

COVID-19's Impact on the Broadband Business

The pandemic highlights the ways broadband is essential to how people work, study and play.

By Bryan J. Rader / *UpStream Network*

After the run on paper products, hand sanitizer and vinyl gloves at the beginning of the COVID-19 crisis, people are beginning to realize that the global pandemic will have a long-term effect on their lives.

The virus has caused many of us to make significant changes in the ways we live, work, study and play. It has brought us closer to home, closer to family and back to basics. We pray for those who have been affected personally, and we are grateful for those who are helping the sick recover.

The impacts are real and will forever change human behavior. Have you ever met someone who lived through the Great Depression and never uses a credit card? That difficult period likely profoundly affected people's view of money. Similarly, the unfortunate realities of COVID-19 have created new perspectives on so many areas of American life, from shopping and studying to streaming and exercising.

BROADBAND'S CRITICAL ROLE

Multiple companies have seen tremendous success during this stay-at-home period. You have likely patronized some of them: Amazon, Target, Zoom, Peloton, Netflix and the University of Phoenix. They cater to people who have the ability to be homebound for extended periods. They also require solid-bandwidth, high-speed internet with strong Wi-Fi to use and enjoy.

It's now becoming apparent how COVID-19 will affect the U.S. and world economies, and how it may create opportunities for the broadband industry. The broadband market has finally been anointed as the ultimate "centerpiece" of everything people do. The first bill paid each month is not to a mortgage company, a religious institution or a credit card. It is to the broadband provider.

This fundamental shift has been going on for some time, but has really crystalized in the eyes of customers over the past several weeks. The staff at my company, UpStream Network, primarily has been working remotely, but we have continued to manage our systems and schedule in-home service visits as needed. Our customers – property managers, board members, residents – have been incredibly appreciative during this time. "Thank you, thank you for showing up and helping me with my Wi-Fi," they have said.

We know that the broadband industry's services, including digital TV, high-speed internet, voice and other key

products, are essential to each of our multiple-dwelling-unit (MDU) communities and their residents and offices. MDUs can delay the landscaper, hold off on parking lot re-stripping and add new playground equipment later. But the broadband providers? They are "essential."

A LASTING IMPACT

This will have lasting impact on the broadband market over the next several years. As I have stayed at home over the past few weeks, I have dodged dogs and kids to talk to dozens of apartment owners, consultants and HOA board members. They all say the same thing: "Your market is about to explode."

Independent service providers that target the multifamily industry are going to see their target markets shift views in several ways once this is over. Specifically, I believe there will be a surge of new bulk internet agreements added to hundreds of communities. I believe these plans will include much higher speeds – 250 Mbps, 500 Mbps or even higher. And I am confident that there will be a renewed interest in the actual infrastructure being used as part of these new networks. Fiber to the home has gone from a "nice to have" to a "got to have" network technology, driven by the demands for services caused by increased usage for schooling, streaming, socializing and exercising.

Many residents are already thinking about how they will go to the doctor in the future (over the internet) or visit with distant family (over the internet) or take a spin class (over the internet).

These are the new realities the pandemic is shaping, and I do not believe Americans will go back to the way we were a few months ago.

This is a real opportunity for the broadband industry – it is in the right place at the right time. Over the next few years, providers should recognize that we have become the centerpiece of our clients' world and key to their residents' lives.

Stay safe, be healthy and remain vigilant. Your efforts are "essential" to the broadband industry's future. ❖

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