

City of Seattle

2017 Multi-Family Dwelling Unit Internet Service Provider Survey



August 2017



Background & Objectives

The City of Seattle Office of Cable Communications commissioned this study to measure Internet service provider (ISP) availability in multi-family dwelling unit (MDU) buildings as well as customer satisfaction among MDU resident ISP subscribers. Respondents were also asked about their pay TV and landline phone service subscriptions.

The specific objectives included:

- Assess availability of ISP providers in MDU buildings.
- Determine the rate at which residents subscribe to telecommunication services.
- Understanding the importance of telecommunication provider choice.
- Determine satisfaction with current ISP download speed.
- Assess cost of current telecommunication provider services.
- Obtain feedback on the customer experience in using cable TV and ISP download speed issues.

Research Methodology

Data Collection

- Data was collected from June 21st to July 19th, 2017.
- Total sample size of 405, with data collected by mail address-based sample (n=210) and telephone interviews (n=195). The telephone interviews included 85 landline and 110 mobile telephone.
- Quotas were used to ensure equal representation by building size. One-third of completed interviews were conducted in each of the following: 6 to 15 units, 16-49 units and 50+ units.
- The average survey length was seven and a half minutes for telephone interviews.
- Respondents were age 18 or older:
 - Living in the City of Seattle.
 - Living in an apartment building, condominium, or townhome with six or more units.

Total results are accurate +/- 4.9%, assuming equal proportions, at the 95% confidence level.

Report Format

Summarizes the Results of 2017 survey

- Results are presented at the total level, with callouts indicating notable differences by subgroups. Base sizes are noted.
- A complete set of banner cross-tabulations with significance testing is available under separate cover.

Data Processing Conventions

- Statistical tests (z-tests on proportions and t-tests on means) were run as appropriate.
- Responses may not sum to 100 percent due to rounding and allowable multiple responses.

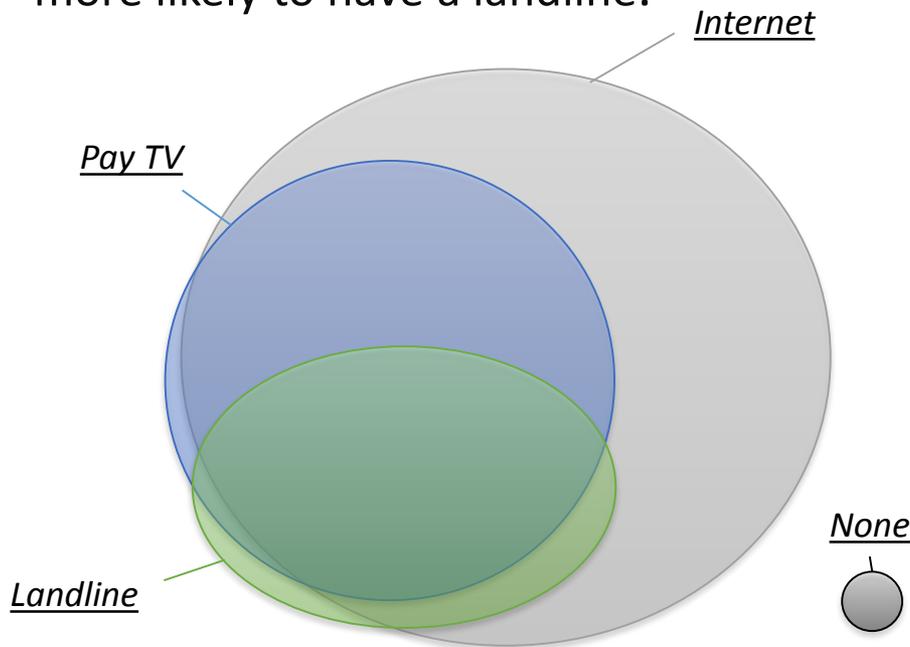
Key Findings

Key Findings

- Two-thirds of MDU residents contacted live in apartments and most (68%) rent, though a third (32%) are homeowners.
- Most (81%) MDU dwellings are mid-rise (2-8 floors, with elevator) and low-rise (2-5 floors, no elevator) buildings.
- Most (79%) MDU residents pay directly for telecommunications services (that is, they do not pay for these services via their rent and/or HOA fees).
 - Among those who do, most commonly (21%) homeowners pay for cable through their HOA.
 - Close to twice as many residents of large buildings with 50+ units (29%) pay for telecom services through their HOA/rent compared to residents of small buildings of 6-15 units (15%).
- Just under half (47%) of MDU residents have a choice of cable TV provider, whereas over two-thirds (68%) have a choice of Internet service provider.
 - Most (88%) say that having a choice in provider is important, and choice is particularly important to younger residents (those aged 50 and younger) and those with a higher income (\$50,000/year).
- In terms of telecommunications service uptake, Internet subscription is the most popular, with 91 percent uptake among MDU residents. This is followed by pay TV subscription (48% uptake), and landline subscription (35% uptake).
 - Residents with a household income of \$40,000/year or more (97%) are more likely to subscribe to Internet service than those who make less than \$40,000/year (73%).

Key Findings (continued)

- Internet-only (35%) is the most common subscription status, followed by pay TV and Internet (24%). One out of five MDU residents (21%) subscribes to all three services: pay TV, Internet, and landline.
- Pay TV subscription is higher among homeowners (vs. renters) and among residents aged 65 and older. In contrast, Internet subscription is higher among younger residents and those with higher incomes (\$50,000/year or higher). Finally, females, older residents, and those making \$30,000/year and under are more likely to have a landline.



Services	Percent
Pay TV + Internet + Landline	21%
Pay TV + Internet	24%
Pay TV + Landline	2%
Internet + Landline	10%
Pay TV	1%
Internet	35%
Landline	2%
None	4%

Services All respondents (n=405)

Key Findings

- Comcast dominates pay TV (85%) and Internet subscriptions (65%), whereas both CenturyLink (44%) and Comcast (40%) provide the majority of the landline subscriptions.
- About half (56%) of pay TV subscribers are happy with their TV service, with three-quarters (77%) of unhappy subscribers indicating that it's too expensive.
 - Residents of buildings with 50+ units (65%) are happier with their pay TV service than those in small buildings of 6-15 units (44%).
- Almost eight out of ten (79%) Internet subscribers are at least somewhat satisfied with their internet speed. The biggest issues relate to long download times and poor connectivity.
 - Those who had a choice of service provider are more satisfied with their Internet speeds than those who did not have a choice. Subscribers who are dissatisfied with their service are more likely to perceive a difference in the advertised and actual internet speed.
- Among those who subscribe to multiple services (57%), three-quarters (77%) pay one bundled price.
- Among unbundled services, pay TV is the most expensive, followed by Internet.

