



# Understanding Citizen and Business Owner / Leader Thoughts Regarding Broadband Services

## *A Qualitative Summary*

*prepared for*



*July, 2019*



## Background and Objectives

The goal of this qualitative research was to understand how citizens and business leaders use broadband services and what needs, constraints and challenges exist regarding a City initiative for broadband; specifically:



### Issues with Current Internet Services

How do they feel about current providers? Strengths and Weaknesses? Unmet needs?



### Reactions to City Offered Broadband

What are the initial reactions? Primary benefits and drawbacks? Key questions to be addressed? What does the City of Greeley's brand add to the offering?



### Uncovering Constraints and Challenges

What are biggest challenges to success for The City of Greeley to be successful in offering broadband?

# Research Methodology

Working closely with The City of Greeley, Deep Blue Insight conducted four focus groups in Greeley on July 11<sup>th</sup> at The City offices. Respondents were recruited by The City of Greeley and each participated in a 60-75 minute discussion. Respondents were each given a \$50 gift card in exchange for their time and participation.

Group 1: Citizens



Group 2: Business Owners



Group 3: Citizens



Group 4: Business Leaders



# Key Themes

The following reflect the key takeaways from the focus group discussions. Keep in mind, these results are reflective of qualitative discussions and results should be quantified before any action is taken.

KEY TAKEAWAYS	INITIAL THOUGHTS
Internet access has become a necessity and is considered by some as a basic need similar to electricity and water.	Citizens (especially students) without Internet access operate at a significant disadvantage.
Many citizens and business owners / leaders in Greeley are unhappy with the internet / broadband service providers in the area, especially the prices and customer service offered by Comcast.	Most would appreciate more options / competition to increase service and decrease prices.
Some are aware of Longmont's recent effort (with NextLight) to offer it's own broadband service.	Most realize there is opportunity for change / enhancement with current services.
There was interest in the idea of The City of Greeley building and/or operating its own brand of broadband. Some would prefer The City to handle all aspects; others recommended partnering with a private ISP.	There is enough qualitative interest to move forward with a quantitative evaluation.
Key benefits of this service would include: faster service, less expensive, broader access as well as a sense of trust in the local aspect of the service – <i>by Greeley for Greeley.</i>	There could be some interesting positioning opportunities to tap into the sense of Greeley pride.
The greatest drawbacks of this idea were disruption, cost, timing, and worry about obsolescence	The City may need to convince citizens and business owners / leaders that fiber is the best long term alternative.
Timing could be critical, as citizens and business owners worry about many years of disruption.	Many had words of advice for The City to be thoughtful but act quickly.



# KEY FINDINGS



## Access to the Internet is perceived as a necessity – similar to a utility

Citizens say they are becoming more dependent on internet access as part of daily life, to:

- Provide **security** and/or enable **smart home systems**
- Allow them to **work / study from home**
- Provide **connection to a global world**
- Enable entertainment (via streaming, video-games, social media, etc.)

For business users, Internet connection is **vital to business**. It becomes so inextricably linked to productivity and commerce that most cannot function for long when service is down.

- When POS systems are down, **retail stops**
- When Internet systems fail, **employees may leave for the day**
- When upload speeds are too slow, **employees have to stay late**

### Business owners say...

*"It's my lifeline. If I can't connect, I can't do business."*

*"I've had executives just walk out when the Internet goes down. They are done for the day."*

*"When we have to upload a huge video, my employees may have to stay 'til 2am to get it done."*

## Current Providers are perceived as expensive and often lacking in service

The majority of citizens and business users have Comcast Xfinity broadband services. Depending on the location (East or West of 47<sup>th</sup>), users were either lukewarm or downright unhappy with their service.



### Pros

- Offers service
- Fast Internet speed (in certain areas)
- Can bundle with phone

### Cons

- Expensive
- Slow speeds (in some areas)
- Poor customer service
- Unreliable

*"They have terrible customer service...It goes down and they will tell you it could be literally days before it is up and that is NOT ACCEPTABLE."*



- Alternative to Comcast
- Slightly more affordable than Comcast

- Unreliable
- Expensive
- Slow speeds
- Poor customer service

*"We used to joke, if you don't like the answer with CenturyLink, hang up and call again..."*

## Limited awareness of other services and of NextLight in Longmont

Within each group, there was some discussion of alternative services, such as Rise Broadband and HughesNet. Most felt these services were very limited in geography and had some reliability issues.

Interestingly, citizens were more likely than business owners / leaders to be aware of Longmont's NextLight offering.



