Legend

- 5 Gold: Among the best
- 4 Gold, 1 Silver: Better than most
- 3 Gold, 2 Silver: About average
- 2 Gold, 3 Silver: The rest

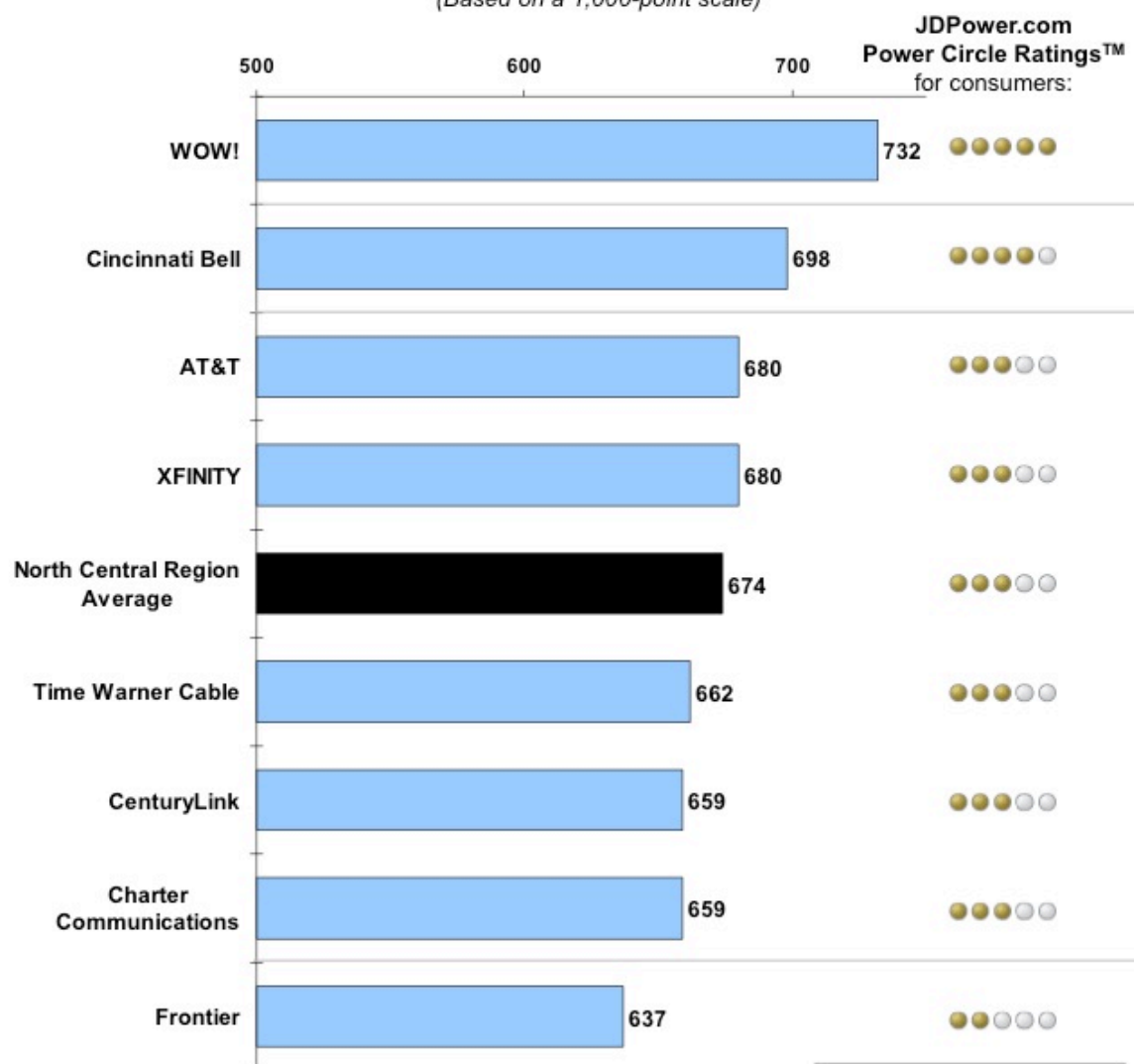
Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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 2012 Residential Telephone Satisfaction StudySM

