Market Survey Results

November 2015

Market Survey Results

1. **About This Survey**
2. **The Questions and Answers**
3. **Neighborhoods and Streets**
4. **Multivariable Analysis**

1. About This Survey

On June 22nd, 2015, Cruzio opened a survey to the public. The survey examined interest in Fiber Optic Internet within the City of Santa Cruz.

There was a limited marketing campaign for this early-stage investigation. Cruzio announced the survey at the New Tech Meetup and the link was published by TechBeat, Santa Cruz Works and other tech-oriented groups, as well as on Cruzio's popular local website and newsletter, which goes to nearly 20,000 Santa Cruz County residents. Links were posted on Facebook and Twitter.

Results show that word of mouth from neighbor to neighbor or on social media was the most common way of learning about the effort (and the survey).

Although the survey was announced largely in Cruzio's media, users of a range of Internet providers responded. General opinion was overwhelmingly favorable.

General facts:

- Over 1500 people took the survey
- Only buildings within the City of Santa Cruz were included
- Targeted to residents, 97% of respondents were residential
- 86% of respondents responded "Yes Definitely!" or "Likely Yes" when asked if they would purchase fiber service
- Only 17 people out of 1500 said they would "Likely Not" or "Definitely Not!" purchase fiber service
- 55 people not only filled out the survey, they also volunteered to be "Fiber Champions"
- A majority of people selected the faster, Gigabit option, although it was somewhat more expensive
- The survey is still underway. Its information is useful, and we encourage people to continue taking it.

In all, 1610 surveys were completed or partially completed. About 70 of these were discarded for insufficient information. Others were missing some answers or had garbled answers, resulting in some discrepancies in the number of results depending on the question.

2. The Questions and Answers

Question 1: Customer type: Residential, business or government/nonprofit?
This project has been publicized as a residential project, and the survey was aimed at residences.
1487, or 97%, said residential. 45, or 3%, said business. 4, or 0%, said government/nonprofit.

Question 2: Building type: Single Family Home, Multi-family Home, or Commercial building?
1235, or 80%, said single family home. 264, or 17%, said multi-family home. 37, or 2%, answered commercial.

Question 3: Do you own the property?
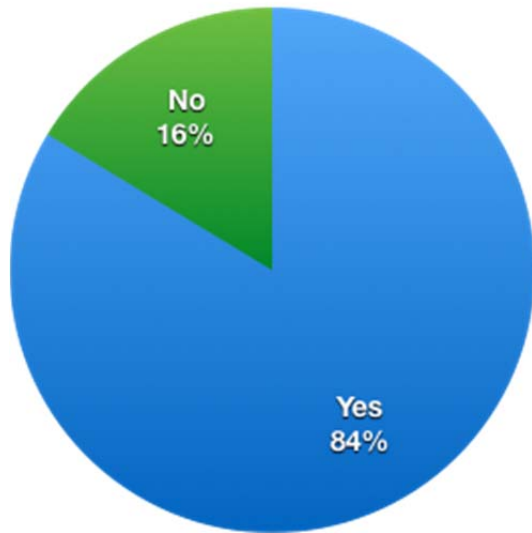228 of 1,308 respondents, or 16%, indicated that they are renters.

Question 4: Do you have Internet Service today?
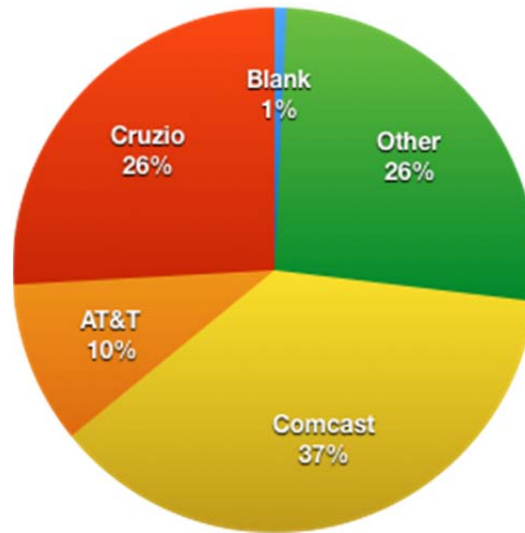1308, or 84% said yes. 1235, or 16%, said no.