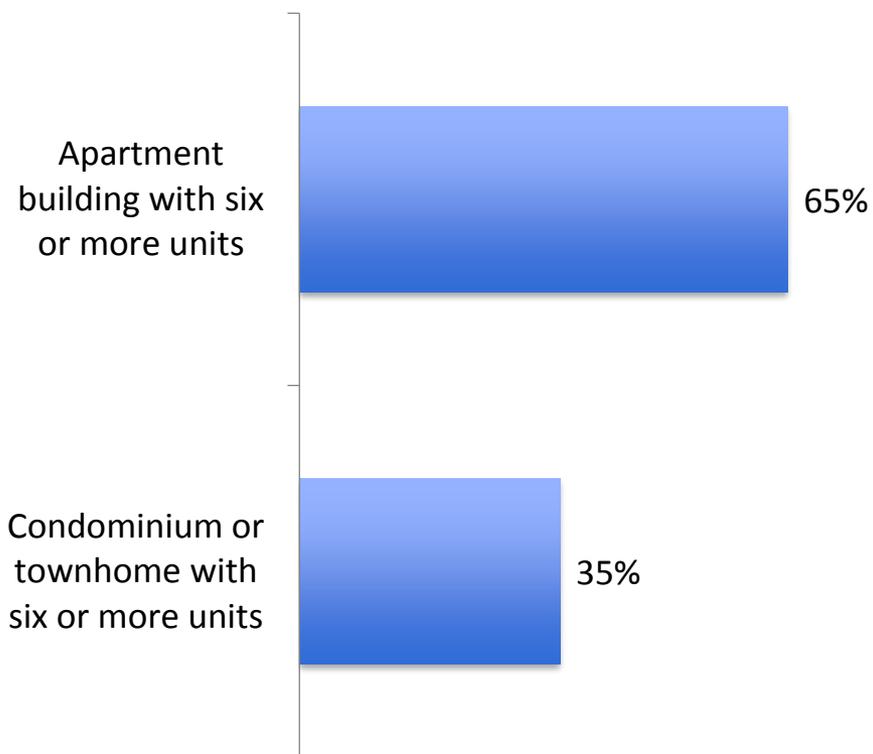
Standalone Service	Average Cost
Pay TV	\$ 77
Landline	\$ 39
Internet	\$ 62
Bundled	Average Cost
	\$ 142

Detailed Findings

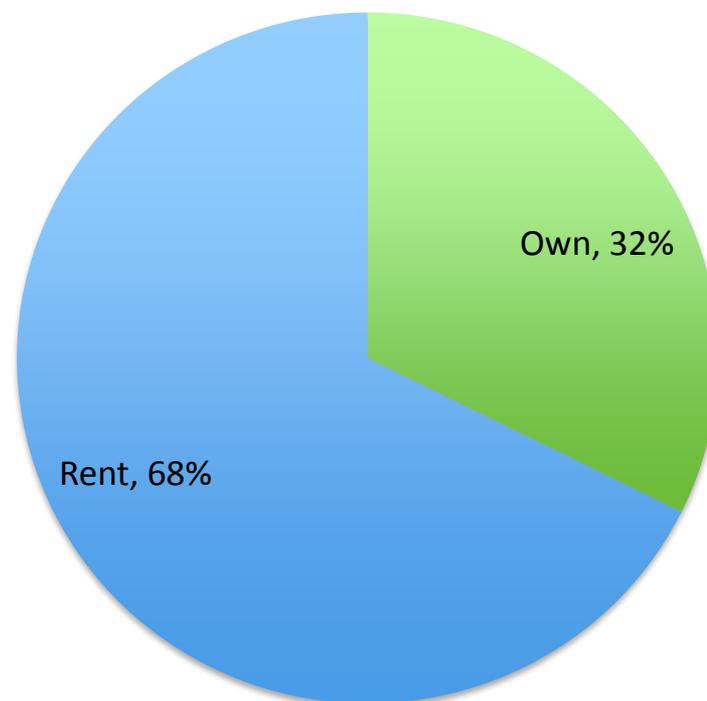
The majority (65%) of MDU residents live in an apartment and most (68%) are renters.

Females, older residents (those 35 and up) and residents with higher income are more likely both to live in a condo (vs. apartment) and to own (vs. rent).

Building Lived In



Rent or Own Home



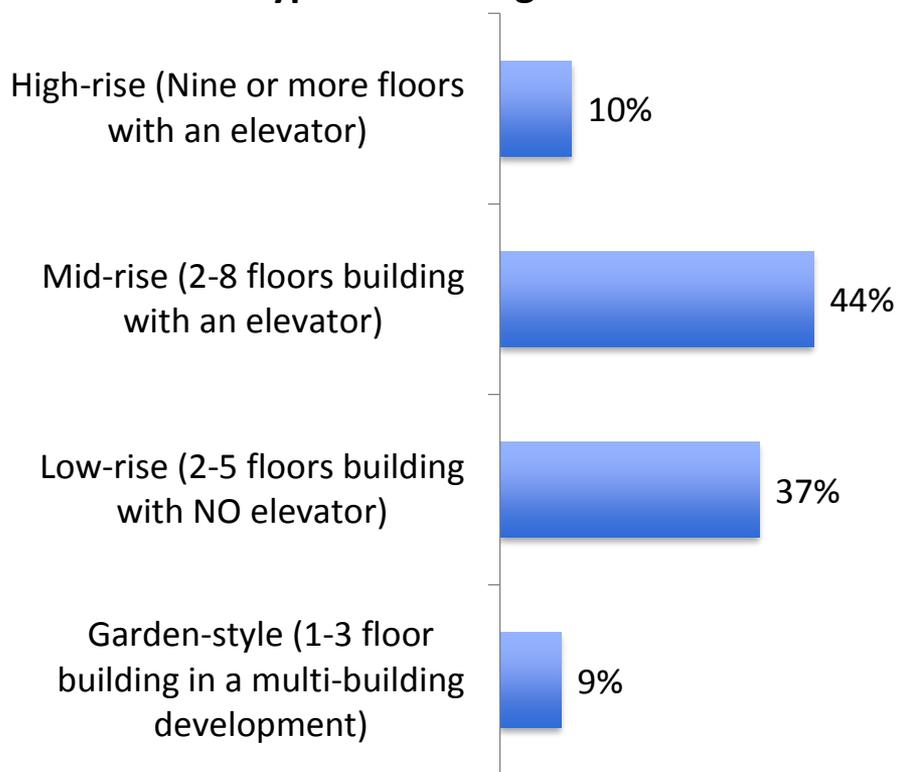
Q2. Thinking about your home, what type of building is it? All respondents (n=405)

Q3. Do you own or rent your home? All respondents (n=405)

Eight out of ten MDU residents live in mid and low-rises.