Customer Satisfaction Index Ranking

North Central Region

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM

Power Circle Ratings Legend

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

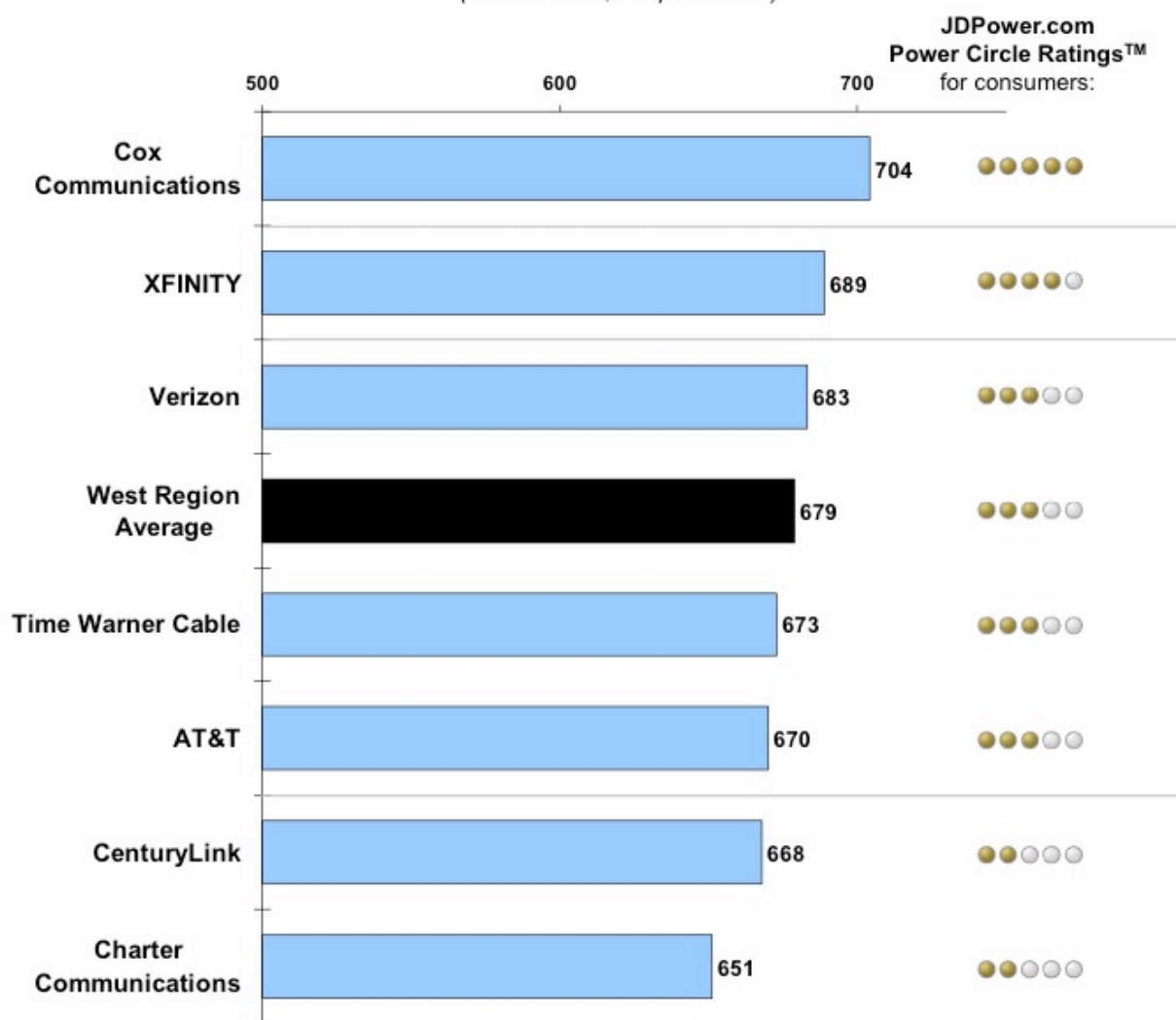
Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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 2012 Residential Telephone Satisfaction StudySM

Customer Satisfaction Index Ranking

West Region

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 U.S. Residential Telephone Satisfaction StudySM

Power Circle Ratings Legend

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

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 2012 U.S. Residential Telephone Satisfaction StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM 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.