Question 5: Are you using this service now as you are responding to this survey?
1029, or 67%, said yes. 507, or 33%, said no.
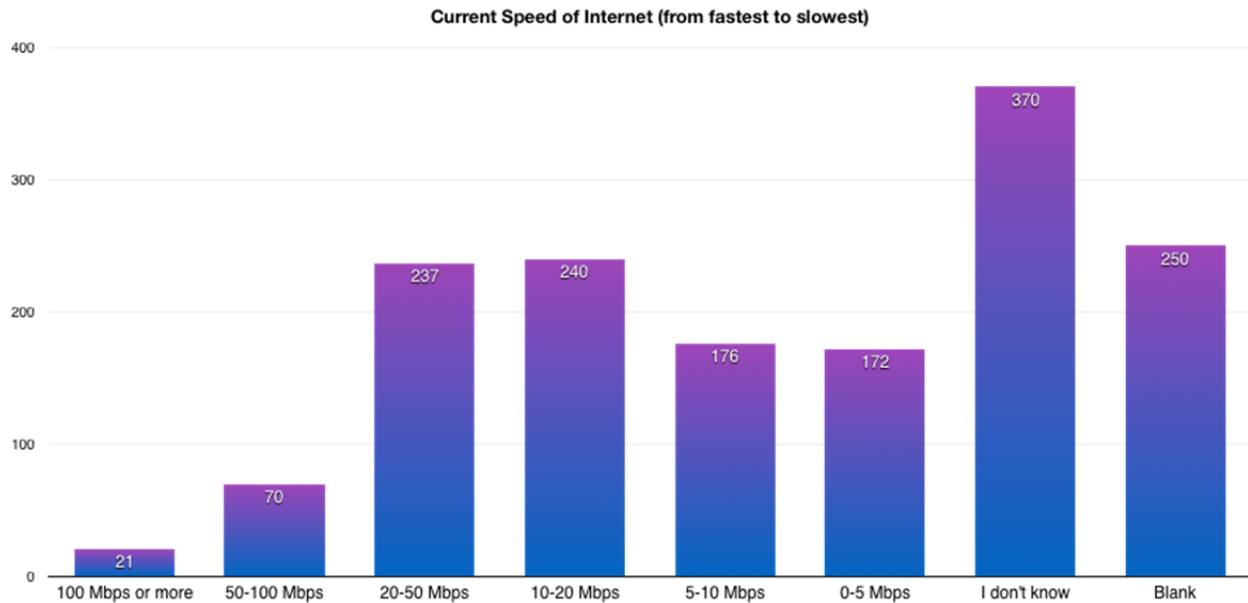

Currently Have Internet Service

No 16%

Yes 84%

ISP Used to Connect to Survey

Blank 1%
Cruzio 26%
Other 26%
AT&T 10%
Comcast 37%

Question 6: What's your download speed?
Results are shown below. A wide range of speeds were reported, and about 40% of people did not know or did not answer.
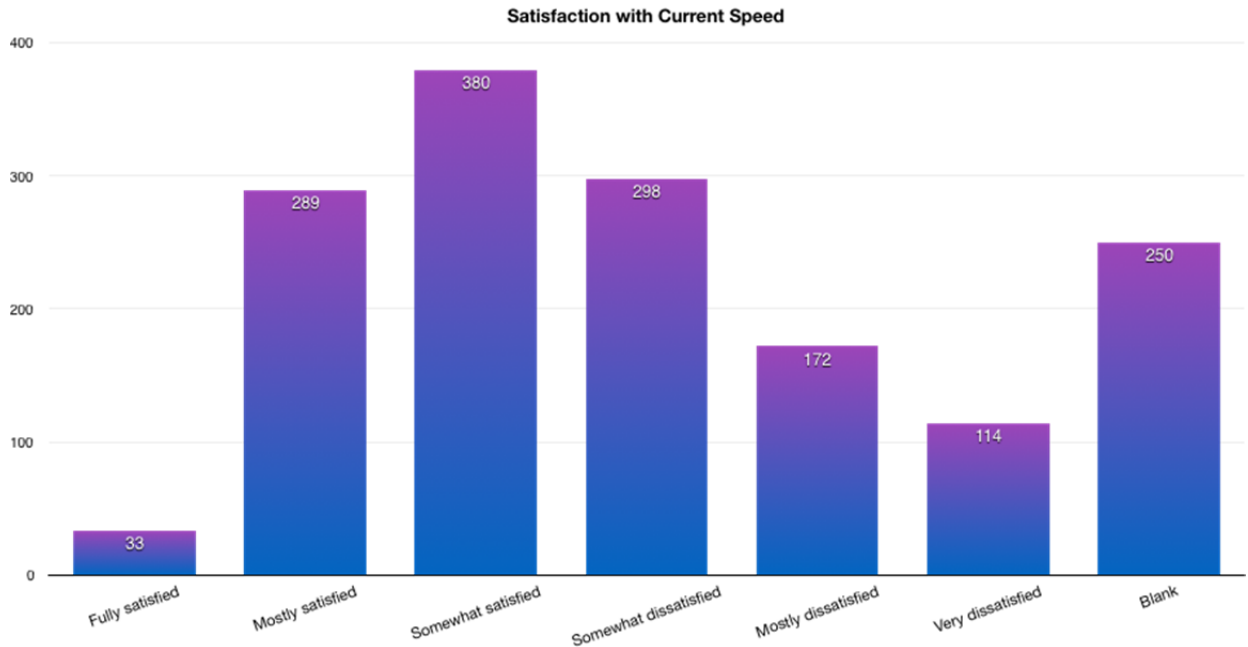
Current Speed of Internet (from fastest to slowest)

