

Transaction Compliance Report

MB Docket No. 10-56

PEG Pilot Program Update

for the period of July 28, 2012 through January 28, 2013



To the Federal Communications Commission:

This report describes the progress of Project Open Voice¹, Comcast’s pilot program to host Public, Educational, and Governmental (“PEG”) content on its Video On Demand (“VOD”) and newly created Online platforms, consistent with the commitments and benchmarks set forth in Condition XIV.4 of Appendix A (the “Condition”) to the *Transaction Order*.²

Table of Contents

Summary of Key Milestones.....	2
Progress of the VOD Pilot Platform	3
Progress of the Online Pilot Platform	4
Marketing Support Update.....	5
User Experience Surveys	6
Changes Under Consideration	8

Online Copy

As required by Condition XIV.4.vii, a copy of this report is available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

¹ See www.projectopenvoice.com.

² *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (*Transaction Order*).

Summary of Key Milestones

Now in its second year, Project Open Voice continues to work with the pilot communities to evaluate the performance of the VOD and Online platforms launched in October 2011 and January 2012, respectively. Previous progress reports³ described how Comcast met each of the following milestones required by the Condition:

Milestone	Deadline	Result
Condition XIV.4.c.i: Announce the final location of the five pilot communities	Feb. 28, 2011	Announced the selection of Fresno, CA; Hialeah, FL; Houston, TX; Peterborough, NH; and Philadelphia, PA as the trial communities. ⁴
Condition XIV.4.c.ii: Initiate VOD placement of available PEG programming in each PEG pilot community	Oct. 28, 2011	Created VOD folders accessible to Comcast video customers in each of the pilot communities, and uploaded content submitted by PEG programmers selected by each community to participate in the trial.
Condition XIV.4.c.iii: Initiate Online placement of available PEG programming in each PEG pilot community through existing or newly created online platforms	Jan. 28, 2012	Designed, built, and launched custom websites to act as video streaming portals for PEG and other local content. Each website was branded with a name and then selected by the pilot communities: Gotta Love Fresno , Yo Soy Hialeah , Houston's Voice , Local Look Peterborough , and Philly in Focus .
Condition XIV.4.c.iv: Initiate marketing support of the VOD and Online platform in each pilot community	July 28, 2012	Initiated marketing support of the VOD and Online platforms in each community. Comcast, in conjunction with the pilot communities, provides local brand promotional resources, including public relations, social media, content coordination, mobile and email marketing, and search engine optimization support.

Comcast is now pleased to report that it has completed surveys of the user experience for the pilot VOD and Online platforms in each community, satisfying the requirement in **Condition XIV.4.c.v** to do so within two years of the closing of the Comcast-NBCUniversal transaction (*i.e.*, by January 28, 2013). In addition, Comcast has already begun implementing the changes recommended in those surveys as well as other initiatives designed to increase community exposure to and participation in Project Open Voice.

Before addressing the survey and its results, this report summarizes the progress of the VOD and Online platforms.

³ See Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56, dated July 28, 2011; January 30, 2012; and July 30, 2012, respectively.

⁴ A sixth site, Medford, Massachusetts, participated as a "beta" site for the platforms.

Progress of the VOD Pilot Platform

The VOD component of the pilot program consists of dedicated content “folders” accessible to Comcast video subscribers in each of the pilot communities. Subscribers can access PEG and other local content selected by their city by navigating to Project Open Voice branded folders on the Comcast VOD service.

Local Comcast VOD teams work closely with each city’s designated PEG content managers to support the service. To simplify the content delivery process, community programmers can now use a simple file transfer website to send their content to the local Comcast VOD managers.

As of January 2013, Project Open Voice’s local VOD servers have hosted more than 160 segments of PEG and other local interest programming. During 2012, Comcast measured approximately 40,000 VOD views of Project Open Voice content across the pilot communities.

Though not as popular as the Online platforms, consumer interest in the VOD service is increasing thanks in part to several enhancements made to the platform. For example, user experience surveys showed that aligning the VOD folder structure with the naming conventions and categories used on pilot websites would make it easier to identify and find Project Open Voice VOD content. The revamped folder structure also allowed the creation of additional folders that feature the most popular content from the community’s website.⁵ Thanks to these efforts, VOD now accounts for nearly 10% of all Project Open Voice content views, an increase from the 3% share of all views that the service attracted at launch.

