

# **Influential Article Review- Are Telecommunications Subscribers Reducing Their Subscriptions?**

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*This paper examines telecommunications industry. We present insights from a highly influential paper. Here are the highlights from this paper: This paper researches the cord cutting phenomenon occurring in the telecommunications industry. An analysis of changes in the number of subscribers of telephone, satellite TV, voice, cable, and broadband companies has been compiled. Some of the reasons that cord cutting is occurring include increasing prices of services, new technology that provide multiple ways to obtain services, changes in viewing habits, and government policy changes. A discussion about the future of the industry suggests that live content TV and 5G technology will further impact the number of subscribers. For our overseas readers, we then present the insights from this paper in Spanish, French, Portuguese, and German.*

*Keywords: telecommunications industry, sustainability, economic, innovation, business*

## **SUMMARY**

- Triple cord cutting is occurring in the telecommunications industry. American consumers are cancelling their traditional pay-TV services, fixed broadband, and landline telephone services. MarketWatch reports that as of the end of the second quarter 2016 there was a loss of 834,000 pay TV subscribers.
- The first and most important reason is the economic reason or price of service. According to the "2016 Connected Subscriber Report" by Salesforce, 56% of pay TV cord cutters surveyed listed the price of communication service providers as too expensive. Data provided by the Federal Communications Commission in their "2015 Report on Cable Industry Prices" released in 2016 support this complaint. The report states that in July 1998, the price of the Basic Pay TV Tier Service was \$12.06 and in January 2015 it had grown to \$23.79, a 97% change in price. The Expanded Basic Television Service price grew by 148% in the same period, from \$27.88 to \$69.03. The Next Most Popular Pay TV Service grew by 125% from \$38.58 to \$86.83. The FCC concluded that the pay television price growth rate was significantly higher than inflation during the years from 1998 to 2015.
- Constructed from the FCC's data, reflects the annual growth rate in overall CPI for the U.S. from 2006 to 2015, the annual growth rate in CPI for Cable, Satellite and Radio Services and the annual growth rate in price of the Basic Cable Pay TV Tier Service. The growth rate for cable pay TV is considerably higher than both CPI measures. In fact, the FCC stated that the 10-year compound

average annual rate of change was 5.2% for the Basic Cable Pay Tier, 2.0% for overall CPI and 2.5% for CPI for Cable, Satellite and Radio Services. Even triple play or TV bundles that include TV service, a landline phone and internet service have seen significant price increases that are encouraging cord cutting.

- Furthermore, the ritual of forcing customers to negotiate a new triple play price after the promotion period is over adds to cord cutting behavior because "... rather than leaving the customer delighted that they just saved money, you leave them disenchanted and feeling like it was only through cunning that they were able to avoid getting hosed," according to Moffett. In addition, the average consumer paid about \$187 per month last year before 'cutting the cord' for their cable TV, phone, and internet access services. In 2008, TV cable subscribers had 129 channels to choose from, but watched an average of 17 channels per week. By 2013, TV cable subscribers had 189 channels to choose from, but still only watched about 17.5 channels.
- The economic reason may not be as important today as it was in the beginning of the cord cutting phase due to new technologies that provide more content with more variety than traditional cable TV programming and methods that make it cost efficient. Netflix, which was founded in August 29, 1997, by offering mail order DVD movies, began offering streaming services in 2007 and new programming such as House of Cards and Orange is the New Black in 2013. Its rival, Hulu, which was founded in 2007, is providing new live TV services and is working with two of its owners, Fox and Disney, to offer television programming.

## HIGHLY INFLUENTIAL ARTICLE

We used the following article as a basis of our evaluation: Snyman, J. H., & Gilliard, D. J. (2018). Are Subscribers Cutting their Subscriptions in the Telecommunications Industry?. *Journal of Strategic Innovation and Sustainability*, 13(4).

