

# Cablefax Daily™

WHAT THE INDUSTRY READS FIRST

## Year 2: Cox Looks to Amp Up Customers' Mobile Awareness

It's been a year since **Cox** used **CES** to announce it had launched Cox Mobile across its footprint. Now it's back at the show this week, reflecting on lessons learned as well as what's ahead for its wireless offering.

Given that Cox Communications is private, there are no subscriber numbers to share. But the fact it's not public also means it's rare to hear execs expound on the mobile service. "I would characterize the overarching 2023 year as a really good success story. We're a smaller MSO than our peers, but when you normalize for scale, we had a very similar performance as they did when they launched," Cox Mobile SVP *Tony Krueck* said in an interview with **CFX**.

That doesn't mean it was easy. The Cox team had to continuously tweak and optimize the service, customer care and other elements throughout the year to drive growth, he said. Out of the gate, Cox Mobile launched with a simple \$45/month unlimited pricing plan or a "Pay as You Gig" \$15 per gig line. "As we started to move down the path, we had targets about lines per account and with that pricing structure, we weren't experiencing the lines per account growth we had hoped for," Krueck said. More lines drive a deep connection into a home and make a household stickier.

There had been no plan to introduce a new pricing structure for Cox Mobile in its first year, but Cox pivoted and rolled out family plans in September, offering one Gig Unlimited line for

\$45/line per month, two lines for \$40/line per month, three lines for \$35/line per month and four lines for \$30/line per month. "It was three months of fast and furious work to develop the capability and then we've seen a really steady growth of lines per account," Krueck said.

One area investors have been watching closely as cable expands into mobile is what sort of churn occurs as promotions expire. **Charter's** Spectrum One offering, which includes a free mobile line for one year, is being monitored as those first customers are beginning to roll off. Last month, CFO *Jessica Fischer* offered some promising news, telling an investor conference that overall mobile churn for 4Q is expected to be substantially the same as 3Q. Cox is being less aggressive with promotions, but watching its peers.

"We have made the decision, at least thus far, that we are not going to do campaign roll offs. So nobody is on a pricing structure today where a year from now they're going to have to roll off and see their price go up. There's a stigma in I think the entire MSO community that cable companies constantly are messing around with prices. We want to kind of change that with Cox Mobile," said Krueck. Cox does have some bundle discounts for customers that get internet discounted when they purchase mobile that could expire in a couple years, but the intention is not to change any mobile pricing.

It's early days, but so far Krueck said Cox is seeing better than expected churn impact to its core base when customers have mobile attached their account. Looking at 2024, one of

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the biggest challenges continues to be getting customers to see Cox as a viable mobile provider. “We measure awareness percentages, and I can tell you that it’s still very low,” he said. “Even though we’ve spent a ton of money on advertising and one-on-one to one messaging to our base of customers, the idea that we’re a mobile carrier is still kind of surfacing. One of our biggest challenges is just getting people to check us out.”

Building more awareness doesn’t necessarily mean spending more money on marketing. Look for Cox to focus on making sure all of its touchpoints—from service visits to calls about billing—mention Cox Mobile. Krueck also referenced what Cox refers to as its “best kept secret,” which is that **Verizon** is its partner for mobile. “We can’t just come out and say who our MNO partner is, but we have different strategies in place to reveal the best kept secret without actually kind of revealing the best kept secret,” he teased.

Also on tap for 2024 are private targeted offers, allowing Cox to address certain customers who may have a higher propensity to churn. For now, the plan is to avoid campaign roll offs, so it could be something like a deeper discount on trading in a device or gift card.

“When you look at 2023, we were probably introducing on a monthly basis different opportunities for our customers to become a Cox Mobile user. We want to increase the pace of that, so becoming more agile is going to be a big piece of that,” said Krueck. “The mobile industry simply moves at a faster pace than historically the cable companies have. Driving that change within the organization has been a lot of fun.”