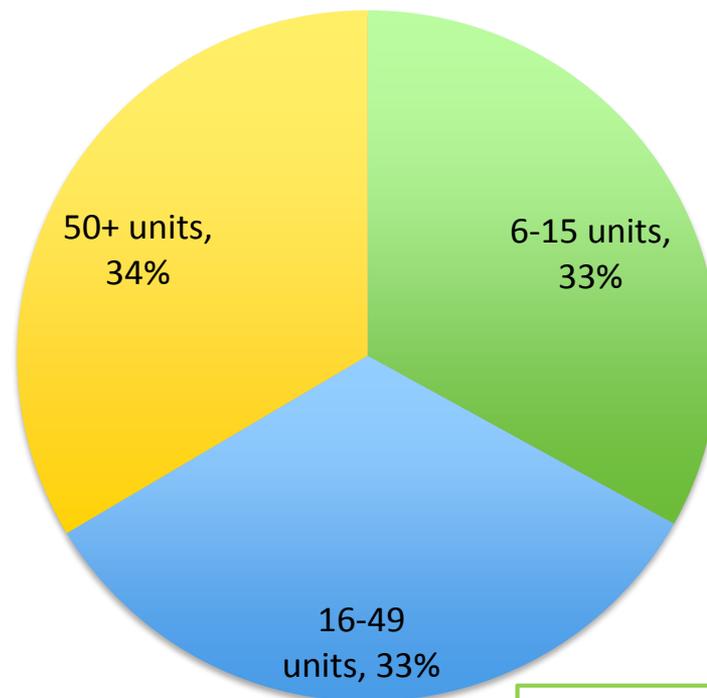
Renters (41%) are more likely than homeowners (28%) to live in low-rise buildings.

Type of Building Lived In



Q4. How would you describe the building where you live? All respondents (n=405)

Units Within Complex

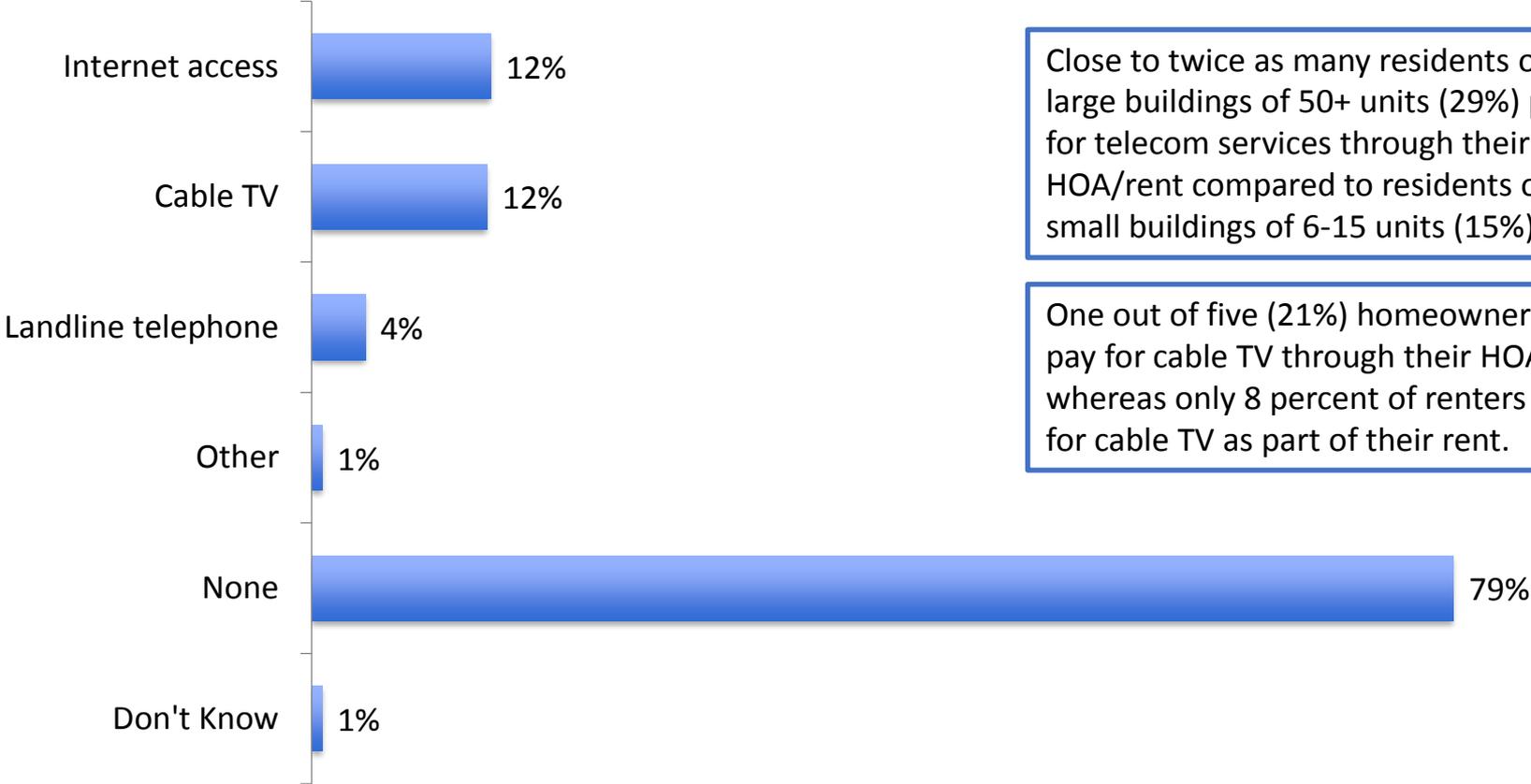


Data collection quotas were used to ensure equal representation of the three building sizes.

Q5. Approximately how many units are in your complex? All respondents (n=405)

Eight out of ten MDU residents say their telecom services are not included in their rent/HOA dues.

