

## NEWS RELEASE

### FOR IMMEDIATE RELEASE

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### **Strong Growth Anticipated for Broadband and Digital Services Among Black/African-Americans; DSL and Satellite Now in Competitive Picture in Traditionally High-Spending, Cable-Oriented Homes**

#### ***Study Takes In-Depth Look at Market for Cable and Broadband Content and Services Among Black/African-American Consumers***

Larchmont, New York, June 26, 2006—Horowitz Associates, Inc.'s Surveys Unlimited division has just released results from the first edition of **FOCUS: African-America**,™ which takes an in-depth look at the market for cable and broadband services among urban Black/African-American consumers. The study, modeled after the popular **FOCUS: Latino** study series, presents data from a survey of 500 African-American heads of household across U.S. urban markets.

#### **Black/African-Americans: Some of Cable's Best Customers**

Spending for television services in Black/African-American households continues to be higher than in other urban homes. The study finds that African-American cable subscribers pay, on average, \$58.17 for their cable service, compared to \$54.00 among total urban cable subscribers. African-Americans with digital cable report an average monthly cost for their cable service at \$66.74, compared with an average of \$64.36 among total urban digital cable subscribers, and among those with satellite, monthly spending is reported at \$63.70 a month, compared with \$58.73 among total urban satellite subscribers.

#### **Internet Services Poised for Growth Among African-Americans**

Internet services overall and broadband services in particular, are areas of potential strong growth among African-Americans. Based on future intentions, Internet penetration among urban African-Americans could grow from 45% to 62% and high speed Internet penetration will grow from the current 28% to 46% based on likely purchase questions in the survey. Importantly, DSL has an edge over cable modem service for new installs when it comes to the type of service urban Black/African-Americans are considering.

#### **Potential for High Churn as Black/African-Americans Consider Switching to Satellite**

While Black/African-Americans have traditionally been some of cable's best customers, survey data indicate that cable penetration may decrease, while satellite penetration increases in African-American urban homes. Based on data from consumers who are considering or have already decided to get or switch their multichannel service, penetration of satellite dish services among urban African-Americans could rise from 16% to 22% while penetration of digital cable could go from 30% to 23%.

Adriana Waterston, Vice President of Marketing and Business Development at Horowitz Associates, notes "The industry cannot afford to ignore the African-American market, particularly when it comes to retention and now, win-back from satellite and DSL competitors. We know that historically, African-Americans are big spenders when it comes to television and entertainment services, and have been loyal to cable. This study shows indications that the competitive market for African-American subscribers is heating up, as it already has for Latino subscribers."

**About the Study**

These survey findings represent only a small part of **FOCUS: African-America™**, the newest Horowitz Associates, Inc./Surveys Unlimited research report measuring the urban Black/African-American market for cable programming and advanced media services. The report contains data on favorite television channels, penetration of subscription television services, likelihood to subscribe to cable, digital cable and satellite services, and attitudes and interests towards African-American-targeted programming channels and tiers. Download the full study prospectus at <http://www.horowitzassociates.com/faapro.pdf> .

**About Horowitz Associates, Inc./Surveys Unlimited**

Horowitz Associates, Inc. is a market research and consulting company based in Larchmont, New York. The company conducts custom research and consulting for clients in broadband and new media, including cable television, telecommunications and the Internet. The company's Surveys Unlimited Division specializes in urban, multicultural and Latino research. More information is available at <http://www.horowitzassociates.com> .

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