

FTTH TRIAL PARTICIPANT STUDY

Manager's Summary:

The following is the summarized results taken from a survey of 66 Palo Alto FTTH trial participants. There was a 96% response. The purpose of the survey was to learn about participant attitudes regarding services offered, the manner in which the City managed all aspects of the trial, and their thoughts regarding future services and a possible City-wide offering.

In summary, the survey provides a wealth of information supporting the value of the trial, the services offered as well as support for building and operating a FTTH system, all from the hands-on user perspective.

The survey results show the trial experience to be an overwhelmingly positive one. The majority of participant's testimonials can be characterized by the phrases "you (other Palo Altans) don't know what you're missing!" and "what are you (the City) waiting for? Build it!" Only one subscriber had a less than positive experience as no solution could be found for incompatibility with her employer's network.

The trial participants reinforced the need for excellence in customer service, reliability and speed. The majority said they would continue to subscribe to the internet-only post trial offering, but for a full deployment the pricing needs to be competitive with other Broadband providers.

Perhaps most instructional are discussions of the applications that can and will utilize the high bandwidth FTTH service. High speed downloads of music, video and games on the entertainment front, and increased file transfer speed and reliability for telecommuters. The validity of these statements is supported by the fact that 70% of trial homes have a home computer network and 43% use a Virtual Private Network (VPN) to connect to their office network.

Community service and community building applications were cited as a FTTH benefit in the text responses. On-line libraries, neighborhood networks, on-line homework, access to government and public service agencies and increased residential and commercial property values.

As for competitive positioning, 90% of the trial participants said the trial service *met or exceeded* their expectation, while 50% said their previous internet service did *not* meet their expectation.

Please see the Trial Homes Quantitative Summary for more supporting numbers. The text responses are included as well.