Telecommunication Services Included in Rent/HOA



Close to twice as many residents of large buildings of 50+ units (29%) pay for telecom services through their HOA/rent compared to residents of small buildings of 6-15 units (15%).

One out of five (21%) homeowners pay for cable TV through their HOA, whereas only 8 percent of renters pay for cable TV as part of their rent.

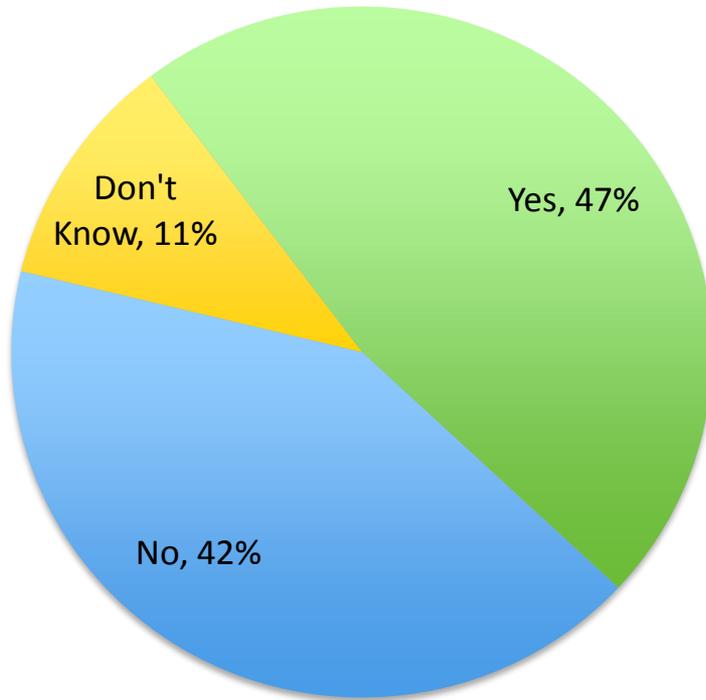
Q7. Which, if any, of the following telecommunication services are included in your rent or homeowner's association dues? All respondents (n=405)

Just under half (47%) of MDU residents have a choice of cable TV provider.

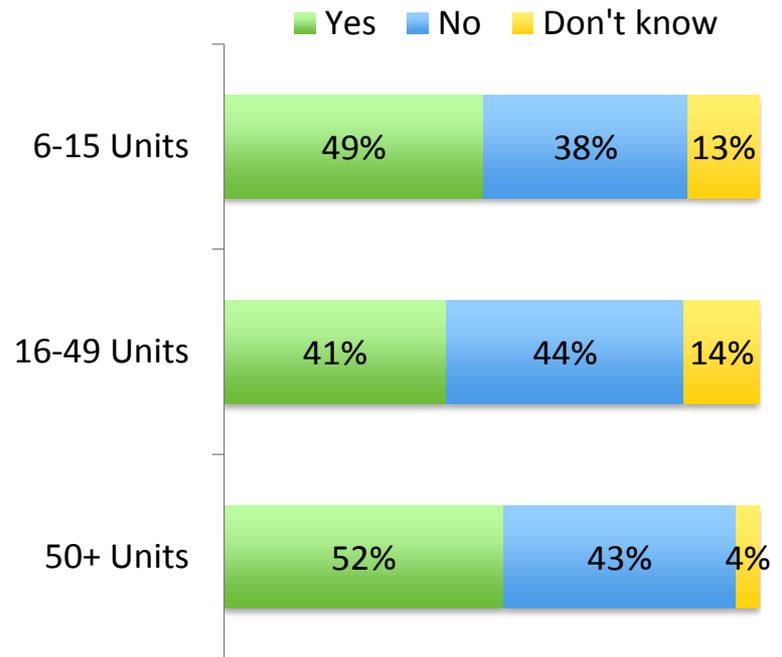
Renters (51%) are more likely than homeowners (39%) to have a choice in their cable TV provider.

Residents of buildings with <50 units (14%) are more likely to be unsure if they have a choice of cable TV providers in their building than residents of buildings with 50+ units (4%).

Have Choice of Cable TV Provider



Have Choice of Cable TV Providers by Building Size



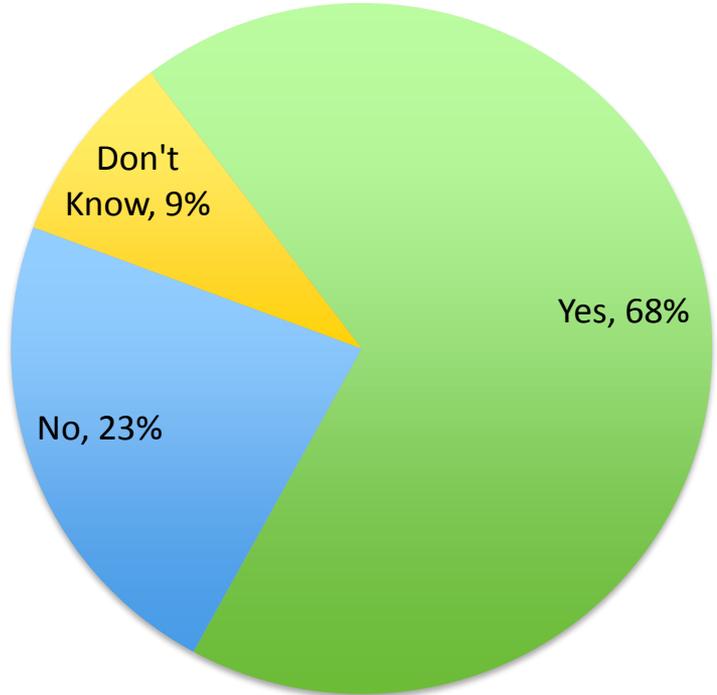
Q8. Do you have a choice between different cable TV providers for buying cable TV service where you live?
 All respondents (n=405) | Building size base: 6-15 units (n=134), 16-49 units (n=135), 50+ units (n=136).

Over two-thirds (68%) of MDU residents have a choice of ISP provider.