This is the link to the publisher's website: <https://articlegateway.com/index.php/JSIS/article/view/97>

## INTRODUCTION

The telecommunications industry provides telephone, television and internet service to the facilities of households and businesses. In the beginning, telephone service was provided via copper wires and television service was provided via copper wires and over-the-air. Copper wire communication dominated the industry from 1874 to 1980. After 1980, fiber optic communication slowly took over until it dominated the industry by 1995 (Leader, 2004). Mobile or cell phone communication, which currently dominates the telephone industry, started in 1973 when the first cell phone was made. In 1983, cell phones became available to the public and in 1993, the first "smartphone" was made (Foster, 2015). By the year 2000, copper wired telephone communication peaked and has been declining dramatically (Brogan, 2014). Udland (2015) has observed the same trend in the number of wired cable television subscribers in 2015; he stated "...cable subscriptions (are) falling off a cliff." Wired internet or broadband service may be growing for cable television companies but is levelling off for telephone companies such as Verizon, AT&T, and CenturyLink (US cable broadband, 2015).

According to Bouma (2016), 'cord cutting' is a new term in the industry that frequently refers to the act of discontinuing expensive pay television services from cable (such as Comcast) and telephone (such as AT&T) companies and replacing it with free over-the-air (OT) broadcasting via the use of an antenna or a low cost subscription to over-the-top (OTT) programming via streaming video over the internet. On March 2007, Apple released their first Apple TV 40 GB hard disk that enabled streaming video content to one's TV. The first Roku player followed this in May 2008. However, cord cutting, from a historical perspective, started with landline telephones. In 2000, the number of U.S. landlines peaked at 186 million

and cord cutting of landlines began, replacing them with cell phones or internet-based phones (Svensson, 2013). This is the first wave in cord cutting with pay television the second wave. The third wave of cord cutting refers to consumers replacing their expensive wired internet or broadband service with mobile phone internet service (Burger, 2016; Pressman, 2016).

This paper examines data from the top publicly traded companies that provide wired telephone, television and broadband service to determine the extent of cord cutting and discusses the dominant reasons for cord cutting: economic, technological, the demographic characteristics of cord cutters, and government policy. The paper also explores the future of cord cutting and how traditional cable and telephone companies are responding to new entrants into the industry.

## CONCLUSION

The future of cord cutting looks very promising due to two major technological innovations, live content and 5G mobile networks and phones. An advantage cable TV and telephone TV companies have had over cord cutters was access to live TV shows. In the beginning, many customers were reluctant to cut the cord because they did not want to give up their sports packages such as the NFL and NBA networks and ESPN. However, live content is now available on DirecTV Now, Hulu, Live TV, PlayStation Vue, Sling TV, YouTube TV, and Fubo TV (Wilkinson, 2017) and more services are coming which will help TV viewers to save money (Samson, 2017).

Mobile phone telecommunications companies have also announced 5G network technology. Verizon are conducting 5G trials in 11 cities since 2017 and AT&T will have trials of wireless 5G in Austin and Indianapolis in 2017 and other cities to be announced at a later date. 5G networks have two goals: to provide faster data-transfer speed and more reliable service. An entire movie could be downloaded in less than a second. Today it takes 10 minutes on the 4G/LTE networks (Ausick, 2017). The implication here is that more landline telephone services will be discontinued as time goes by.

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## **TRANSLATED VERSION: SPANISH**

Below is a rough translation of the insights presented above. This was done to give a general understanding of the ideas presented in the paper. Please excuse any grammatical mistakes and do not hold the original authors responsible for these mistakes.

## **VERSION TRADUCIDA: ESPAÑOL**

A continuación se muestra una traducción aproximada de las ideas presentadas anteriormente. Esto se hizo para dar una comprensión general de las ideas presentadas en el documento. Por favor, disculpe cualquier error gramatical y no responsabilite a los autores originales de estos errores.

