

CableFAX Daily™

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What the Industry Reads First

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Keeping Score: Why Everyone is Talking About Their Net Promoter Rankings

With customer retention so vital these days, **Net Promoter**—a mash-up of customer feedback and rankings on a 1-10 scale—has become a key driver, with the microscope particularly focused on low-scoring detractors and high-scoring brand zealots. The industry began flocking to Net Promoter a few years ago, and from boardroom presentations to ongoing executive training and reporting programs specifically about NPS, the standard shows no sign of slowing down. At **Suddenlink**, NPS “has become our primary internal barometer of customer satisfaction,” said svp, customer experience **Gibbs Jones**. “The shift toward NPS is happening because it gives you a way to judge how well you are doing and it also provides a measure of how many of your customers will help you sell your product through positive word of mouth.” Distributors collect Net Promoter data across multiple touch points. **DirectTV**’s customer care division measures NPS at the frontline, where individuals provide feedback based at service interactions—“Those are the numbers that tend to be more powerful,” said **Rasesh Patel**, DirectTV svp of customer care—as well as on the enterprise or longer-term relationship level. “NPS does tend to be a wide-swinging metric, and the variation tends to be across the life cycle of a customer,” Patel noted. “You can get a good feel of what a customer is going through in the onboarding phase, or when their contract is about to be up.” **Comcast** also uses NPS, but a spokesperson stressed that it is just 1 of several measures to track. “Organizations are recognizing that NPS alone does not allow creation of targeted strategic or tactical action planning to minimize detractors and affect customer experience,” the Comcast rep said. “When NPS is coupled with other metrics, like dissatisfaction and loyalty, it can help provide context to the impacts of events and prioritization of initiatives, both strategic and tactical.” Suddenlink measures customer satisfaction at multiple touch points, like a sale or service call. If a customer indicates dissatisfaction, a Suddenlink rep contacts them directly. “Interestingly, most of the time customers are, first of all, surprised we read their survey results, and then are shocked that someone actually called and fixed the problem,” Jones said. Fixed problems are only part of the NPS benefit, as scores can also lead to proactive holistic changes. Patel has found the customer feedback not only led to improved service, but it has helped DirectTV make better economic investments. The company eliminated some 12mln calls in the past 2 years as a direct result of Net Promoter. The data also helped DirectTV identify and amend an area of customer discontent. “There’s deep discounting within the industry to

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acquire a customer, and longer-tenured, existing customers tend to become upset they are not getting as good a deal as new customers. We identified this as a core customer pain point,” Patel said. As a result, DirecTV last year launched its transparent upgrade program. And happy customers, particularly engaged promoters who give scores upward of 8, are likely to spread the word. But in a competitive market, is there danger of customer service reps pushing too hard for a 10 when they interact with customers? “Companies approach their NPS from different perspectives. When you’re using the score and the insights to actually fundamentally change business policies, it’s really a win for the consumer for the long term,” Patel said. The potential danger comes in, he says, “when companies implement NPS as an add-on metric, and there is not the rigor on the back end.” - *Cathy Applefeld Olson*

In the Hopper: The US Court of Appeals for the 9th Circuit denied **Fox’s** petition to rehear its case against **DISH** over its ad-skipping Hopper service, upholding a July ruling that declined Fox’s request for a preliminary injunction. Fox can bring the case to the highest court, but such review is tough to win, particularly on cases involving preliminary injunctions, **Stifel Nicolaus** analysts said. However, Fox could frame a petition for a Supreme Court review as a copyright/contract question on the merits, they said, noting the broadcasters’ case against **Aereo**. Several broadcasters recently obtained a Supreme Court review of a 2nd Circuit ruling that denied its request for a preliminary injunction against Aereo. In that case, the broadcasters framed the question presented as a copyright claim on the merits, not just on the likelihoods and Aereo backed high court review to speed resolution. In a statement, Fox said “we are disappointed in the decision but recognize that preliminary injunctions are rarely overturned on appeal. This ruling was based on a factual record from more than a year ago. Now that we have gathered more evidence, we are confident that we will ultimately prevail on all of our claims.”