Speed	Count
100 Mbps or more	21
50-100 Mbps	70
20-50 Mbps	237
10-20 Mbps	240
5-10 Mbps	176
0-5 Mbps	172
I don't know	370
Blank	250

Question 7: How much are you paying per month for your Internet access service?
About half the respondents said they are paying between $40 and $80 per month. Nearly a quarter said they did not know, or did not answer the question.

Question 8: How do you feel about your current Internet speed?
Only 2.1% answered that they were "fully satisfied." But nearly half did not indicate dissatisfaction.

Satisfaction with Current Speed

Bar chart values — Fully satisfied: 33, Mostly satisfied: 289, Somewhat satisfied: 380, Somewhat dissatisfied: 298, Mostly dissatisfied: 172, Very dissatisfied: 114, Blank: 250

Question 9: How do you feel about your current Internet service's reliability?
There was more satisfaction with reliability than with speed; 63.5% did not indicate dissatisfaction.

Question 10: How do you feel about your current Internet service's price?
This was the area with least satisfaction expressed: only 41.8% said they were satisfied at some level with the price of their Internet service.

Satisfaction with Current Internet Price

Bar chart — x-axis labels: Fully satisfied, Mostly satisfied, Somewhat satisfied, Somewhat dissatisfied, Mostly dissatisfied, Very dissatisfied, Blank

*Question 11: Would you prefer using a local company for Internet service?*
1285, or 84%, said they would prefer a local provider. 251, or 16%, said they did not have a preference for a local provider.

Cruzio Internet – Santa Cruz Fiber Market Survey Results – November 2015

Question 12: What do you use your current service for, and what do you wish it could do better?
This was an open question, with text answers. 528 people answered the question. Answers included in an appendix to this document.

Question 13: Which service interests you most?
See chart below. "1GB" means one gigabit per second. It is 10 times as fast as the other choices, which are "100Mb," or 100 megabits per second. The Gigabit services were listed as costing $20 more per month than the 100Mbps services. All services were between $59 and $99 per month. The prices were in the ballpark of project goals, but cannot be proposed realistically at this time. The question was mainly posed to gauge price sensitivity compared to speed sensitivity.