*"Rise Broadband started out as a rural provider, it's not very reliable." – Citizen (aged over 35)*

*"These other two are really not options in my part of Greeley." – Citizen (aged under 35)*



*"It's really fast and it's very reasonably priced. I'm going to guess at the speeds, but there're getting around 250 down and 250 up." – Citizen (aged over 35)*

*"It's through the city so the city gives the option to either use their broadband or to use a private provider. But a lot of people switched over and really like it." – Citizen (aged over 35)*

*"My parents have it. My dad works from home a lot, so he really likes it because he's able to do conference calls, my husband wants to go to his in-laws to play video games!" – Citizen (aged under 35)*



## Gimmicky offers / 1<sup>st</sup> year promotions create lack of trust

Citizens and business owners are frustrated with both Comcast and CenturyLink offering low introductory rates with big rate hikes on year two. Most said they call and threaten to cancel each year to lock in the lower rates. "It's a game but not a fun one", and it causes frustration and a lack of trust.

Most said they would prefer to have a locked in rate to save time and frustration.



CenturyLink™

*"Right now, I have 350 MG for like \$80 a month, but that's only for the first year and after that first year, it'll jump up to like \$150 a month.... Unless you call them and threaten to cancel and they're like 'well, let's lock in that same rate for another year.' Then you get it back down to \$80 and then call them back in a year and you just do it every year. " – Citizen (aged under 35)*

*"I do the same thing with CenturyLink. I'm like 'Okay I'm done with you' and they'll come back and say they can get it lower. It's really a hassle to do that." – Citizen (aged over 35)*

## Citizens and Business Owners are interested in city owned / operated broadband

Respondents in the groups were read a general idea to gauge interest, identify benefits and drawbacks and explore questions. All respondents in the groups were interested in hearing about the new offering and most felt very positively toward the idea.

As technology continues to expand the need for fast Internet speeds, The City of Greeley is considering offering its own broadband service that will be delivered over a new fiber optic network installed by the City. The network would be 100% fiber optic and capable of offering Internet service starting at 1 Gigabit, which is 10-20 times faster than the average residential Internet connection in Greeley today.

# There are rational and emotional benefits associated with a city owned / operated service

In addition to providing an “alternative to Comcast”, this new offering had many perceived benefits. Most expected it to be faster and cheaper and to help the Greeley community attract new businesses and growth. Additionally, respondents felt a sense of pride of a community focus.



## Rational Benefits

- Faster service
- Less expensive
- Recruit new businesses / companies to the area
- Keeping money in community

*“More productivity of the business, less grumpy employees.” – Business Owner*

*“It would be a draw to the community” – Business Owner*

*“It would provide access to the internet for more people and create competition for other internet companies. The internet would be faster and more reliable.” – Citizen (aged over 35)*

## Emotional Benefits

- Community pride
- Better customer service (neighbors helping neighbors)
- Access for all
- Trust (reliability / consistency)



*“The feeling that is it run for Greeley by Greeley.” – Citizen (aged under 35)*

*“Broadband for all!, more accessible for schools.” – Business Leader*

## Interest in City ownership; not just marketing

When asked how involved The City of Greeley should be in building / operating and marketing the broadband service, citizens and business owners / leaders were divided. Most would prefer The City to be involved in some way. Some felt it would be best to be fully owned / operated by The City, and others said, “bring in private expertise.”

*“If there is a partnership, there is a level of accountability. The private sector can kind of do what they want sometimes, but if there are people at the city level who have constituents, they are going to put pressure on the private sector so they don’t fail the citizens.” – Business Owner*

*“I think a public / private partnership would be the best way to go because The City would be responsible for putting it in and the private sector could be responsible for the design and the cost and that way it would happen quicker.” – Business Leader*

*“I would be totally on board with them owning and operating the whole thing. The cost thing, that part of it scares me, but I like the idea of it not being controlled by a private party and corporation.... I feel like all of Colorado always loves local things, just keep it local, keep it like real close to home.” – Citizen (age under 35)*

## Greatest drawbacks: disruption, cost, timing, and worry about obsolescence

While interested in the idea, many were concerned about **how** the fiber would be laid, how much it would **cost**, how **long** it would take, who would **pay** for it, and whether the fiber technology would be **obsolete** in the near future. A few voiced concerns about the service being government run from a privacy standpoint and two worried about potential backlash from Comcast while the new network was being laid.