Comcast also increased its efforts to promote the VOD component by highlighting content as “available on Project Open Voice VOD” in the weekly e-newsletter distributed to content partners and pilot website users. To further support VOD viewership, Comcast will continue to promote the platform in various ways, including by emulating the successful earned and social media strategies that have driven the growth of the pilot websites.

⁵ “Popularity” is determined by the community and is based on the number of views as well as the social activity related to the content.

Progress of the Online Pilot Platform

The PEG Online pilot program consists of custom-built websites branded with the name and theme chosen by each pilot community. The sites serve as portals for the communities, traditional PEG programmers, and other content partners to create and manage content “channels” where they can post videos and other local interest information accessible to anyone on the Internet.

PEG and local content creators have embraced the pilot websites and are actively contributing new and exciting content choices. As of January 2013, 288 content partners in the pilot communities have created streaming channels for PEG or other hyper-local content on the websites. These content providers have collectively uploaded over 4,000 videos to the Project Open Voice websites since the April 2012 beta launch. Content partners also contribute to keeping the Project Open Voice websites relevant by populating online message boards with local announcements, event calendars, and community information about tourism, sports, and education, among other topics.

Usage statistics demonstrate the popularity of the sites. As of January 2013, the pilot websites had collectively received over 147,000 unique visitors and averaged 13,380 unique visitors cumulatively to the sites each month. Even more encouraging, over 40% of visitors return to their local Project Open Voice site within one week, an indicator that the sites are providing relevant and interesting content.

Comcast will continue working with the pilot communities and their marketing advisors to keep driving website visitor growth. A key growth factor is ensuring that the sites feature prominently in social media websites and other content-discovery tools. For example, the social media strategies put in place during last year’s promotional ramp-up appear to be achieving the desired results as social media discovery for the Project Open Voice websites grew from 24% of visits during the April 2012 rollout to 46% of visits in January 2013.

Unique visitors in the “mobile” category also increased from 24% of visits in April 2012 to 31% of visits in January 2013. Mobile page views jumped by an even larger margin, moving from 12% of total page views in April 2012 to 39% by January 2013. Those increases are likely attributable to the launch of full-featured, mobile versions of the sites. Deploying mobile-friendly versions ensures that the Project Open Voice websites are equipped to handle the influx of smartphones and tablet users that access the videos and other content from mobile devices.

Marketing Support Update

Comcast continues to provide the funding and logistical support required to develop effective communication strategies for each pilot community. Chief among these efforts is the engagement of local advertising agencies that are tasked with helping the pilot communities build awareness of the Project Open Voice brands. These agencies helped each city define a promotional plan, coordinate press events, and track earned media impressions of the pilot platforms and their content.

Project Open Voice launch events were the centerpiece of the communities' earned media strategy. Each event featured a speaker from Comcast describing the program and included mayors, community leaders, and local news outlets, all helping to drive the message of the pilot platforms. Comcast and its partners supplemented this with coordinated earned media campaigns to help deliver a repetitive and consistent message about Project Open Voice. As of December 2012, Comcast had tracked earned media coverage generating over 33 million print and online impressions, as well as over 18 million impressions generated by the extensive television coverage of the pilot platforms.

Comcast and the pilot communities also recognized that an effective social media strategy is an indispensable component of the Project Open Voice outreach plan. Working with their marketing advisors, the communities expanded their social media presence on popular sites like Facebook, Twitter, and YouTube. As a result, the Project Open Voice websites are now tapped into a connected network of over 2.5 million people, which includes the total number of Internet, email, and social media connections of its nearly 300 content partners. On Facebook, for example, Houston's Voice's 1,500 Facebook fans equates to approximately 900,000 "Friends of Fans", which is the sum of all the site's fans and all of their friends.

Comcast also help promote Project Open Voice as a multi-platform destination for PEG and hyperlocal content. Examples of these efforts include:

- Dalai Lama Visit – Comcast provided technical, financial, and production support to live-stream the Dalai Lama's visit to Medford, Massachusetts, through the city's Project Open Voice website, Made in Medford. Event information was promoted through Xfinity.com prior to the visit, with live streaming and photos promoted across all Project Open Voice markets.
- Philadelphia Film Festival – After establishing a channel on Philly in Focus, Comcast promoted the content on Xfinity.com and worked with its local VOD team to establish a folder dedicated to the festival.
- Xfinity Latino – Comcast actively promoted Yo Soy Hialeah through a continuous graphic advertisement on its national microsite dedicated to the Latino community..
- Small Business Event – A content partner of Houston's Voice hosted an educational event for local small business owners. Comcast Business Services partnered with the Project Open Voice team to support and promote the event.