## **INTRODUCCIÓN**

La industria de las telecomunicaciones proporciona servicios de telefonía, televisión e Internet a las instalaciones de los hogares y las empresas. Al principio, el servicio telefónico se proporcionaba a través de cables de cobre y el servicio de televisión se proporcionaba a través de cables de cobre y por aire. La

comunicación por cable de cobre dominó la industria desde 1874 hasta 1980. Después de 1980, la comunicación por fibra óptica se hizo cargo lentamente hasta que dominó la industria en 1995 (Leader, 2004). La comunicación móvil o celular, que actualmente domina la industria telefónica, comenzó en 1973 cuando se fabricó el primer teléfono celular. En 1983, los teléfonos celulares se pusieron a disposición del público y en 1993, se hizo el primer "teléfono inteligente" (Foster, 2015). Para el año 2000, la comunicación telefónica por cable de cobre alcanzó su punto máximo y ha disminuido drásticamente (Brogan, 2014). Udland (2015) ha observado la misma tendencia en el número de suscriptores de televisión por cable en 2015; afirmó "... Las suscripciones de cable (están) cayendo por un precipicio". El servicio de Internet por cable o banda ancha puede estar creciendo para las compañías de televisión por cable, pero se está estabilizando para las compañías telefónicas como Verizon, AT&T y CenturyLink (banda ancha de cable de EE).

Según Bouma (2016), el "corte de cable" es un término nuevo en la industria que con frecuencia se refiere al acto de discontinuar los costosos servicios de televisión de pago de las compañías de cable (como Comcast) y telefónica (como AT&T) y reemplazarlo con transmisión gratuita por aire (OT) mediante el uso de una antena o una suscripción de bajo costo a la programación over-the-top (OTT) a través de video streaming a través de Internet. En marzo de 2007, Apple lanzó su primer disco duro Apple TV de 40 GB que permitía transmitir contenido de video al televisor. El primer jugador de Roku siguió esto en mayo de 2008. Sin embargo, el corte de cable, desde una perspectiva histórica, se mantuvo con teléfonos fijos. En 2000, el número de líneas fijas en los Estados Unidos alcanzó un máximo de 186 millones y comenzó el corte de cables fijos, reemplazándolos con teléfonos celulares o teléfonos basados en Internet (Svensson, 2013). Esta es la primera ola en corte de cable con pay televisión la segunda ola. La tercera ola de corte de cable se refiere a los consumidores que reemplazan su costoso servicio de Internet por cable o banda ancha con servicio de Internet de telefonía móvil (Burger, 2016; Pressman, 2016).

Este documento examina los datos de las principales empresas que cotizan en bolsa que proporcionan servicios de telefonía por cable, televisión y banda ancha para determinar el alcance del corte de cable y analiza las razones dominantes para el corte de cable: económicas, tecnológicas, las características demográficas de los cortadores de cable y la política gubernamental. El documento también explora el futuro del corte de cables y cómo las compañías tradicionales de cable y teléfono están respondiendo a los nuevos participantes en la industria.

## CONCLUSIÓN

El futuro del corte de cable parece muy prometedor debido a dos grandes innovaciones tecnológicas, el contenido en vivo y las redes móviles y teléfonos 5G. Una ventaja que las compañías de televisión por cable y televisión telefónica han tenido sobre los cortadores de cable fue el acceso a programas de televisión en vivo. Al principio, muchos clientes eran reacios a cortar el cable porque no querían renunciar a sus paquetes deportivos como las redes de la NFL y la NBA y ESPN. Sin embargo, el contenido en vivo ahora está disponible en DirecTV Now, Hulu, Live TV, PlayStation Vue, Sling TV, YouTube TV y Fubo TV (Wilkinson, 2017) y se avecinan más servicios que ayudarán a los televidentes a ahorrar dinero (Samson, 2017).

Las compañías de telecomunicaciones de telefonía móvil también han anunciado la tecnología de red 5G. Verizon está realizando pruebas de 5G en 11 ciudades desde 2017 y AT&T tendrá pruebas de 5G inalámbrico en Austin e Indianápolis en 2017 y otras ciudades que se anunciarán en una fecha posterior. Las redes 5G tienen dos objetivos: proporcionar una transferencia de datos más rápida y un servicio más fiable. Una película entera podría ser descargada en menos de un segundo. Hoy tarda 10 minutos en las redes 4G/LTE (Ausick, 2017). La implicación aquí es que se suspenderán más servicios de telefonía fija a medida que pase el tiempo.

