

# Press Release



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## Cable Operator Multi-Screen Strategies Likely to Hit Pay Dirt

*TDG Validates Cable and Satellite Strategies  
to Offer Integrated Three-Screen Video Services*

March 4, 2009 (Dallas, Texas) – Comcast, Time Warner Cable, Cox Communications, DirecTV, and other Pay TV operators are in the process of building integrated multi-screen TV offerings; pushing their TV content beyond the TV to the PC and ultimately mobile devices. According to new research from The Diffusion Group (TDG), such offerings are likely to experience significant market demand.

Among the preliminary efforts announced in the last few weeks, TDG points to Time Warner's TV Everywhere scheme as the most aggressive. Time Warner's CEO, Jeff Bewkes, has characterized TV Everywhere as an expansive initiative aimed at making cable programming available with a subscription model specific to each of the three screens – TV, PC, and mobile. According to TDG's president, Michael Greeson, such an offering represents "the trifecta of video services."

According to Greeson, Time Warner's TV Everywhere initiative is the first legitimate instance of what he calls a [quantum video service](#), one which in theory delivers on the "any content, any screen, any location, at anytime" promise on which place-, time-, and device-shifting notions are based.

"What separates these new models is the fact that once disparate video services that served disparate video screens will be integrated into a single service. In other words, a single branded offering that dishes up your favorite TV content to any of your video-enabled devices, all with one bill and one point of customer contact. Incumbents such as Comcast and Time Warner Cable are among the few companies that have the assets and acumen to deliver such a service."

According to TDG's latest research, the appeal of a two-screen TV/PC service would be significant:

- 16% of Pay TV subscribers who spend more than \$100/month for TV service would spend an additional \$20/month to have their TV programming delivered to their PCs. Even among lower ARPU customers (those spending less than \$50/month for Pay TV service), 9% of consumers would spend an additional \$20/month to

access their TV programming on their PCs.

- At lower pricing levels, demand for a two-screen TV/PC service is even more significant. More than one-fourth of those who spend more than \$100/month for TV service would pay an additional \$2.50/month to receive their TV programming on their PCs, as would 14% of those who currently spend \$50/month or less on their Pay TV service.

TDG is a pioneer in terms of quantifying the market appeal of alternative video distribution models. In the last five months, TDG has fielded three large-scale consumer research studies focused exclusively on [multi-screen](#) and [over-the-top](#) video services. For more information about this research, please contact Andy Tarczon at 469.287.8060 or [at@asktdg.com](mailto:at@asktdg.com).

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### **About TDG**

The Diffusion Group is a market planning and research firm dedicated to keeping our clients *In Front of the Curve*.™ Since 2004, TDG has helped more than 250 technology leaders, media companies, and service providers to understand and manage the quantum shifts now impacting how consumers access, navigate, distribute and consume media – whenever and wherever they may be.

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