



# LRG

Leichtman Research Group

**FOR IMMEDIATE RELEASE**

## **CONSUMERS EXPRESS LIMITED INTEREST IN A LA CARTE PROGRAMMING**

*Knowing the Implications, Just 17% are Very Interested in A La Carte*

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**Durham, NH – March 16, 2006** – New consumer research from Leichtman Research Group, Inc. (LRG) finds that 40% of consumers are initially very interested in being able to choose and pay only for individual channels from cable and satellite TV companies, a service commonly known as a la carte. But interest in a la carte significantly diminishes when consumers are informed of the number of channels they would be likely to receive with an a la carte system, and the equipment requirements of the service.

To gauge consumers' interest in a la carte, LRG split a sample of 1,586 adults over age 18 living in households with at least one TV set into two groups:

- Those in the first group were initially asked a question to measure general interest in a la carte. They were then given information that, by choosing a la carte, an average subscriber would receive less than one-third the number of channels that they get for the same price today, and that they would need to have set-top box receivers on each TV set. This group was again asked their interest in a la carte given these implications.
- Those in the second group were given the implications of receiving a la carte service first, and then asked their interest in a la carte.

The survey found that 40% of adults are very interested (8-10 on a 10-point scale) in the general concept of a la carte. When provided with the channel limitations and equipment requirements of receiving a la carte, 17% of respondents in both of the two groups were very interested in subscribing to an a la carte service.

	Group One	Group Two
Very interested in a la carte (general)	40%	NA
Very interested in a la carte (given implications)	17%	17%

“The concept of being able to choose and pay for only the channels that you want initially sounds appealing to many consumers, but in assessing bona-fide interest in an a la carte offering, it is important to provide consumers with the actual implications of receiving such a service,” said Bruce Leichtman, president and principal analyst for Leichtman Research Group, Inc. “When consumers are informed of the requirements and consequences of receiving a la carte, we find that about one out-of-six consumers are very interested in a la carte as it would appear in reality.”

These findings are part of an upcoming LRG study, *Cable and DBS: Competing for Customers 2006*.

**About Leichtman Research Group, Inc.**

Leichtman Research Group, Inc. (LRG) is an independent firm that specializes in research and analysis on broadband, media and entertainment industries. LRG combines on-going surveys and analysis with years of hands-on industry experience to provide companies with a richer understanding of the potential impact and adoption of new products and services. For more information about LRG, please call (603) 397-5400 or visit [www.LeichtmanResearch.com](http://www.LeichtmanResearch.com).

*Cable & DBS: Competing for Customers 2006* is based on a telephone survey of 1,600 adults age 18+ from throughout the continental US that was conducted in March 2006. The random sample of respondents was distributed to best reflect the demographic and geographic make-up of the US. The overall sample has a statistical margin of error of +/- 2.5%.

**How the a la carte question was asked**

The sample was randomly split into two groups:

**Group One**

First asked: *An ‘a la carte’ service from a cable or satellite TV company would allow you to choose and pay for only the individual channels that you want. Using a 1 to 10 scale with 10 being extremely interested and 1 being not at all interested, how interested would you be in subscribing to an “a la carte” service?*

Then asked: *By choosing channels “a la carte” an average cable or satellite TV subscriber would get less than one-third the total number of channels that they currently get for the same price. Also receiving channels “a la carte” would require a separate cable or satellite set-top box receiver for each TV set. Knowing this, using the same 1 to 10 scale with 10 being extremely interested and 1 being not at all interested, how interested would you be in subscribing to an “a la carte” service?*

Group Two

*Asked only: An "A la carte" service from a cable or satellite TV company would allow you to choose and pay for only the individual channels that you want. By choosing channels "a la carte" an average cable or satellite TV subscriber would get less than one-third the total number of channels that they currently get for the same price. Also receiving channels "a la carte" would require a separate cable or satellite set-top box receiver for each TV set. Using a 1 to 10 scale with 10 being extremely interested and 1 being not at all interested, how interested would you be in subscribing to an "a la carte" service?*

The question was asked as part of a larger research study.

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