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**CUSTOMER SERVICE CONVENIENCE KEY IN DRIVING DEMAND FOR BUNDLED HOME COMMUNICATION SERVICES, ACCORDING TO TELEPHIA**

*One in Five High-Tech Households Surveyed Will Consider Subscribing to a Quadruple Bundle of TV, Internet, Landline and Wireless Phone Services from a Single Provider*

**SAN FRANCISCO—August 29, 2005**—Telephia, the leading provider of performance measurement information to the mobile industry, shows that customer convenience is a key driver for households subscribing to bundled home communication services from a single service provider. Bundled services can include a combination of TV, Internet, landline and wireless phone subscriptions in a single package. According to the Telephia Emerging Personal Communications Options (EPCO) survey, when asked what are the primary benefits associated with purchasing bundled communications services from a single service provider, 71 percent of respondents replied that having one bill for all their services was an important benefit. More than half (54 %) of those surveyed said discounts associated with bundled services were also an important factor, while 40 percent of respondents noted that a single point of contact for customer care was another advantage.

“Cable TV operators and national and regional Bell operating (RBOC) companies are empowered by the growth of emerging technologies such as VoIP and IPTV, as it enables them to offer richer bundled service packages to customers,” said Kanishka Agarwal, Vice President of New Products, Telephia. “Certainly, this will lead to intense competition among the providers, and those who deliver customer convenience in billing, pricing and care will be well-positioned to win.”

The Telephia Emerging Personal Communications Options (EPCO) Survey aims to understand the attitudes of high-tech households towards emerging services and bundled offerings, providing integrated insights into household use and preferences across emerging converged landline and wireless phone, VoIP, Internet and TV services. The survey consisted of a panel of 23,000 household decision-makers, providing key metrics at the local level including share-of-

wallet, share-of-household spending across communications services, awareness, and likelihood to convert. Detailed findings on 6,500 high-tech households revealed additional insight into customer preferences around emerging services like VoIP and bundled offerings.

### **All-in-One Demand**

Telephia reports that 19 percent of high-tech households surveyed would consider subscribing to a quadruple-play bundle that includes services for TV, Internet, landline and wireless phone from a single service provider (see Table 1). According to the Telephia’s EPCO survey, respondents were also interested in two-service bundles, with 19 percent saying they intend to subscribe to a TV-Internet package, a bundle offered by cable companies. Twenty percent said they would choose a phone-Internet bundle, which phone companies have traditionally offered their customers.

In addition, four percent of high-tech households currently subscribe to TV, Internet, landline and wireless phone services from a single service provider (see Table 1). Another 15 percent already subscribe to a bundle of three of these services, signaling an opportunity for growth for providers offering robust packaged deals.

“The findings reveal that there is a strong consumer demand for a one-stop-shop for home communications services that gives consumers the benefits of dealing with one provider along with special discounts,” added Agarwal. “The benefits do not stop with the customers. For providers, not only are they reducing the amount of churn among their client base, they are also able to upsell customers to subscribe to more services and increase their share of wallet.”

**Table 1: Percentage Breakdown of Bundled Service Usage and Interest**

Bundled Services	High-Tech Households Who Have Signed Up for Bundled Services (%)	High-Tech Households Who Will Consider Bundled Services (%)
TV-Internet-Landline-Wireless	4%	19%
TV-Internet-Wireless	2%	9%
TV-Internet-Landline	13%	12%
Landline-Wireless	7%	12%
TV-Internet	31%	19%
Landline-Internet	25%	20%
Landline-TV	2%	3%
NONE	27 %	36%

*Source: Telephia EPCO Survey, Q2 2005*

*Note: In the Table 1 data, survey respondents were asked to pick which type of bundled services they subscribe to or will consider signing up for. Respondents were allowed to pick up to two different bundle choices.*

*Note: High-tech households are identified as those who currently subscribe to at least three bundled or emerging services (e.g., wireless data, video-on-demand, Internet-based telephony/VoIP, satellite radio, broadband, DVR, etc.), or expressed an intent to purchase four or more services.*

**About Telephia**

Founded in 1999, Telephia provides syndicated performance measurement information to the leaders of the mobile industry. Telephia serves more than 50 mobile industry clients, including carriers, device manufactures, content and application providers, retailers, infrastructure vendors and investment analysts. Telephia is the industry standard measure of subscriber share, customer satisfaction, device share, network quality, revenue share, advertising effectiveness, content audience and many other key performance indicators. Telephia helps clients use information to drive superior business results by providing high-quality measurement products and integrated analysis.

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