

Would you relocate to get broadband?

... or why communities should focus more on "broadband-to-the-home"

By Gary Dunmore

September 13, 2009 - Whereas it has long been considered a nice-to-have by households, evidence shows that today "broadband in the home" is increasingly seen as an essential service – this is most obvious in communities where broadband choice has been limited or non-existent. In fact, SNG research shows that 57% of households now (strongly) say that not having broadband would have a significant negative impact on their lifestyle. People now understand that broadband is creating new economic opportunities for household members – as well as the possibility to interact with their social networks in ways not possible before. This is perception is growing faster in suburban and rural communities with smaller populations, fewer businesses and services, and at a distance from major urban centers.

Important for improved lifestyle. From a social perspective, broadband enables new ways to stay connected beyond traditional telephone and email contact — which is especially important when over 60% of households communicate with family and friends on a daily basis. Parents with children away at college, family members living in different cities, grandparents who can see their grandchildren online: broadband allows for more frequent and intimate real-time communication, including video, while file sharing of photos and other documents becomes easier. With broadband, general research and online purchasing all become easier and more effective. Other uses of the Internet take a whole new dimension with broadband (adult skills and continuing education, schoolwork research and online courses, access to health information and services, access to government services), whereas things such as streaming media, software and media downloads (free or purchased) are simply not possible without broadband.

Important for healthier (small) business. Broadband also offers tangible economic benefits for households. People now understand that tele-working and home businesses provide viable alternative income opportunities, allowing people to work in their community of choice while offering benefits of improved life-work balance. Either teleworking for a remote employer or operating their own home-based business, an increasing number of households have at least one member that works from home. SNG research shows that over 48% of tele-workers would not be employed in their present position without having broadband, and that tele-working has allowed 42% to avoid relocating to find suitable employment. Similarly, 55% of home business owners say that

broadband is "essential" for their business to work effectively, and 25% would relocate to obtain broadband access.

Important for the community. Broadband allows people to stay connected to the global economy no matter where we live – and now we are fully aware of that fact. So much so that 45% of households would consider relocating to obtain broadband service (and 11% would "definitely" relocate)! Political leaders take notice. Because this new awareness has very significant importance to communities: for retaining and attracting population (with all of its implications for maintaining the local labor force), for maintaining property values and the local tax base, and for spending with local businesses. Teleworking, in particular, extends employment opportunities well beyond the local community – as it brings about not only in an increase (or leveling) of local employment, but also in a "diversification" of the employment base to other industries And in a not-so-virtual way: with 72% of them spending more on goods and services within their community by working from home, gainfully employed tele-workers who would relocate without broadband surely help to maintain the local economy.



Broadband fosters a more attractive environment for new businesses to open or relocate in the community – as networked workers enjoy a better lifestyle, and are usually better educated. As more and more "social added-value" services are offered online (business services, social, health, and education services, and government services) it becomes increasingly important to ensure that the household consumer base has access to affordable broadband. Because household broadband contributes to the overall health and vitality of the (suburban and rural) community, we strongly suggest that municipalities should view broadband as an essential infrastructure and a strategic priority for their economic development.

Since 1994, Gary Dunmore has worked on telecommunications services and service deployment planning with telecom service. He has helped clients fully leverage telecommunications networks by addressing both the hard-side (technology, service definition, operations costs) and soft-side (end-user awareness, learning, marketing) of introducing new technologies and products into network infrastructure. Prior to joining Strategic Networks Group, Mr. Dunmore spent over 20 years with Nortel Networks in Ottawa and Toronto. He can be reached at gdunmore@sngroup.com.