In the Courts: **Players Network** told the **SEC** Fri that it had filed a civil suit in the 8th Judicial District Court in Clark County, NV, against **Comcast** and **Advanced Information Systems**, seeking \$150mln in damages. This all dates back to an Oct '05 announcement that Comcast and Players Network had entered into a multi-year deal for a VOD channel. Players Network provides programming related to casino gaming, including instructional videos. In the suit obtained by **CableFAX**, Players claims that Comcast did not increase its amount of programming distribution by 20% per year as required by the contract and that it has “buried the gaming channel, **Vegas On Demand**” that it developed. Comcast called the allegations “entirely baseless” and said it would defend itself accordingly. Players Network claims Comcast and AIS breached their contracts, and that Comcast also is in violation of the **FCC’s NBCU** consent decree.

At the Portals: The **FCC** will hear a presentation from the staff working group on agency process reform during its Open Commission Meeting on Thurs. Also on the agenda, the agency will consider a Report and Order, NPRM and NOI on how to accelerate technology transitions. It will also get an update on the timeline and project plan for the broadcast incentive auction.

From the Streets: As **Charter** continued to pressure **Time Warner Cable** shareholders to accept its \$132.5 a share bid, **UBS** analysts predicted that if Charter raised the bid to \$145, the companies could have a deal. “Our own interaction with investors suggests there could be solid support for a deal in the \$145 range,” the analysts said. Most likely the companies would meet in the middle, with each side “feeling confident in winning a shareholder vote,” they said. If the ask and bid remain far apart, the chances of a negotiated deal would be low and both sides might gear up for “a proxy fight,” they said. Charter is reportedly in talks with **Comcast** to form an alliance to pursue TWC. A stand-alone Comcast bid for Charter is less likely due to potential regulatory push-back, especially with the **FCC’s** net neutrality order turned down, UBS said.

Programming: **FX** booked 2 new comedy series: “Married” and “You’re the Worst.” The 2 scripted half-hours (10 eps each) are slated to debut in July. -- **USA** picked up courtroom comedy “Benched” produced by the **ABC Signature**, the boutique division of **ABC Studios**, and the **Mark Gordon Company**. -- **Monster.com** and **Pivot** will debut original doc “Generation Job: The Pursuit to Find Better” on Mon, 9:30pm ET.

People: **Nickelodeon** named *Sarah Noonan* svp, live action content, and *Jay Schmalholz* svp, live event television. They will report to *Russell Hicks*, pres, content development and production, **Nickelodeon Group**. -- Former **Tel-emundo** and **Hearst-Argyle** exec *Ibra Morales* was named pres of Hispanic broadcast net **MundoFox**.

Oops: **Military History** (from **A&E Networks**) and **Fox Sports2** are among the emerging cable nets that MSOs most want to carry followed by **Chiller** and **BBC World News**, according to a **Beta Research** survey.

CableFAX Week in Review

Company	Ticker	1/24 Close	1-Week % Chg	YTD %Chg
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BROADCASTERS/DBS/MMDS

21ST CENTURY FOX:	FOXA	31.27	(2.4%)	(11.09%)
DIRECTV:	DTV	69.35	(3.21%)	0.42%
DISH:	DISH	54.60	(0.46%)	(5.73%)
DISNEY:	DIS	72.72	(1.7%)	(4.82%)
GE:	GE	24.95	(6.13%)	(10.99%)

MSOS

CABLEVISION:	CVC	15.87	(3%)	(11.49%)
CHARTER:	CHTR	131.42	(2.14%)	(3.9%)
COMCAST:	CMCSA	52.40	(2.13%)	0.83%
COMCAST SPCL:	CMCSK	50.59	(2.05%)	1.42%
GCI:	GNCMA	10.32	(5.84%)	(7.44%)
LIBERTY GLOBAL:	LBTYA	83.27	(5.16%)	32.26%
LIBERTY INT:	LINTA	27.53	(2.03%)	(6.2%)
SHAW COMM:	SJR	22.40	(0.84%)	(7.97%)
TIME WARNER CABLE:	TWC	133.70	(1.48%)	(1.33%)