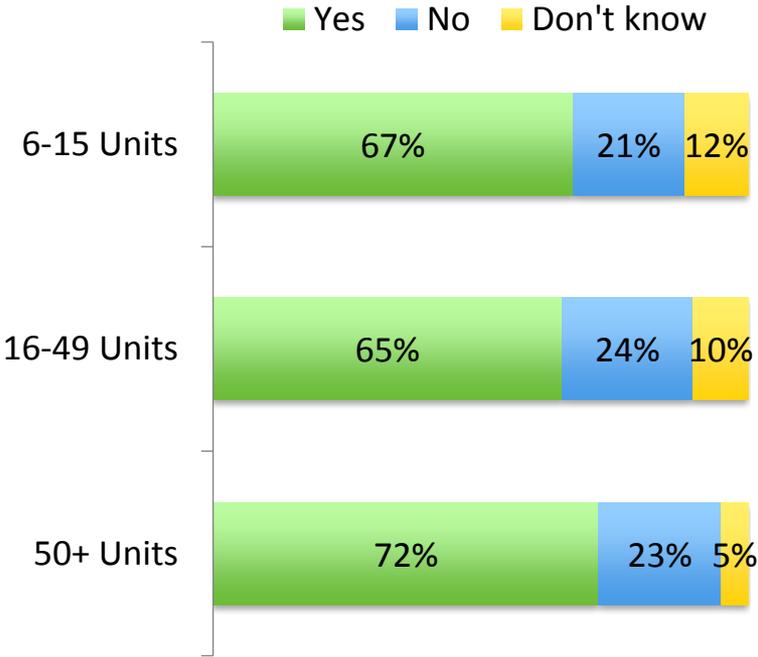
Central Seattle MDU residents (76%) are more likely than NE Seattle (60%) to have a choice in their Internet provider.

Residents of small-size buildings (12%) are more likely to be unsure if they have a choice of Internet service providers than residents of buildings with 50+ units (5%).

Have Choice of Internet Service Provider



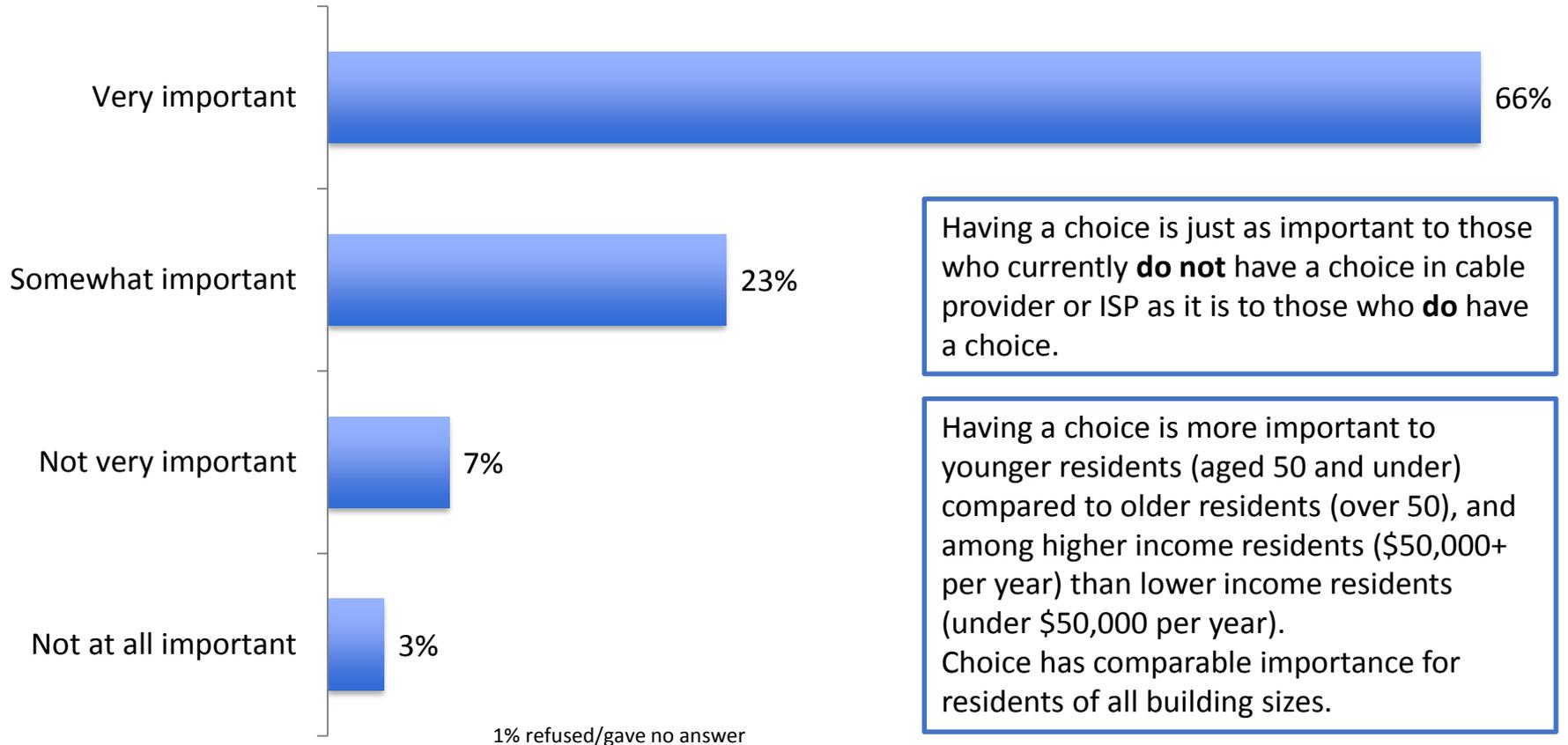
Have Choice of Internet Service Providers by Building Size



Q9. Do you have a choice between different Internet service providers for Internet access where you live?
 All respondents (n=405) Building size base: 6-15 units (n=134), 16-49 units (n=135), 50+ units (n=136).

Almost nine out of 10 (88%) of MDU residents say it is at least somewhat important to have a choice in providers.