## MLB REJECTS AMAZON-DSG DEAL

A proposed deal that’d see **Amazon** invest around \$150 million in the financially fluttering **Diamond Sports Group** was [rejected](#) by **MLB**, sources tell the *NY Post*. Amazon initially submitted the offer in December to make **Prime Video** the home of 11 teams under the DSG roof. However, MLB rejected the deal “because Amazon wanted a streaming deal for more than one year.” If MLB were to enter into a digital deal, it’d want negotiations to be directly with the league. The next DSG bankruptcy hearing is set for Wednesday at 3:30pm CT.

## ESPN, CFP IN TALKS

Just before the **College Football Playoff** title game kicked off, news broke that the CFP and **ESPN** are [currently negotiating a deal](#) that’d have the network be its sole rights holder for the next eight years. That’s according to *Heather Dinich* and *Pete Thamel* of... ESPN, who cite sources. It’d be an eight-year deal that includes the final two years of ESPN and CFP’s current deal which

expires in 2026. ESPN is reportedly considering a \$1.3 billion payout for the rights across six years. The spike in price comes as the CFP format expands from four teams to 12 starting next season. It’ll be interesting to see how viewership shakes out with the additional teams, but last night’s game—in which Michigan won 34-13 over Washington—reeled in 25 million viewers on ESPN and peaked at 28 million from 9-9:15pm. That’s the best championship audience since Clemson vs LSU in 2019 and checks in as a top-15 cable telecast of all time. The three-game CFP averaged 23.6 million viewers. The eight-year length should be noted as it aligns with the network’s recently announced deal with the **NCAA** in addition to the rights to March Madness (currently owned by **CBS** and **Warner Bros. Discovery**).

## COX POWERS CES AGAIN

**Cox Communications** has supported the world’s largest tech event for more than a decade, and 2024 is no exception. It is providing end-to-end internet connectivity throughout the Las Vegas Convention Center and beyond to ensure **CES**’ 130,000+ expected attendees stay connected. Cox is providing 2,800 WiFi access points, a distributed antenna system for indoor cellular coverage, enough high capacity broadband on the convention floor to transmit more than 1.2 Gigabytes per second and redundant, dedicated fiber for dual 10 gigabit connections. During the show, Cox showed off a [new ad](#) that highlights how it supports Las Vegas’ Allegiant Stadium and beyond. The spot started running in Cox markets nationwide this week.

## WEATHER CHANNEL LEADERS TALK TECH AT CES

**The Weather Channel** as a linear network has long been a destination for those that need to know the forecast fast, but the company’s investment in technology and alternative ways to deliver information to audiences has set it apart. During a **CES** session Tuesday, Weather Group President *Tom O’Brien* said tools like IP streaming have opened the door for The Weather Channel to tell better stories. He also praised The Weather Channel’s OTT app for opening new doors for network meteorologists to bring potentially life-saving news to as many individuals as possible. “On linear, I can only do [one location] at a time. But I can direct people to OTT where we have a meteorologist talking about each region of the country as it is impacted,” Weather Group President, News and Original Series *Nora Zimmert* said. “One of the things we always talk about is how do we superserve our audience their local weather to know what’s happening to them and their backyards. Well, we can do that now as a national service through the over-the-top app, through connected television, because we can

open up concurrent streams allowed by technology.” O’Brien and Zimmet have started looking at artificial intelligence and how it could support the network’s mission, and while they’re optimistic about its capabilities, they want to be careful how they introduce it into the network’s DNA. “As we start experimenting with AI behind the scenes in ways we can trust and verify, it is going to become very important... starting with logging tape, metadata as we tag video,” Zimmet said. “But if we start relying on it for forecasting and warnings, we’d better be 100% correct. We can’t be 99%, and that’s where the rubber meets the road on AI.”