What product are you interested in?
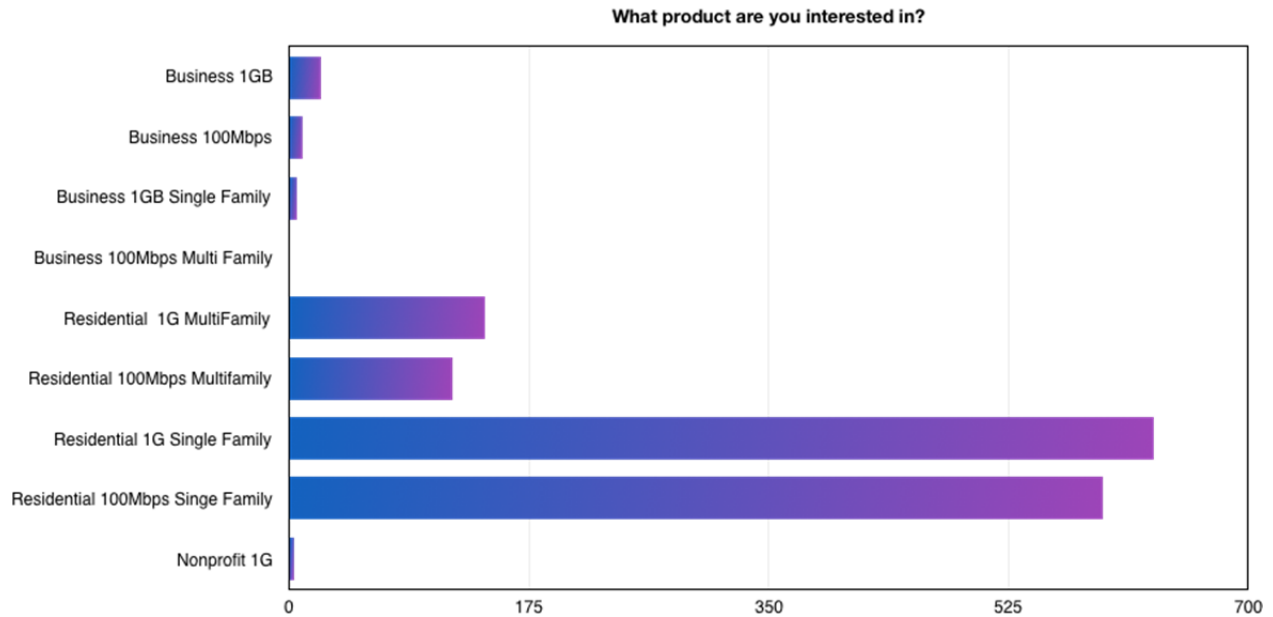
Question 14: How likely are you to sign up for [the package you selected in Question 13]?
87% of respondents said they would "Likely" or "Definitely" purchase the proposed service. Another 13% indicated they would consider it. Only a handful of respondents felt they would not purchase the proposed service.

Question 15: How did you hear about this effort?
865, or 56%, or survey-takers heard about the effort through friends, family, acquaintances or neighbors.

Question 16: Are you willing to be a neighborhood champion, and help spread the word?
55 people signed up. Others offered their help through the open-ended text questions.

Question 17: What could we do to encourage participation in your neighborhood? All ideas are welcome!
Question 18: What do you think of faster Internet? What would make this effort even better or more effective?
These were open questions, with text answers. 672 people answered these questions. Text answers have been provided to the Economic Development Department in a separate document and provide a wide variety of responses that are positive but harder to quantify.

Neighborhoods and Streets

Surveys were submitted by residents throughout the City of Santa Cruz.

For technical reasons, our engineering designers divided the City of Santa Cruz into 26 neighborhoods, pictured below.

Neighborhoods had different numbers of respondents ("Number of Surveys, by Neighborhood" below). In part, that is the result of different numbers of residents in the neighborhood (for example, few homes are in the Harvey West area). This is expressed in the graph which shows participation by percentage of a neighborhood's population rather than the raw survey count ("Survey Responses, as a Percentage of Neighborhood Population," second graph below). Other factors may be responsible for differences in neighborhood participation, such as the effectiveness of marketing in reaching parts of the City, as well as differences in enthusiasm for fast Internet in different parts of the City.