Importance of Having a Choice in Telecommunications Providers

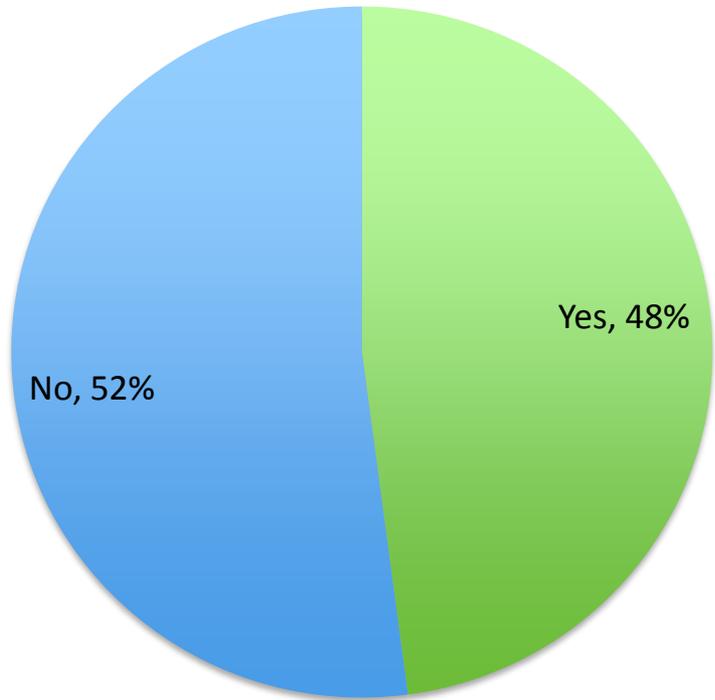


Q10. How important is it to you to have a choice in providers when it comes to telecommunication services such as cable TV and Internet service providers?
All respondents (n=405)

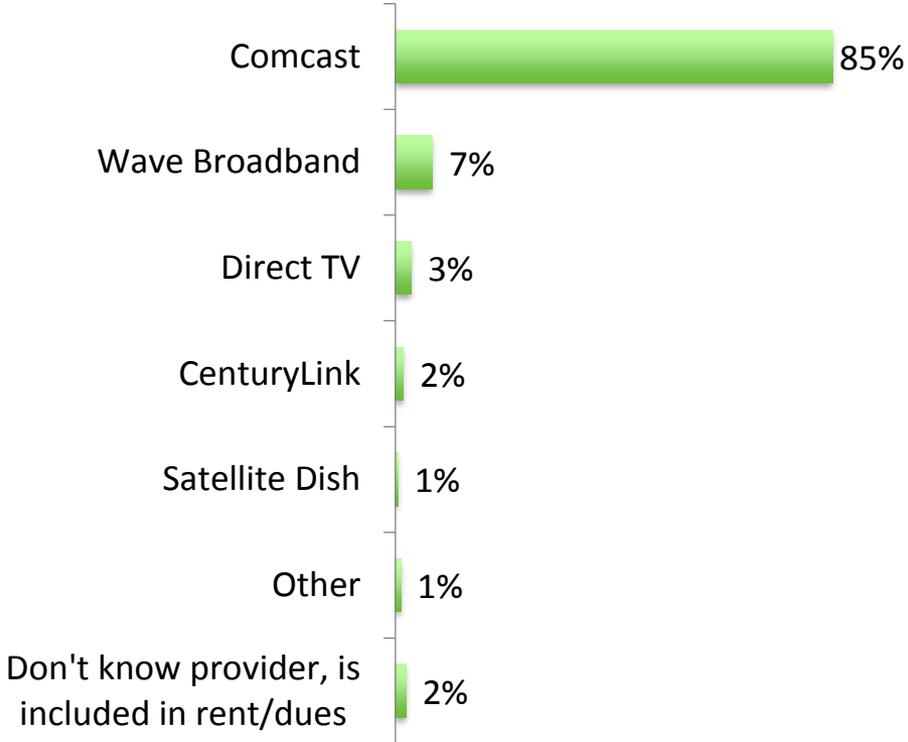
Just under half (48%) of MDU residents subscribe to pay TV, with 85 percent of these residents subscribing to Comcast.

Pay TV subscription is higher among homeowners (65%) than renters (40%). Subscription is lowest among those under age 35 (37%) and highest among those aged 65 and older (61%).

Subscribe to Pay TV



Pay TV Provider



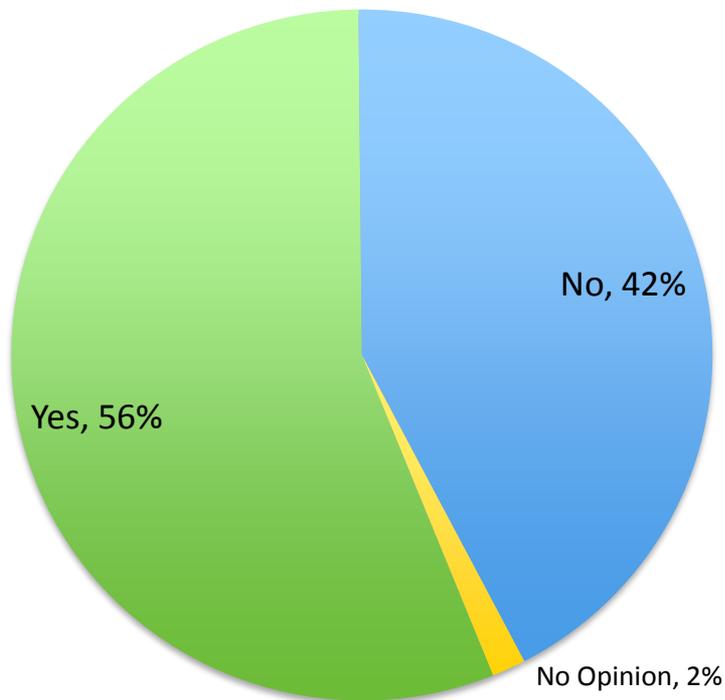
Q11. Do you currently subscribe to pay TV at home? All respondents (n=405)

Q11A. What is the name of your pay TV provider? Pay TV Subscribers (n=194)

Only about half (56%) of subscribers are happy with their TV service, with 77 percent of unhappy subscribers indicating that it's too expensive.