PROGRAMMING

AMC NETWORKS:	AMCX	65.66	(5.12%)	(3.6%)
CBS:	CBS	58.39	(3.47%)	(8.39%)
CROWN:	CRWN	3.08	(0.32%)	(12.75%)
DISCOVERY:	DISCA	78.99	(2.37%)	(12.64%)
GRUPO TELEVISIA:	TV	28.69	(5.28%)	(5.19%)
HSN:	HSNI	56.89	(0.59%)	(8.68%)
INTERACTIVE CORP:	IACI	70.55	(1.78%)	2.77%
LIONSGATE:	LGF	30.51	3.21%	(3.63%)
MADISON SQUARE GARDEN:	MSG	56.08		(0.67%)
(2.61%)				
SCRIPPS INT:	SNI	73.61	(0.76%)	(14.81%)
STARZ:	STRZA	28.02	(4.69%)	(4.17%)
TIME WARNER:	TWX	63.32	(1.68%)	(9.18%)
VALUEVISION:	VTV	5.98	(4.93%)	(14.45%)
VIACOM:	VIA	81.75	(1.84%)	(6.86%)
WWE:	WWE	20.84	6.60%	25.69%

TECHNOLOGY

ADDVANTAGE:	AEY	3.17	(1.25%)	17.84%
ALCATEL LUCENT:	ALU	3.81	(7.75%)	(13.41%)
AMDOCS:	DOX	42.40	1.07%	2.81%
AMPHENOL:	APH	85.89	(6.72%)	(3.69%)
AOL:	AOL	47.16	(7.11%)	1.16%
APPLE:	AAPL	546.07	1.00%	(2.66%)
ARRIS GROUP:	ARRS	25.57	(3.47%)	5.05%
AVID TECH:	AVID	7.25	(1.36%)	(11.04%)
BROADCOM:	BRCM	29.39	1.34%	(0.88%)
CISCO:	CSCO	22.20	(2.37%)	(1.03%)
CONCURRENT:	CCUR	8.23	3.13%	0.73%
CONVERGYS:	CVG	20.81	(4.15%)	(1.14%)
CSG SYSTEMS:	CSGS	30.62	(1.45%)	4.15%
ECHOSTAR:	SATS	47.04	(1.65%)	(5.39%)
GOOGLE:	GOOG	1123.83	(2.32%)	0.28%
HARMONIC:	HLIT	6.60	0.92%	(10.57%)
INTEL:	INTC	24.81	(4.02%)	(4.43%)
JDSU:	JDSU	11.78	(2.16%)	(9.31%)
LEVEL 3:	LVT	32.34	(4.77%)	(2.5%)
MICROSOFT:	MSFT	36.80	1.17%	(1.62%)
MOTOROLA MOBILITY:	MMI	14.98	0.74%	(61.39%)

Company	Ticker	1/24 Close	1-Week % Chg	YTD %Chg
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NIELSEN:	NLSN	43.24	(2.66%)	(5.77%)
RENTRAK:	RENT	55.00	0.00%	45.16%
SEACHANGE:	SEAC	12.15	(2.72%)	(0.08%)
SONY:	SNE	16.72	(1.94%)	(3.3%)
SPRINT NEXTEL:	S	8.40	(6.35%)	(21.86%)
TIVO:	TIVO	12.23	(5.63%)	(6.78%)
UNIVERSAL ELEC:	UEIC	36.13	(1.58%)	(5.2%)
VONAGE:	VG	4.31	14.32%	81.86%
YAHOO:	YHOO	37.91	(5.25%)	(6.26%)

TELCOS

AT&T:	T	33.42	(0.83%)	(4.95%)
VERIZON:	VZ	47.63	(1.49%)	(3.07%)

MARKET INDICES

DOW:	DJI	15879.11	(3.52%)	(4.21%)
NASDAQ:	IXIC	4128.17	(1.65%)	(1.16%)
S&P 500:	GSPC	1790.29	(2.63%)	(3.14%)

WINNERS & LOSERS

THIS WEEK'S STOCK PRICE WINNERS

COMPANY	CLOSE	1-WK CH
1. BLNDER TONGUE:	0.99	16.46%
2. VONAGE:	4.31	14.32%
3. WWE:	20.84	6.60%
4. LIONSGATE:	30.51	3.21%
5. CONCURRENT:	8.23	3.13%

THIS WEEK'S STOCK PRICE LOSERS

COMPANY	CLOSE	1-WK CH
1. ALCATEL LUCENT:	3.81	(7.75%)
2. AOL:	47.16	(7.11%)
3. AMPHENOL:	85.89	(6.72%)
4. SPRINT NEXTEL:	8.40	(6.35%)
5. GE:	24.95	(6.13%)

Sales Executive of the Year Awards

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