User Experience Surveys

Beginning in December 2011 and continuing through 2012, Comcast commissioned a series of surveys to assess the performance of Project Open Voice. Specifically, Comcast sought to assess consumer behavior in the trial markets, including their awareness of the pilot platforms, user preferences, and perceived usefulness of the service.

Specific information about the surveys is detailed below.

Phase (Research Type)	Reference	Sampling and Methodology
Phase 1 (Qualitative)	Dec. 2011 - Jan. 2012	Held twelve focus groups in December 2011 –two in each the pilot markets– as well as in Medford, Massachusetts. In order to qualify, focus group participants had to: (1) be involved with the local community and/or be local content viewers; and (2) subscribe to broadband Internet access service at home. In Fresno, Hialeah, and Houston, one of the two groups was conducted with Spanish-dominant Hispanic participants.
Phase 2 (Qualitative)	Dec. 2011	Conducted eight in-depth phone interviews during the weeks of December 5 and December 12, 2011. Participants included content creators and influencers in four pilot markets.
Phase 3 (Quantitative)	Wave 1 (Jan. 2012)	Polling consisted of 500 surveys among broadband Internet users in homes passed by Comcast who are involved in local organizations or consume locally-produced video content. The data was weighted by market size to ensure that the aggregate is representative of the five markets and Medford.
	Wave 2 (Jun. 2012) Wave 3 (Sep. 2012) Wave 4 (Dec. 2012)	Polling consisted of 200 surveys among broadband Internet users in homes passed by Comcast who are involved in local organizations or consume locally-produced video content. The data was weighted by market size to ensure that the aggregate is representative of the five markets and Medford.
Phase 4 (Consumer Research)	Dec. 2012 - Jan. 2013	Users were recruited via the Project Open Voice websites and social media pages to take a 10 minute online survey. The 10 minute online survey focused on the following areas: frequency of access to the Project Open Voice service; customer attitudes about the service; which content areas customers were accessing; overall customer satisfaction, including the likelihood of continued use of the service; and which new content ideas were most appealing to customers.

Key findings gleaned from survey responses include:

- The Project Open Voice websites are a success with current users, who give the sites high ratings for satisfaction and likelihood for repeat visits: 43% of current users are very satisfied with the service; and 61% are likely to continue visiting the service.
- Nearly half (47%) of current users access their local Project Open Voice website more than once a week.
- Neighborhood-level news and interviews, public access programming, and video content from local independent producers are the types of local content most often viewed by 72%, 64%, and 55% of respondents, respectively.
- Current users would like to see more live streams of local events (60%), videos from local producers (55%), neighborhood level news and interviews (54%), and videos by or about community and local civic organizations (52%).
- The quality of the information and videos on the site receive high satisfaction ratings: 47% of current users rated the quality of the information as highly satisfactory; 48% of current users rated the quality of the videos as highly satisfactory.
- The ease of using the websites, including updating and finding information, is an area for possible improvement (only 37% ranked “ease of use” as highly satisfactory).
- Awareness of the local Project Open Voice services is still relatively low, ranging from 6% of the targeted audience in Philadelphia, 11% in Houston, 12% in Fresno, and 20% in the smaller markets of Hialeah, Medford, and Peterborough.
- Among those that are unaware of the Project Open Voice service, 35% would be interested in the service. Interest is highest among those ages 18-34 (43%) and those with children at home (47%). About one-third (32%) of those unaware but interested say they would use Project Open Voice daily or almost daily. Just over five out of ten (54%) say they would access the content through the Online platform.

Changes Under Consideration

Project Open Voice is already addressing how to improve consumer awareness in the pilot markets by focusing on promotional strategies that have generated the highest impact so far: earned media impressions, social media activity, and outreach through the content partners. In light of insights and feedback received from the pilot communities, PEG partners, and users, Comcast will evaluate the following changes:

- **Establish a scalable platform.** Comcast will consider migrating the pilot websites into a single, centrally managed platform. Doing so will increase the capacity to host content, and provide users and content providers with a more consistent and user-friendly experience.
- **Ensure consumer relevance.** Comcast will work with content partners that focus on neighborhood-level news and other the types of hyperlocal content that is most sought after by users. To improve the discovery of this content, Comcast will also enable website users to create customizable “dashboards” for ready access to their content preferences.
- **Leverage additional Comcast-NBCUniversal resources to promote the platforms.** Comcast continues to explore ways to use Comcast and NBCUniversal media platforms to expose Project Open Voice to new audiences and local content creators.