## **TRANSLATED VERSION: FRENCH**

Below is a rough translation of the insights presented above. This was done to give a general understanding of the ideas presented in the paper. Please excuse any grammatical mistakes and do not hold the original authors responsible for these mistakes.

## **VERSION TRADUITE: FRANÇAIS**

Voici une traduction approximative des idées présentées ci-dessus. Cela a été fait pour donner une compréhension générale des idées présentées dans le document. Veuillez excuser toutes les erreurs grammaticales et ne pas tenir les auteurs originaux responsables de ces erreurs.

## **INTRODUCTION**

L'industrie des télécommunications fournit des services téléphoniques, de télévision et Internet aux installations des ménages et des entreprises. Au début, le service téléphonique était fourni par des fils de cuivre et le service de télévision était fourni par des fils de cuivre et par voie hertzienne. La communication par fil de cuivre a dominé l'industrie de 1874 à 1980. Après 1980, la communication par fibre optique a lentement pris le dessus jusqu'à dominer l'industrie en 1995 (Leader, 2004). La communication par téléphone mobile ou cellulaire, qui domine actuellement l'industrie du téléphone, a commencé en 1973 lorsque le premier téléphone cellulaire a été fabriqué. En 1983, les téléphones cellulaires sont devenus accessibles au public et en 1993, le premier « smartphone » a été fabriqué (Foster, 2015). En l'an 2000, les communications téléphoniques filaires en cuivre ont atteint un sommet et ont connu un déclin spectaculaire (Brogan, 2014). Udland (2015) a observé la même tendance dans le nombre d'abonnés à la télévision par câble filaire en 2015; il a déclaré « ... Les abonnements au câble (sont) en train de tomber d'une falaise. » L'Internet filaire ou le service à large bande est peut-être en croissance pour les entreprises de télévision par câble, mais se stabilise pour les compagnies de téléphone telles que Verizon, AT&T et CenturyLink (US cable broadband, 2015).

Selon Bouma (2016), le terme « coupure du cordon » est un nouveau terme dans l'industrie qui fait souvent référence à l'acte d'interrompre les services de télévision payante coûteux des entreprises de câble (telles que Comcast) et de téléphonie (telles que AT & T) et de les remplacer par une diffusion en direct gratuite via l'utilisation d'une antenne ou un abonnement à faible coût à des programmes OTT (over-the-top) via la vidéo de streaming sur Internet. En mars 2007, Apple a lancé son premier disque dur Apple TV 40 GB qui permettait de diffuser du contenu vidéo sur son téléviseur. Le premier joueur Roku a suivi en mai 2008. Cependant, la coupure du cordon, d'un point de vue historique, a été associée aux téléphones fixes. En 2000, le nombre de lignes fixes aux États-Unis a culminé à 186 millions et le débranchement des lignes terrestres a commencé, les remplaçant par des téléphones cellulaires ou des téléphones Internet (Svensson, 2013). C'est la première vague de coupure de cordon avec la télévision pay la deuxième vague. La troisième vague de coupures de cordon fait référence au fait que les consommateurs remplacent leur coûteux service Internet filaire ou large bande par un service Internet de téléphonie mobile (Burger, 2016; Pressman, 2016).

Cet article examine les données des principales sociétés cotées en bourse qui fournissent des services de téléphonie filaire, de télévision et à large bande afin de déterminer l'étendue de la coupure du cordon et discute des principales raisons de la coupure du cordon : économiques, technologiques, caractéristiques démographiques des coupeurs de cordon et politique gouvernementale. Le document explore également l'avenir de la coupure du cordon et la façon dont les entreprises traditionnelles de câblodistribution et de téléphone réagissent aux nouveaux venus dans l'industrie.