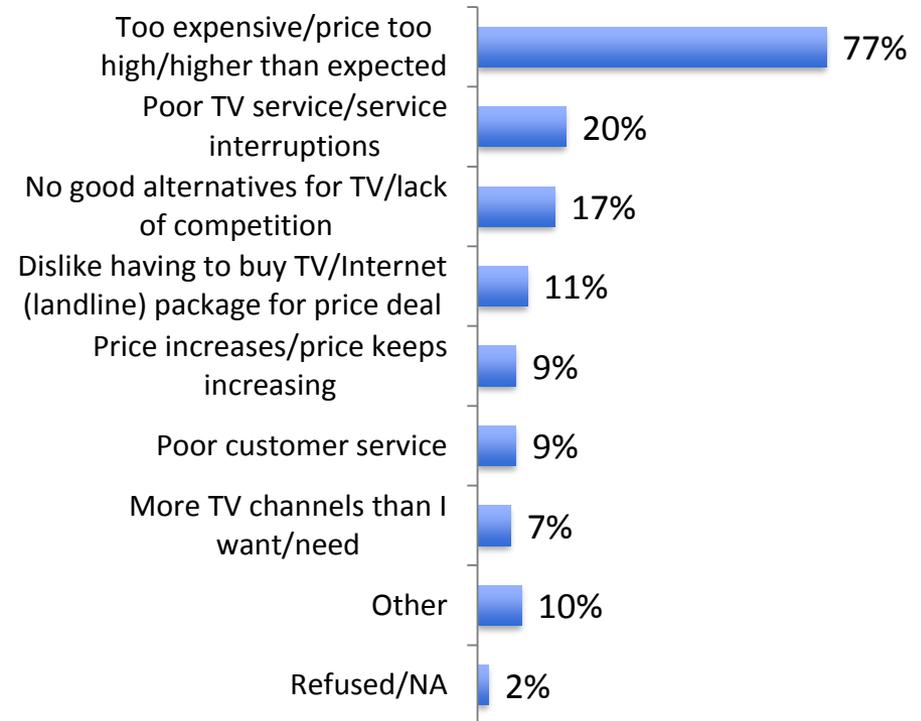
Satisfaction is higher among homeowners (66%) compared to renters (48%), and among those aged 65 and older (68%) versus those aged 50 and younger (47%). Residents of buildings with 50+ units (65%) are happier with their pay TV service than those in small buildings of 6-15 units (44%).

Happy with Pay TV Service



Q11B. Are you happy with the pay TV service you have today at your home?
Pay TV Subscribers (n=194)

Problems With Pay TV Provider



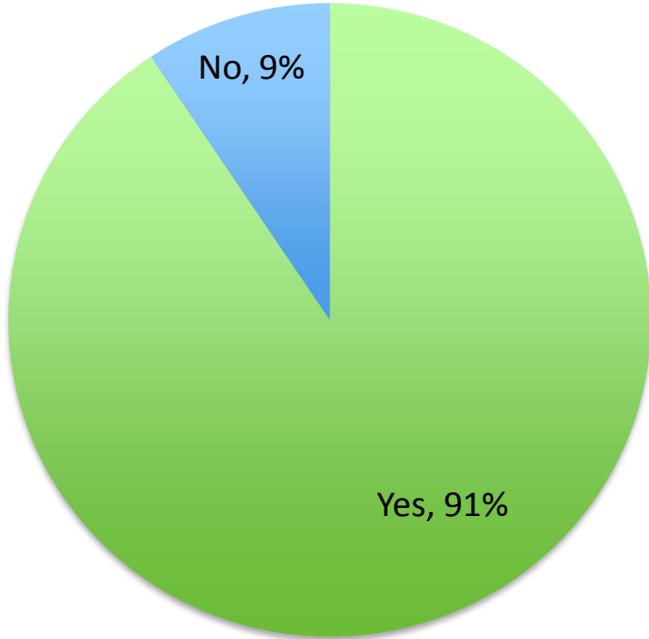
Q11C. What problems are you having?
Pay TV Subscribers who are unhappy with pay TV service (n=82)

Nine out of ten (91%) MDU residents subscribe to Internet service, with two-thirds (65%) from Comcast.

Residents aged 50 and younger (96%) are more likely than those over 50 (83%) to be Internet subscribers.

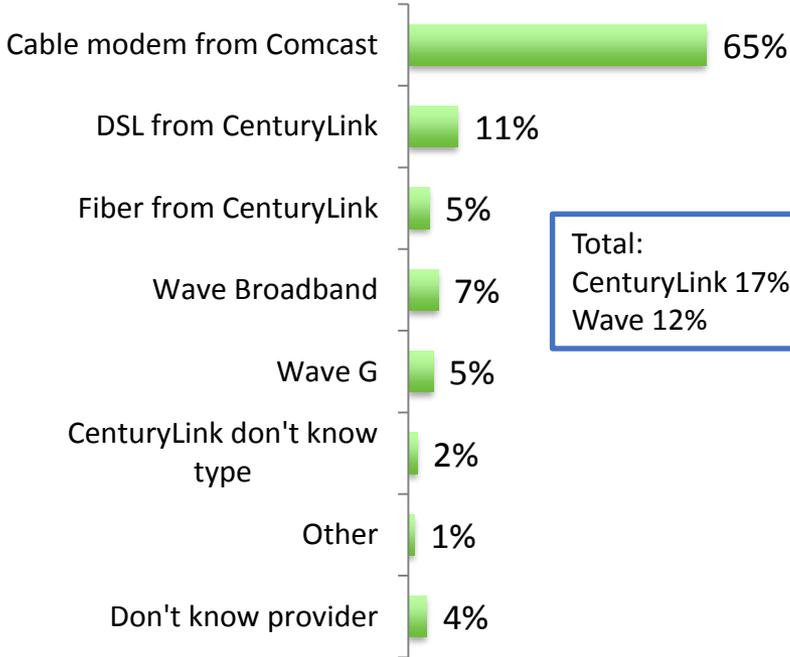
One quarter (25%) of Wave ISP subscribers reside in 50+ units buildings compared to buildings of <50 units (6%). Comcast ISP subscribers are more likely to reside in buildings of <50 units (76%) compared to buildings of 50+ units (44%).

Subscribe to Internet Service



Q12. Do you currently subscribe to Internet service at home?
All respondents (n=405)

