

In-N-Out, Off or On, More or Less

A late-night conversation at a burger joint summed up an important lesson from the Broadband Communities Summit: The future of TV is broadband.

By Bryan Rader ■ *Bandwidth Consulting LLC*

As another wonderful Broadband Communities Summit wound down, I looked forward to a little peace and quiet in my hotel room. I had just completed dozens of meetings and hallway conversations as well as a couple of panel sessions.

But as I stood at the exit of the exhibit hall, I found myself joining (or spearheading) a group of folks looking for a late-night meal and light conversation. This small group was on a mission to eat a good burger from an iconic, hard-to-find fast-food joint and relax away from the activity of the conference.

So the “group of five” started out to cross the highway to In-N-Out Burger, a California-based chain of specialty burgers and funny cook hats. This was no ordinary group. I was joined by the industry’s leading market researcher (who had just reported on a great study of FTTH in multiple dwelling unit properties), the CEO of the largest student-housing broadband provider, a leading bandwidth expert, and the editor of this magazine. Our goal was to eat quickly, talk about something other than industry topics and not smile.

We failed on all three counts.

As soon as we sat down with our delightful In-N-Out burgers (four out of five broadband experts agree with this sentiment), the conversation quickly turned back to broadband.

“Forty percent of our evening traffic is movie streaming,” stated the CEO. “College students are the next generation’s cable TV subscribers. They don’t watch traditional TV anymore.”

“We saw that in our recent MDU study,” said the researcher. “Owners and

managers, and of course residents, all say that it’s about having more bandwidth. They need it just to remain competitive in the rental market.”

“I’m seeing the same thing,” said the bandwidth guy. “My operator clients spend more each year to bring as much bandwidth to each community as possible. Hundred-meg pipes are now the norm.”

“We think you’ll have to deliver that much to the student’s bed one day,” the CEO said with a smile (at least I thought it was one).

Our editor added: “You could see how much time was spent on panels this week discussing bandwidth more than TV. What a change from the past.”

I stopped eating long enough to add, “I think we’ve gone from a discussion about quantity of channels to one of quality. I heard a lot of PCOs saying they want a smaller, more solid lineup of linear TV choices and access to over-the-top choices, too.”

That’s what we are seeing on university campuses now,” our student-housing expert advised. “Kids tell us they want fewer traditional TV channels but easy access to nonlinear content. And they rarely watch it on a TV.”

“Exactly,” said the bandwidth guy. “They need more bandwidth to the unit so they can stream on-demand content to any device they want.”

I love discussions like this, even though we agreed not to have one at this burger joint. When five people from different areas of the industry see the same trend, it suggests that operators must prepare to serve MDU customers with changed viewing habits.

The bandwidth guy said, “We will have to make our platform easy to access all of this nonlinear content.”

“The college students were the first to stop using traditional phones,” said the researcher. “This was a leading indicator that the next generation of 20-somethings would use only wireless.”

The editor agreed. “MDU residents have proven to be early adopters of new technologies and are giving us clues as to what services to target – more broadband and streaming, less phone and traditional TV.”

“This doesn’t present challenges,” said the bandwidth participant, “just opportunities. Private cable operators should rethink their platforms to meet this demand.”

“So should the vendors,” said the CEO, smiling again.

After a quick round of delicious french fries, we headed back to the hotel for a desperately needed rest. Great burger. Great discussion. Great insight. And another great show.

“In and out” and much better prepared. ❖

About the Author

Bryan Rader is CEO of Bandwidth Consulting LLC, which assists providers in the multifamily market. You can reach Bryan at bryanjrader@yahoo.com or at 636-536-0011. Learn more at www.bandwidthconsultingllc.com.