

Want to Compete on an Open-Access Network? Better Read This First!

To succeed on an open-access network, providers must treat customers well, assess the competition, and take a modern approach to marketing.

By Kimberly McKinley / *UTOPIA Fiber*

I did a double take. On my computer screen was the second negative Google review in a matter of days. We hardly ever see negative reviews at UTOPIA Fiber! I called the marketing team into my office. “What’s going on, guys?” I asked.

We had just finalized a deal to let a new ISP onto the UTOPIA Fiber network. The agreement was a coup for both UTOPIA and the ISP. Virtually overnight, the ISP got to expand its footprint to 15 cities in the greater Salt Lake City region, UTOPIA got bragging rights for landing a major provider on its open-access fiber network and customers received an additional residential choice for gigabit service from a big-name brand.

But it looked as though the honeymoon was ending before it even began. That struck me as strange because UTOPIA Fiber is the highest-ranked internet company for customer satisfaction in Utah and among the highest in the United States. UTOPIA’s net promoter score (which measures whether a provider’s customer base would recommend it to friends) is a whopping +61. Most other internet companies rank around -15.

So why were there now two negative reviews? I dialed our contact at the ISP’s corporate headquarters. “Hey, it’s Kim. We

received two negative reviews on Google. Can you please look into it?” I went on to say that we hold our ISPs to the highest standards and want to make sure our customers are taken care of. I explained that UTOPIA has worked extremely hard to create the industry’s best customer experience, a designation the network didn’t want to lose. I offered to help.

THE PROBLEM

I was surprised that the ISP responded to my request with data. Data from the call center experience, data from hold times, data from an incomplete install. Data, data and more data.

What the ISP didn’t come back with was a solution. Though it has been in business for more than a decade with a robust customer base, it was unable to solve problems with basic business issues when it came to installations and customer care. It hadn’t listened to the customer concerns and just closely followed the call-center script. It became clear that this ISP could not rise to UTOPIA’s level of customer experience because the ISP wasn’t really ready to operate on an open-access network.

This was instructive. You see, competing for market share on an open-access network is like nothing a traditional ISP has ever experienced. Suddenly, the playing field is larger and wider

and has more competitors. The ISP in my example offers the same products as a dozen others competing on the UTOPIA network, so the ability of an ISP to deliver a seamless customer experience can make or break its success.

And it's not just the competitors that an ISP needs to think about. It's also intertwined with the infrastructure owner. That means the network owner's reputation and the ISP's reputation are married. When things go wrong, customers don't care about a blame game – they just want their problems resolved, and they don't care who handles them.

THE SOLUTION

Offering services on an open-access network differs from typical models. We've seen a lot at UTOPIA Fiber and have identified best practices for ISPs looking to compete. Here are five key factors to consider before joining an open-access network:

- 1 Operations** – You and your team need to be agile. You have to figure out how your operations will fit into the larger picture of the open-access network. You can't demand to conduct operations the way you always did it in a less-competitive environment. Find out what additional resources, if any, you'll need to join the network. Do you need more customer service representatives? Do you have a sufficient amount of equipment and a properly trained team of technicians? Ask the network operator for advice and best practices because you'll need to know them.
- 2 Customer service** – The telecom industry is notorious for providing sub-par customer service. As we see on the UTOPIA network, great customer care has a direct correlation to larger market share. So listen to your customers. Repeat: Listen to your customers! Not all customers or situations fit the standard call-center script. Aim for minimal hold times, have a real live person available to answer questions,



Kimberly McKinley, chief marketing officer of UTOPIA Fiber, inside one of UTOPIA's nearly 200 fiber huts strategically placed throughout the Greater Salt Lake City area

show empathy and treat customers as if you value their business.

Customer service also has to adapt to an open-access network environment, particularly when it comes to troubleshooting. Communicate quickly and transparently about outages and maintenance issues. Take the lead on messaging. If your company has an outage, get that message out to your customers. If you'll be doing maintenance on your system, set customer expectations early and often. At UTOPIA, if we have a fiber cut or are performing maintenance, we overcommunicate to our customers through a variety of channels to let them know we're doing our best to keep their downtime low.

Another customer service area to focus on, particularly on an open-access network, is handling customer complaints. If we all do our jobs right, there will be few complaints. However, the world is imperfect, so handling complaints and other customer issues is a top priority. In UTOPIA's case, a

customer can switch to 13 other providers in one click, so customer service has to be effective and able to solve problems.