## CONCLUSION

L'avenir de la coupure de cordon semble très prometteur en raison de deux innovations technologiques majeures, le contenu en direct et les réseaux et téléphones mobiles 5G. Un avantage des entreprises de télévision par câble et par téléphone par rapport aux coupeurs de cordon était l'accès à des émissions de télévision en direct. Au début, de nombreux clients étaient réticents à couper le cordon parce qu'ils ne voulaient pas abandonner leurs forfaits sportifs tels que les réseaux NFL et NBA et ESPN. Cependant, le contenu en direct est maintenant disponible sur DirecTV Now, Hulu, Live TV, PlayStation Vue, Sling TV, YouTube TV et Fubo TV (Wilkinson, 2017) et d'autres services sont à venir, ce qui aidera les téléspectateurs à économiser de l'argent (Samson, 2017).

Les entreprises de télécommunications de téléphonie mobile ont également annoncé la technologie du réseau 5G. Verizon mène des essais 5G dans 11 villes depuis 2017 et AT & T aura des essais de 5G sans fil à Austin et Indianapolis en 2017 et d'autres villes seront annoncées à une date ultérieure. Les réseaux 5G ont deux objectifs: fournir un transfert de données plus rapide et un service plus fiable. Un film entier pourrait être téléchargé en moins d'une seconde. Aujourd'hui, il faut compter 10 minutes sur les réseaux 4G/LTE (Ausick, 2017). Cela implique ici que davantage de services téléphoniques fixes seront interrompus au fil du temps.

## TRANSLATED VERSION: GERMAN

Below is a rough translation of the insights presented above. This was done to give a general understanding of the ideas presented in the paper. Please excuse any grammatical mistakes and do not hold the original authors responsible for these mistakes.

## ÜBERSETZTE VERSION: DEUTSCH

Hier ist eine ungefähre Übersetzung der oben vorgestellten Ideen. Dies wurde getan, um ein allgemeines Verständnis der in dem Dokument vorgestellten Ideen zu vermitteln. Bitte entschuldigen Sie alle grammatikalischen Fehler und machen Sie die ursprünglichen Autoren nicht für diese Fehler verantwortlich.

## EINFÜHRUNG

Die Telekommunikationsindustrie bietet Telefon-, Fernseh- und Internetdienste für die Einrichtungen von Haushalten und Unternehmen. Am Anfang wurde der Telefondienst über Kupferdrähte und der Fernsehdienst über Kupferdrähte und Over-the-Air bereitgestellt. Die Kupferdrahtkommunikation dominierte die Branche von 1874 bis 1980. Nach 1980 übernahm die Glasfaserkommunikation langsam, bis sie 1995 die Branche dominierte (Leader, 2004). Die mobile oder Handy-Kommunikation, die derzeit die Telefonindustrie dominiert, begann 1973, als das erste Mobiltelefon hergestellt wurde. 1983 wurden Mobiltelefone der Öffentlichkeit zugänglich gemacht und 1993 wurde das erste "Smartphone" hergestellt (Foster, 2015). Bis zum Jahr 2000 erreichte die kupfergebundene Telefonkommunikation ihren Höhepunkt und ist dramatisch zurückgegangen (Brogan, 2014). Udland (2015) hat den gleichen Trend bei der Anzahl der kabelgebundenen Kabelfernsehabonnenten im Jahr 2015 beobachtet; er erklärte: "... Kabelabonnements (fallen) von einer Klippe." Kabelgebundenes Internet oder Breitbanddienste mögen für Kabelfernsehunternehmen wachsen, aber für Telefongesellschaften wie Verizon, AT & T und CenturyLink (US-Kabelbreitband, 2015) stagnieren.

Laut Bouma (2016) ist "Cord Cutting" ein neuer Begriff in der Branche, der sich häufig auf den Akt bezieht, teure Pay-TV-Dienste von Kabel- (wie Comcast) und Telefonunternehmen (wie AT & T) einzustellen und durch kostenlose Over-the-Air-Rundfunk (OT) über die Verwendung einer Antenne oder ein kostengünstiges Abonnement für Over-the-Top-Programme (OTT) über Streaming Video über das Internet zu ersetzen. Im März 2007 veröffentlichte Apple seine erste Apple TV 40 GB Festplatte, die das