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## CES PANEL TALKS AD SHIFTS

The future of insights, data and advertising across television and streaming were at the heart of a panel hosted by **Disney** EVP, Category Sales and Client Solutions *Lisa Valentino* Tuesday at **CES**. A key takeaway is that 2024 may truly be the year that we see media buyers fully embrace planning with digital first rather than with television. “Traditionally, you start to plan with television and then after, you look at your incremental reach with other channels like digital. I think today we are at the phase where we can start planning first with digital,” **Pfizer** Global Head of Media, Growth & Performance Marketing (and Disney alumnus) *Emmanuel Marques* said. “So there is a very interesting dynamic in the marketplace... and what is challenging is we’ve been working this way for so many years that it’s hard for people to change their mindset.” Arguably the largest upset in the status quo over the last few years has been some advertisers’ decision to move away from **Nielsen** as the currency standard and opening up RFPs for other measurement firms. **NBCU** EVP, Measurement & Impact *Kelly Abcarian* in 2021 called for an industry-wide shift in ad measurement, and the company announced at its One23 conference in February that it had certified 27 new measurement partners across brand measurement, incrementality measurement/sales impact and multi-touch attribution. **GroupM** U.S. Chief Investment Officer *Matt Sweeney* agreed that change can be a good thing, and more vendors pushing for better measurement tools can only better the industry. “There hasn’t been a lot of competition in measurement and currencies for quite some time. If a company dominates a marketplace the way Nielsen has for years, it sort of stagnates and doesn’t maybe do some of the investment that’s required to keep up with the marketplace,” Sweeney said. “So yeah, I want research companies and **VideoAmp** and **iSpot.tv** and others coming forward, and Nielsen is also sort of quickly trying to develop a new data set... But yeah, it’s about time.” Disney is poised to unveil its latest ad innovations during its Global Tech & Data Showcase scheduled to start at 3pm PT Wednesday at The Cosmopolitan Las Vegas.

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## CES NOTEBOOK

**CES** 2024 officially kicked off Tuesday with **CTA**’s annual state of the industry address. This year, the association is celebrating its 100th anniversary, and it was no shock to hear

that the technology and innovations introduced by folks like those that exhibit at CES are more important to consumers than ever before. **CTA** President *Gary Shapiro* said technology has become a part of who we are, citing surveys that claim one in four people say they would rather give up one of their five senses than give up their smartphone. “To borrow a line from **Best Buy** CEO *Corie Barry*, who is keynoting tomorrow at our Leaders in Technology dinner, technology is about more than just the devices in our pockets. Technology is actually a tool to solve some of the world’s biggest challenges and make our world a better place to live for literally billions of people,” Shapiro said. – **NCTC** has become a member of the **Associated Carrier Group**. The announcement is a win for **NCTC**’s burgeoning MVNO program, allowing members to take advantage of discounted agreements with mobile equipment manufacturers. That should encourage more of its membership to take a closer look at adding mobile to their product lineups. **NCTC** teased more partnership announcements to arrive in the coming weeks and months, and it will be back in Vegas Feb. 25-27 for the return of its Winter Educational Conference.

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## X MARKS THE SPOT

The foray into live programming from **Twitter/X** continues as the social media platform announced three new shows. Former U.S. representative *Tulsi Gabbard* will have a series of documentary-style videos as well as other content where she’ll discuss events happening in the U.S. and the world. *Don Lemon* is bringing “The Don Lemon Show” to the platform in the form of 30-minute episodes three times per week, spanning topics like politics, culture, sports and entertainment. Lastly, *Jim Rome*’s show will arrive on a digital platform for the first time ever starting after the Super Bowl (Feb. 11).

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## VANTIVA WRAPS UP ACQUISITION

**Vantiva**, a technology company for network service providers, finalized the acquisition of **CommScope**’s Home Networks division. The move boosts Vantiva’s client portfolio and consolidates its capacity for advancement. Vantiva also adds **Angelo, Gordon & Co.** and **CommScope**, which will be represented by SVP/Deputy General Counsel *Krista Bowen*, to its board.

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## PEOPLE

**Sinclair** is giving *Ryan Moore* the SVP/CRO title after he served as SVP/CRO, Sports and Digital. He’s been with the company since 2013, having held leadership roles with **Fisher Communications** (acquired by Sinclair in 2013) and **Belo Corp.** before then. Moore’s new role will have him oversee sales and revenue growth strategies, including digital sales, for all of the company’s TV stations, networks such as **Tennis Channel** and Sinclair’s marketing technology and managed services company **Compulse**.