*"New technology may compete with fiber with low atmosphere satellites and 5G technology just getting started. Hopefully city-wide fiber won't be obsolete in 10 years." – Citizen (aged over 35)*

*"What if the technology becomes outdated? What if satellite internet makes it obsolete?" – Business Leader*

*"How long would it take and how long would fiber be the infrastructure of choice for technology? Is it 5 years and in 6 years we have to go rip it out and do something else." – Business Leader*

*"I just imagine how many roads will be torn up to lay fiber. Even with boring technology, it will be disruptive." – Citizen (aged under 35)*

*"I have a fear / dislike of government running this service, it brings up privacy questions." – Citizen (aged over 35)*

*"What will Comcast do when The City says we are going to do this and it is going to take 2 years? What kind of service are we going to get from them?" – Business Leader*



## Tiered service is important to some; not all

There were differing views on whether The City of Greeley (if building a service) should provide tiered options or a simple, all-access basic service for residents.

Several commented on the “democratization of internet”, believing a major benefit would be the ability for all residents in Greeley to have high-speed access, regardless of ability to pay. Others – especially those who required faster upload speeds for gaming or video – would appreciate having options to pay more for faster speeds.

Interestingly, there was little discussion about net neutrality and only a few said symmetrical speeds were important; most were more concerned with download speeds.

*“One of the benefits that we have not really talked about is having great speed for all of our community and not just for the people who can afford what it takes to get it. I think that is critical because we have a community that is very diverse and with the ability to pay. That definitely helps with our schools because they need it and to attract businesses we need it.” – Business Leader*

*“It would be a nice option to have it symmetrical. But I mean as long as it’s faster than what is currently available, I think I’d be happy with it if it weren’t symmetrical. – Citizen (aged under 35)*

*“For gaming, upload speeds would be kind of important. You’re sending stuff back and forth constantly when you’re playing games, so I’d want the option of paying for faster speeds. And no data caps!” – Citizen (aged under 35)*

## Pride in The City of Greeley should increase trust with new service

There is an “under-dog” quality and deep sense of community pride for residents in Greeley. They are proud of the City: what it has accomplished and where it is headed. While not known for “cutting edge innovation”, the City government gets credit for a **professional approach** and **strong leadership**. *“Trust, I’d say there is a strong trust factor with The City of Greeley.”*

PARKS / NATURE

INDEPENDENT SPIRIT

SMALL TOWN VS. BIG CITY

CLOSE-KNIT COMMUNITY

WORK HARD



FRIENDLY

FAST GROWING CITY

DIVERSE (LOTS OF REFUGEES  
/ IMMIGRANTS)

SLOW PACE OF LIFE

BAND TOGETHER TO GET  
THINGS DONE

NOT TAKEN SERIOUSLY ENOUGH:  
NO LONGER THE STINKY COW  
TOWN

## Charter membership was appealing as long as service is reliable

Most were interested in the Charter Membership option, as it provided cost savings but also avoided the gimmicky promotions they experience with current providers. Many added they would like to “lock-in” rates for longer than a year. However, a few were less excited about being “guinea pigs” for a new service.



*"I'd love a fixed price. It's a locked in price, so you're not going to have to renegotiate it, and it is reasonable." – Citizen (aged under 35)*

*"That's what Longmont is doing... as long as you are a charter member, even if you decide to move, your membership goes with you to your new address." -- Citizen (aged under 35)*

*"We'd be like the Beta testers." -- Citizen (aged under 35).*

*"That just means guinea pig to me and I don't want to be the business they are trying things out on." – Business Owner*

## Final words of advice

Many respondents expressed gratitude that The City of Greeley cared enough to listen to their thoughts. Here are some final words of advice:

*"Move quickly and add incentives for both business and residential use." – Citizen (aged under 35)*

*"You can do it buddy! I think customer service is the #1 and would be concerned in keeping that a main priority. As long as you are keeping people happy, I feel like they would come and stay." – Citizen (aged under 35)*

*"If Greeley decides to move forward with this, don't go it alone! Get a public / private partnership." – Business Leader*

*"Do it right the first time! Take advice from others that have already done it and do it better!" – Business Owner*

*"Make broadband reliable and set the price fairly. Maintain the price (fair) throughout service. Have the ability to expand and improve." – Citizen (aged over 35)*

*"Think big! Build for the future because technology is changing so fast. Under-promise and over deliver." – Citizen (aged over 35)*

*"Keep Greeley and the community in charge of its own broadband in the most cost effective way possible. Listen to feedback." – Citizen (aged over 35)*