Streamen von Videoinhalten auf den Fernseher ermöglichte. Der erste Roku-Spieler folgte im Mai 2008. Historisch gesehen wurde das Kabelschneiden jedoch mit Festnetztelefonen betrieben. Im Jahr 2000 erreichte die Zahl der US-Festnetzanschlüsse mit 186 Millionen ihren Höhepunkt und das Schneiden von Kabeln von Festnetzanschlüssen begann und ersetzte sie durch Mobiltelefone oder internetbasierte Telefone (Svensson, 2013). Dies ist die erste Welle beim Kabelschneiden mit Pay-TV-Fernsehen, die zweite Welle. Die dritte Welle des Kabelschneidens bezieht sich darauf, dass Verbraucher ihren teuren kabelgebundenen Internet- oder Breitbanddienst durch einen Mobilfunk-Internetdienst ersetzen (Burger, 2016; Pressman, 2016).

Dieses Papier untersucht Daten der führenden börsennotierten Unternehmen, die kabelgebundene Telefon-, Fernseh- und Breitbanddienste anbieten, um das Ausmaß des Kabelschneidens zu bestimmen, und diskutiert die wichtigsten Gründe für das Kabelschneiden: wirtschaftliche, technologische, demografische Merkmale von Kabelschneidern und Regierungspolitik. Das Papier untersucht auch die Zukunft des Kabelschneidens und wie traditionelle Kabel- und Telefonunternehmen auf neue Marktteilnehmer in der Branche reagieren.

## **SCHLUSSFOLGERUNG**

Die Zukunft des Kabelschneidens sieht aufgrund von zwei großen technologischen Innovationen, Live-Inhalten und 5G-Mobilfunknetzen und -Telefonen, sehr vielversprechend aus. Ein Vorteil von Kabelfernseh- und Telefonfernsehunternehmen gegenüber Kabelschneidern war der Zugang zu Live-TV-Shows. Anfangs zögerten viele Kunden, das Kabel zu durchtrennen, weil sie ihre Sportpakete wie die NFL- und NBA-Netzwerke und ESPN nicht aufgeben wollten. Live-Inhalte sind jedoch jetzt auf DirecTV Now, Hulu, Live TV, PlayStation Vue, Sling TV, YouTube TV und Fubo TV (Wilkinson, 2017) verfügbar, und weitere Dienste werden kommen, die Fernsehzuschauern helfen werden, Geld zu sparen (Samson, 2017).

Mobilfunk-Telekommunikationsunternehmen haben auch 5G-Netzwerk-Technologie angekündigt. Verizon führt seit 2017 5G-Tests in 11 Städten durch und AT & T wird 2017 Versuche mit drahtlosem 5G in Austin und Indianapolis und anderen Städten durchführen, die zu einem späteren Zeitpunkt bekannt gegeben werden. 5G-Netze haben zwei Ziele: eine schnellere Datenübertragung und einen zuverlässigeren Dienst. Ein ganzer Film könnte in weniger als einer Sekunde geladen werden. Heute dauert es 10 Minuten in den 4G/LTE-Netzen (Ausick, 2017). Dies bedeutet, dass mehr Festnetztelefondienste im Laufe der Zeit eingestellt werden.

## **TRANSLATED VERSION: PORTUGUESE**

Below is a rough translation of the insights presented above. This was done to give a general understanding of the ideas presented in the paper. Please excuse any grammatical mistakes and do not hold the original authors responsible for these mistakes.

## **VERSÃO TRADUZIDA: PORTUGUÊS**

Aqui está uma tradução aproximada das ideias acima apresentadas. Isto foi feito para dar uma compreensão geral das ideias apresentadas no documento. Por favor, desculpe todos os erros gramaticais e não responsabilize os autores originais responsáveis por estes erros.