**Number of Surveys, by Neighborhood**
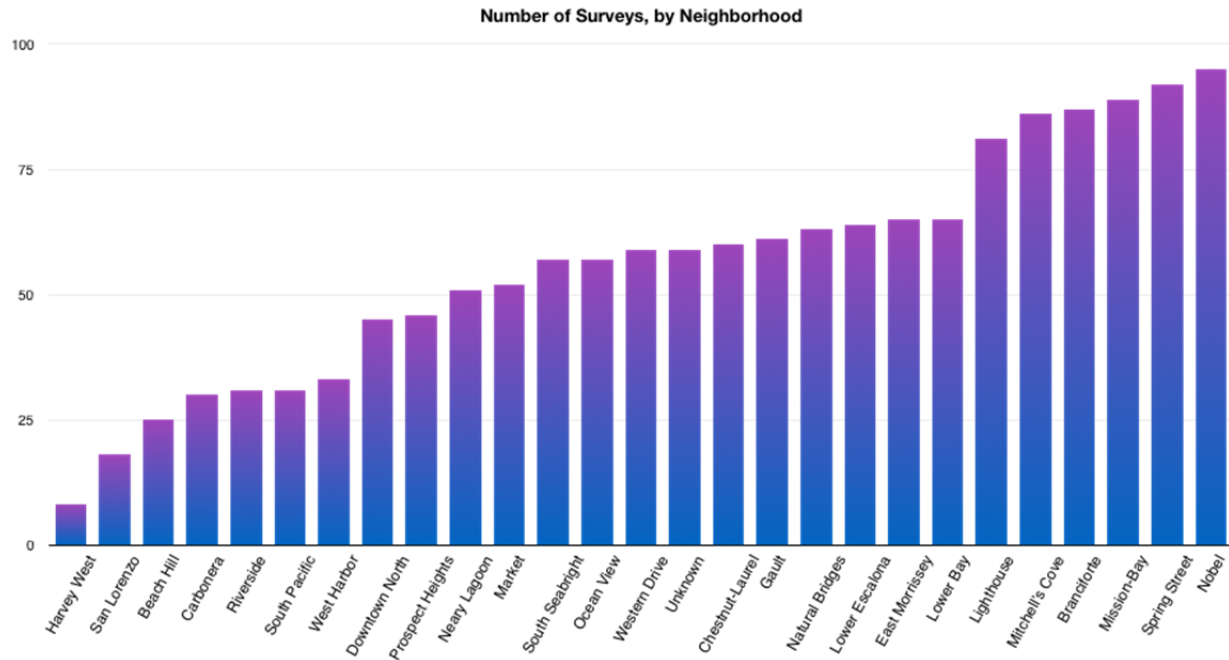
4. Multivariable Analysis

Clearly, with a survey of this side much interesting information can be gleaned by analyzing more than one response at a time. Some examples below:

How does price of service correlate with enthusiasm for purchasing it?

Of the 45 business connections, what was the split between higher-priced Gigabit Internet and lower-priced, but slower, 100 Mbps Internet? And what was the split for residences?

Business & Non-profit Preference for Service Type and Cost
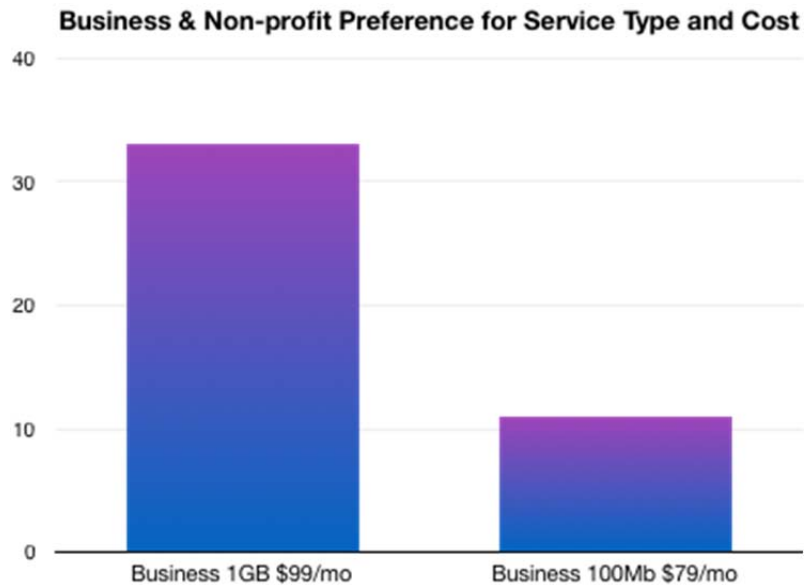
Although only a small percentage of respondents indicated that they were answering for a business, a large percentage of those who answered the optional, open questions "what do you use the connection for?" mentioned "work," "business," or "telecommuting," indicating that the line between personal and business use is a fuzzy one.

How Many Out of 1532 Replied This Survey is for a Business

entries self-classified as business
2.9%

entries self-classified as residential
97.1%
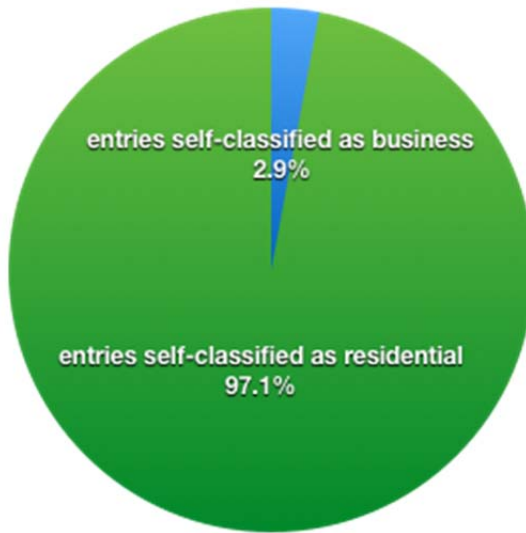
Out of 528 Open Comments, how many mentioned "work" or "business"?

didn't mention
33.1%

mentioned "work" or "business"
66.9%