One of the most frequent reasons UTOPIA Fiber customers switch providers is because of problems with their routers. Our most successful providers know how to help customers troubleshoot issues with routers. We've seen many customers switch ISPs because a provider tells the customer that the speed issue is UTOPIA's, when it's not, or to contact the router's manufacturer. Customers see right through these tactics.

- 3 Product offerings** – I can't emphasize enough that on an open-access network, you'll be competing with many other ISPs. In UTOPIA's case, 13. So, it's important to understand your value add. Just about all of our providers have identical speed and service offerings, so the most successful providers on our network have figured out what makes their offerings unique: price, customer service and product offerings. If you're looking to

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be successful on an open-access network, craft a great offer. Can you combine gigabit internet service with over-the-top offerings, such as video, smart-home technology, security systems, wireless routers and a telemedicine offering? Your competitor might be offering some or all of these items.

However, simply putting together a great package for customers is not enough; you have to do your homework. Understand the market; have a clear understanding of the revenue margins you realistically can expect from both the commercial and residential customer bases. Most important, understand what you're offering. Are you seeking to provide business-class service, residential service or both? My best advice is to offer only services in which you have experience, so you can always deliver top-notch service. This is a winning formula for the ISPs on our network.

Some may be surprised to hear that when it comes to product offerings, I don't recommend giving away the farm. The race to the bottom in a price war has no winners. But that does not mean I advocate overcharging customers. Rather, be sure to give yourself enough of a margin to invest in your operations, your marketing and your people. Do your homework, have a clear understanding of what the market will bear, and then put your best offerings out there.

4 Competition – I've already mentioned a few times that on an open-access network, you compete with many other ISPs that have similar offerings. But you also need

to consider that you'll be competing with ISPs that are off-network, too. Here in the greater Salt Lake City area, our ISPs compete with 13 on the UTOPIA Fiber network; incumbents such as Comcast, CenturyLink and AT&T; and new entrants into the market, such as Google Fiber. Every competitor has an Achilles' heel, so mind your product offerings, your operations and customer service. And don't forget about marketing effectively!

5 Marketing – Becoming the largest, most successful open-access network in the United States didn't happen through osmosis. UTOPIA Fiber has a robust marketing arm supporting operations in 50 cities – with fiber to the premises in 15 of them – and many more in the pipeline. We invest in marketing because it works. Your ISP should, too.

When you join an open-access network, be prepared to get in front of consumers and businesses in creative ways. What works best are digital marketing campaigns, social media marketing, referral campaigns, PR, and grassroots marketing. What doesn't work? Relying solely on telemarketing or direct mail campaigns. Those are outdated tactics, yet I see many in the fiber broadband industry still relying heavily on them. There also may be co-op marketing opportunities with a network operator. At UTOPIA Fiber, we do the heavy lift; we take the lead on marketing the network so that all our ISPs have to do – from a marketing perspective – is focus on differentiating their offerings and providing the best customer experience for network subscribers.

That said, be realistic in your approach and market-share expectations. One provider asked me how to market because it wasn't seeing any return on investment from its direct mail campaign. Naively, the provider expected a 10 to 15 percent uptick in sign-ups with one direct mail campaign. Marketing is a marathon, not a sprint.

Ultimately, to succeed in open access, treat customers well, show them you value their business, do your homework and take a modern approach to marketing. This will set you up for success.

POSTSCRIPT

So, how's that ISP on our network with the negative Google reviews doing now? I'm happy to report that it followed our advice and made the necessary adjustments. It's been a process, but the ISP has a much stronger understanding now of how to compete on the UTOPIA network. I was excited to learn that one of the ISP's executives actually called an unhappy customer to learn how the company could do better. This type of action goes a long way in the hearts and minds of customers. I'm sure our mutual customer now feels "heard."

The telecom industry is notorious for providing terrible customer service. After a decade as a marketing director in the hospitality business, I came to the fiber broadband industry with the goal of reinventing the customer experience. For UTOPIA Fiber to succeed, I knew we'd have to operate differently. From the get-go, we emulated the type of customer care that high-end resorts practice each day. We began anticipating our customers' needs, listening to feedback (really listening, not just giving lip service) and redefining what being a UTOPIA customer means.

And it worked. Really well. ❖

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