## **INTRODUÇÃO**

A indústria das telecomunicações fornece serviços de telefone, televisão e Internet às instalações dos agregados familiares e das empresas. No início, o serviço telefônico era fornecido através de fios de cobre e o serviço de televisão era fornecido através de fios de cobre e over-the-air. A comunicação por fio de cobre dominou a indústria de 1874 a 1980. Após 1980, a comunicação por fibra óptica lentamente assumiu o controle até dominar a indústria em 1995 (Leader, 2004). A comunicação móvel ou por telefone celular,

que atualmente domina a indústria de telefonia, começou em 1973, quando o primeiro telefone celular foi feito. Em 1983, os celulares passaram a ser disponibilizados ao público e, em 1993, foi feito o primeiro "smartphone" (Foster, 2015). No ano 2000, a comunicação telefônica com fio de cobre atingiu o pico e vem diminuindo drasticamente (Brogan, 2014). Udland (2015) observou a mesma tendência no número de assinantes de televisão a cabo com fio em 2015; ele afirmou "... as assinaturas de cabo (estão) caindo de um penhasco." A internet com fio ou o serviço de banda larga podem estar crescendo para as empresas de televisão a cabo, mas estão se estabilizando para empresas de telefonia como Verizon, AT & T e CenturyLink (banda larga a cabo dos EUA, 2015).

De acordo com Bouma (2016), "corte de cabo" é um termo novo na indústria que frequentemente se refere ao ato de descontinuar serviços caros de televisão paga de empresas de cabo (como Comcast) e telefone (como a AT & T) e substituí-lo por transmissão gratuita over-the-air (OT) através do uso de uma antena ou uma assinatura de baixo custo para programação over-the-top (OTT) via vídeo streaming através da internet. Em março de 2007, a Apple lançou seu primeiro disco rígido Apple TV de 40 GB que permitia transmitir conteúdo de vídeo para a TV. O primeiro jogador de Roku seguiu isso em maio de 2008. No entanto, o corte de cabos, de uma perspectiva histórica, foi feito com telefones fixos. Em 2000, o número de telefones fixos dos EUA atingiu o pico de 186 milhões e o corte de cabos de telefones fixos começou, substituindo-os por telefones celulares ou telefones baseados na Internet (Svensson, 2013). Esta é a primeira onda no corte de cabo com pay televisão a segunda onda. A terceira onda de corte de cabos refere-se à substituição dos consumidores por seu caro serviço de internet com fio ou banda larga pelo serviço de internet de telefonia móvel (Burger, 2016; Pressman, 2016).

Este artigo examina dados das principais empresas de capital aberto que fornecem telefone, televisão e serviço de banda larga com fio para determinar a extensão do corte de cabos e discute as razões dominantes para o corte de cabos: econômicas, tecnológicas, características demográficas dos cortadores de cabo e políticas governamentais. O artigo também explora o futuro do corte de cabos e como as empresas tradicionais de cabo e telefonia estão respondendo a novos participantes no setor.

## CONCLUSÃO

O futuro do corte de cabos parece muito promissor devido a duas grandes inovações tecnológicas, conteúdo ao vivo e redes móveis e telefones 5G. Uma vantagem que as empresas de TV a cabo e de telefonia tiveram sobre os cortadores de cabo foi o acesso a programas de TV ao vivo. No início, muitos clientes estavam relutantes em cortar o cabo porque não queriam desistir de seus pacotes esportivos, como as redes NFL e NBA e ESPN. No entanto, o conteúdo ao vivo agora está disponível no DirecTV Now, Hulu, Live TV, PlayStation Vue, Sling TV, YouTube TV e Fubo TV (Wilkinson, 2017) e mais serviços estão chegando, o que ajudará os telespectadores a economizar dinheiro (Samson, 2017).

As empresas de telecomunicações de telefonia móvel também anunciaram a tecnologia de rede 5G. A Verizon está conduzindo testes 5G em 11 cidades desde 2017 e a AT&T terá testes de 5G sem fio em Austin e Indianápolis em 2017 e outras cidades a serem anunciadas em uma data posterior. As redes 5G têm dois objetivos: fornecer uma transferência de dados mais rápida e um serviço mais confiável. Um filme inteiro poderia ser carregado em menos de um segundo. Hoje são necessários 10 minutos nas redes 4G/LTE (Ausick, 2017). A implicação aqui é que mais serviços de telefonia fixa serão descontinuados com o passar do tempo.