

# Internet as the Fourth Utility

Multifamily residents don't want provider choice for its own sake – they want solid, reliable internet service. That's why bulk internet makes sense.

By Alistair Chatwin / *Multifamily Broadband Council*

A resident who leases an apartment wants to feel at home as soon as possible. Property managers know the move-in experience is vital to resident satisfaction, so they work hard to anticipate residents' needs and provide easy transitions into their communities. They focus on the things residents have come to expect: lightbulbs in the light fixtures and services such as water, electricity and gas available at move-in. For these utilities, they make sure residents have quality service but don't typically offer more than one provider.

Residents also expect fast, reliable internet access. They bring an increasing number of connected devices with them and want to connect as soon as they move in. Internet is sometimes described as the fourth utility but is managed differently from other utilities. Residents often face the frustrating process of comparing providers; navigating offers, commitments and credit checks; and waiting for equipment or an installer. Some ownership groups offer provider choice, believing that competition will ensure the best offers for residents and the best returns to bottom lines.

With advances in technology and adoption of connectivity standards, ensuring quality and reliability no longer requires provider choice. Because residents need easy access to the most important service and because of the commoditization of service offerings, apartment owners increasingly consider bulk internet service for their properties.

In hotels, student housing, senior housing and vacation rentals, property owners often provide internet services. Even non-housing industries, such as restaurants, airports and malls, see that providing Wi-Fi is critical to attract and retain customers. Apartment owners can realize the same benefits. They will find resident and community experiences are better in the bulk service model for many reasons.

- **Elimination of provider conflicts that impact service levels.** Service expectations are defined in the provider agreement, and having a single provider means no more finger-pointing between competing providers.
- **Tools and insights for property managers to see how the amenity is performing and how quickly problems are solved.** This allows them to hold providers accountable.
- **Easy, propertywide access.** With communitywide

managed Wi-Fi solutions, login information can be provided when a lease is signed so a new resident can have instant access. Additionally, residents can stay on their secure personal area networks throughout the property, from their units to the pool or gym.

- **Support for smart-building technology.** Wi-Fi-enabled smart-building devices (thermostats, access control, door locks, leak detection, hot water heaters) can be connected easily and stay connected when residents move. The leasing agents, property manager and maintenance staff all have Wi-Fi access throughout the community.

Residents still value choice for video entertainment and phone services. Many properties have found bulk video to be a valuable amenity, but with the wide variety of OTT options, including Netflix, Hulu, YouTube, Sling TV, HBO Now and DIRECTV NOW, great internet gives residents all they need to access their choice of services. Even NFL SUNDAY TICKET is available online to apartment residents who can't get DIRECTV. The same great internet also enables choices among multiple VoIP providers, and Wi-Fi calling can be seamless across the property.

Bulk internet service can also contribute increased revenue. Reselling bulk internet service can yield \$20 or more net operating income per unit than a typical revenue share in the retail model. Over a portfolio, this can add up to big dollars. Camden Property Trust reported more than \$7 million dollars a year reselling bulk internet service as an amenity.

Think back to your last hotel stay. Did you care, or even know, who the internet service provider was? Service that is easy to use, fast, reliable and available where you want it is all you need. The technology and providers are available to make internet and Wi-Fi a propertywide amenity. Forward-thinking owners and managers are beginning to understand how this could benefit their residents and bottom lines. ❖

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