

Marketing fodder

Cable subscribers may well end up to be the most researched consumers, as those in the business rush to find out what they will buy and why, and those outside look to find how they can get a piece of the action. Two recently announced surveys, one by Opinion Research Corp., the other by Statistical Research Inc., results of separate telephone surveys of more than 1,000 homes, offer plenty of numbers to mull.

ORC, which looked at subscribers and non-subscribers, said compared with a study it had conducted a year earlier, subscriber growth is now taking place among older viewers. Cable subscribers, ORC found, cannot be "typecast ... as young." Trying to gauge "intent" to subscribe, ORC found 16% of the non-subscribers in its sample "most likely" to take cable in the coming year, 13% "fairly likely." ORC also found the ratio of pay-to-basic subscribers (not units) had risen from 47% to 61%.

SRI's research (which dealt with subscribers only) showed an interesting breakout on pay takers (58% of the sample): 52% had pay service since the start of their cable service; the other 43% had added it since becoming cable subscribers. SRI found subscribers were divided in their opinion of services. Half found it "excellent or good"; half considered it "a fair or poor value."

While 80% of the sample hasn't and doesn't intend to drop any cable service, the 20% who are considering discontinuing some service, cited dissatisfaction with programming or scheduling, a sense of insufficient value, lack of use, limited program selection and repetitiveness and poor reception. SRI also asked subscribers why they had taken cable in the first place. Of the basic-only subs, 43% said "better reception," 39% "variety." Of the premium subs, 41% cited "variety," 27% "reception," 23% "movies and sports." In both cases, there were 19% who said "availability."

For the ad agencies who always seem to want to know if they can slip advertising into premium channels, ORC had some bad news. Those who would tolerate commercials on pay channels "under certain conditions" dropped from 45% to 35% in the year, ORC reported, while among non-subscribers, the percentage that vowed not to subscribe if pay-cable accepted ads grew from 52% to 60%.

Satellite financing

RCA Americom, which has been having trouble leasing transponders on Satcom IV for a single upfront rental fee of \$13 million, has filed a new tariff at the FCC offering easier terms. Customers, which will be taken on a first-come, first-served basis, may now reserve a transponder with a

\$150,000 down payment. Once the tariff becomes effective—expected Aug. 15—the customers will have to come up with a minimum payment of \$1,350,000 and over the next three years make several additional payments until the sum totals \$4 million "net present value at a 15% discount rate." Customers will pay off the balance of \$9 million present net value at a 15% discount rate in monthly installments starting with the first month of service and ending in December 1989 when the satellite is due to expire.

24-hour milestone

On Sept. 13, C-SPAN will expand into a full-fledged 24-hour-a-day cable network. To celebrate the event, the directors of C-SPAN and the National Cable Television Association will throw a big dinner party in Washington for about 150 guests. C-SPAN will have much besides its around-the-clock stature to celebrate. It is just getting over the growing pains it experienced last April when it moved from the USA Cable Network to its own transponder on Satcom III-R to increase its programming day to 16 hours. C-SPAN had reached more than 12 million homes as part of USA Cable, but lost millions when it ventured out on its own. C-SPAN has been working hard the last few months and it is now back up to 11 million homes. The approximately 1,000 cable systems that receive the service include 75 of the nation's 100 largest systems. It's not until you reach the 19th largest system on the top 100 list—The Toledo Blade Co.'s Buckeye Cablevision Co. in Toledo, Ohio—that you find a cable system without C-SPAN.

Radio video

WELI(AM) New Haven, Conn., a news and information outlet owned by Broad Street Communications (Insilco), is going cable. The station has concluded a two-year pact with Storer Cable TV of Connecticut whereby it will produce hourly 60-second local newscasts, and acquires the rights to adjoining 60-second spots of advertising time, on Storer's New Haven-Hamden-West Haven system. The WELI newscasts, which are to commence Sept. 13, constitute the two minutes that Storer receives hourly on CNN. In effect, the MSO has taken the time and leased it to WELI, for a fixed monthly fee and a percentage of the net advertising revenues. (A 48-hour recapture clause is also spelled out in the contract, whereby Storer has the right to repossess any of the commercial spots which the radio station hasn't sold within 48 hours of airtime.) WELI will produce the newscasts itself, and is currently remodeling one of its two studios for video, at a cost of about \$30,000. The newscasts will first appear between 6 a.m. and 10 p.m., seven days a week, but will eventually be expanded around the clock. Fred Walker, president of



A neat trick. Hughes Communications hopes to make its Galaxy I satellite more attractive with a dual-beam feed system, a piece of gear that will enable conventional parabolic dishes, by far the most ubiquitous type of satellite antenna, to receive signals from two adjacent satellites. That is, from Galaxy I, which will be launched in June 1983 to orbit at 135 degrees west longitude, and Satcom III-R, the primary cable satellite at 131 degrees west. Hughes's Jacques L. Johnson, director of marketing (left), and Norman Weinhouse, manager, systems engineering and planning, stand before a dish equipment with dual-beam feed at a demonstration for the press and the cable industry at the Hughes facility in Torrance, Calif.