

AT&T, as new owner of DirecTV, offers TV-wireless discount

August 3 2015, by Anick Jesdanun



This file combo made from file photos shows the AT&T logo on the side of a corporate office in Springfield, Ill., left, and a DirecTV satellite dish atop a home in Los Angeles. AT&T on Monday, Aug. 3, 2015 is unveiling a new package that combines traditional TV and wireless services as it seeks to broaden its offerings following its \$48.5 billion purchase of satellite TV company DirecTV about a week ago. (AP Photo/File)

AT&T customers will save \$10 a month and get a single bill for their TV



and wireless services under a new package the company is offering after its \$48.5 billion purchase of satellite TV company DirecTV 10 days ago.

Under the new package, customers will get a single number to call for customer service. And employees at AT&T stores will be able to set up customers' phones so they can start watching TV through apps right away, even before service is installed in the living room. But the content on phones—a subset of what's available on regular TVs—won't differ from what DirecTV customers have already been able to get on their apps.

The changes aren't huge, given that AT&T and DirecTV already had deals as separate companies to sell each other's services. But Monday's announcement is "the first step of what's to come," said Brad Bentley, AT&T's chief marketing officer for entertainment and Internet services.

Roger Entner, an analyst at Recon Analytics, said TV as a stand-alone business is dead, as consumers see TV as part of their overall media and telecommunications experience. So far, AT&T is the only company able to provide both mobile and TV services. Rivals are limited to partnerships, which Entner said don't work as well for consumers and the companies.

"It's a beginning, but an important beginning," Entner said of the new package.

Bentley said more service integration is coming, but he wouldn't provide details.

Other than the \$10-a-month discount, the promised savings aren't unusual.

At AT&T, TV services will cost \$50 to \$125 a month for the first 12



months, after which regular prices take effect. AT&T says that's a savings of roughly \$35 a month. But traditional TV providers already offer these types of promotions for the first year or two.

Wireless companies also have been offering all sorts of deals to lure customers from rival carriers. AT&T is offering \$100 for each line switched from a rival, plus a \$200 credit per line for trading in an old phone.

In the wireless industry, deals have become routine as carriers fight for each other's customers, given that most Americans already have cellphones. Just last week, T-Mobile said customers will keep the \$15 monthly price for leasing an iPhone 6 and \$19 for a 6 Plus if Apple releases new models, possibly in September. Sprint announced a family plan offering four lines with 10 gigabytes of data to share for \$20 less than what it charges for 1 gigabyte.

AT&T's offer starts Aug. 10, and customers can choose any level of TV and wireless service to qualify for the \$10 discount. The company also is extending the offer to customers of U-Verse, which is the traditional TV service AT&T delivers over wired lines in 21 states. Specific channels will differ, though, and a package of football games called Sunday Ticket will be available on DirecTV only because of the nature of DirecTV's deals with the NFL.

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Citation: AT&T, as new owner of DirecTV, offers TV-wireless discount (2015, August 3) retrieved 9 April 2024 from

https://phys.org/news/2015-08-att-owner-directv-tv-wireless-package.html

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