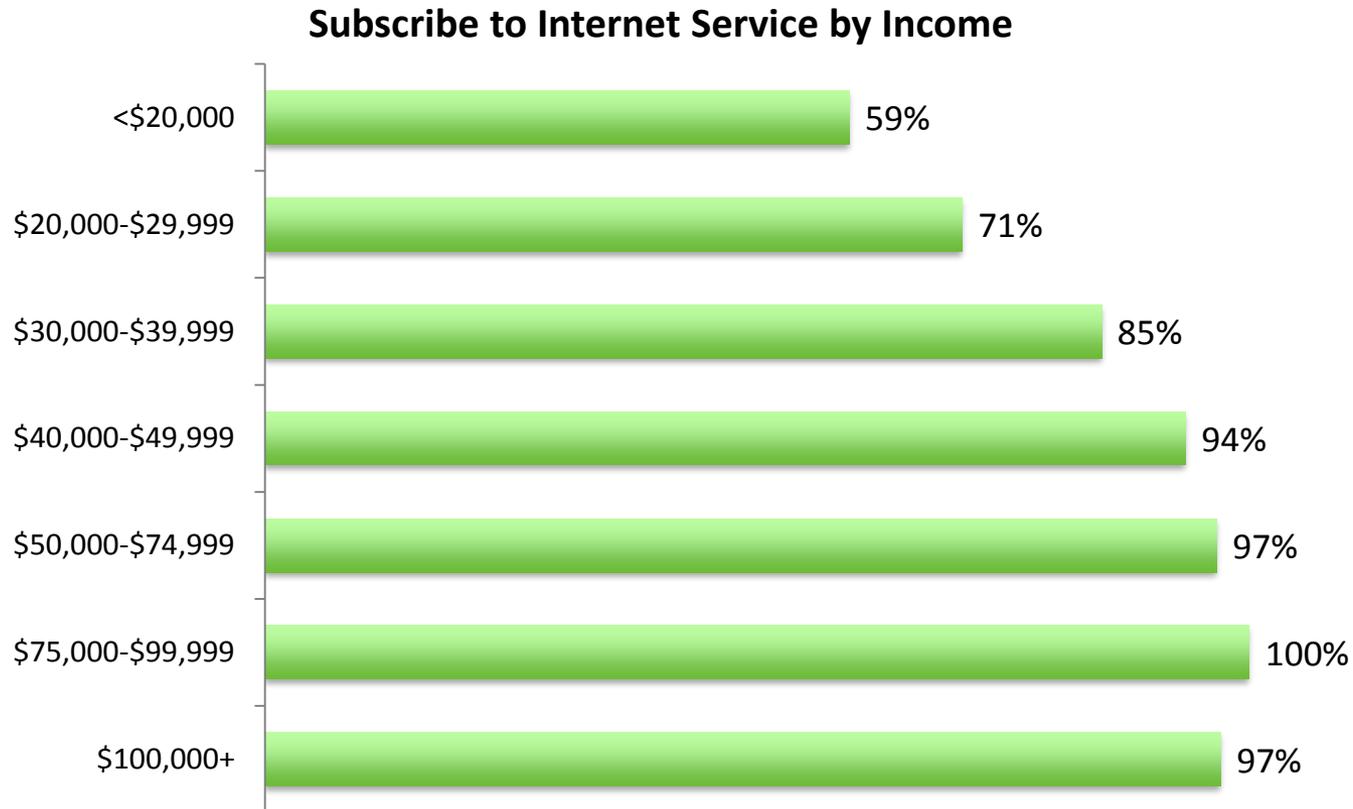
Internet Service Provider



Total:
CenturyLink 17%
Wave 12%

Q12A. What is the name of your Internet service provider?
Internet Service Subscribers (n=367)

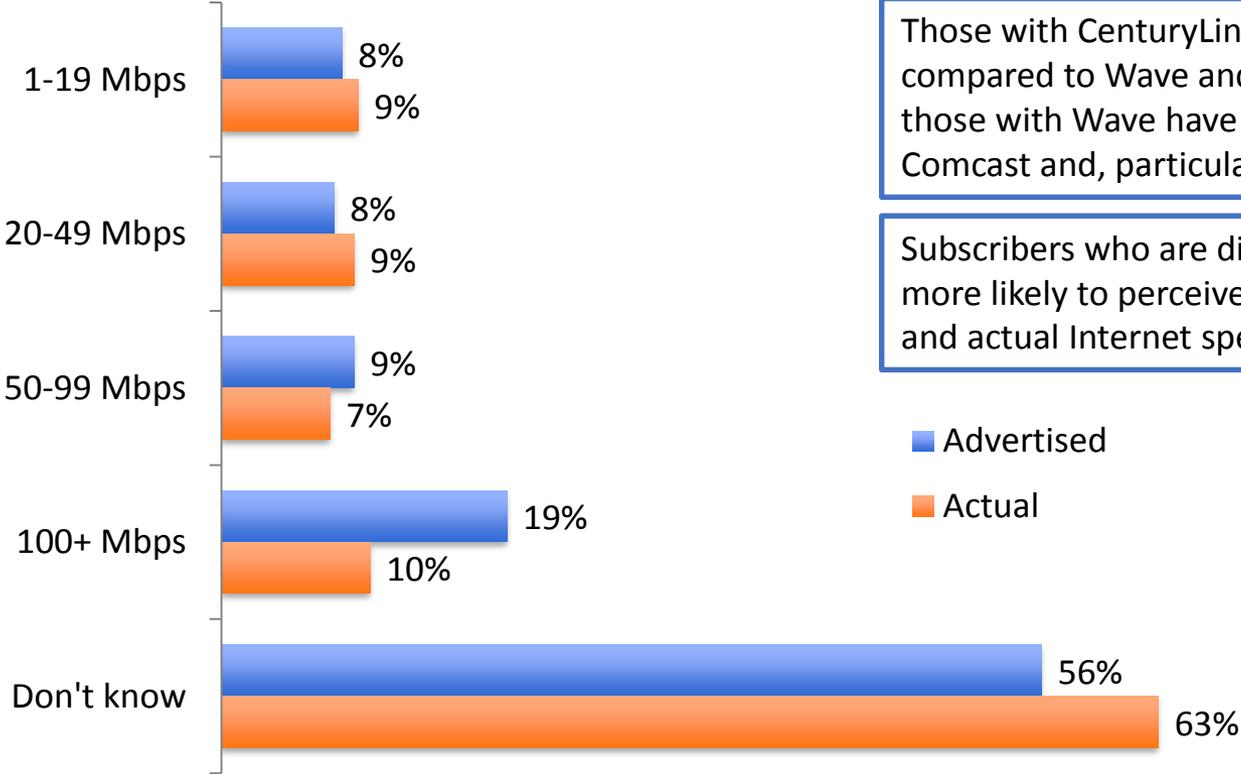
Residents with a household income of \$40,000 or more (97%) are more likely to subscribe to Internet service than those who make less than \$40,000 (73%).



Q12. Do you currently subscribe to Internet service at home?
All respondents (n=405)

Only at the highest Internet speeds (100+ Mbps) do subscribers perceive a difference between actual and advertised Internet speeds.

ISP Download Speed



On average, those in low-rise buildings have the fastest advertised Internet speed and those in high-rise buildings have the slowest.

Those with CenturyLink have slow Internet speed compared to Wave and Comcast subscribers and those with Wave have fast speeds compared to Comcast and, particularly, CenturyLink.

Subscribers who are dissatisfied with their service are more likely to perceive a difference in the advertised and actual Internet speed.

Service	Average Speed (Mbps)
Advertised	375
Actual	315

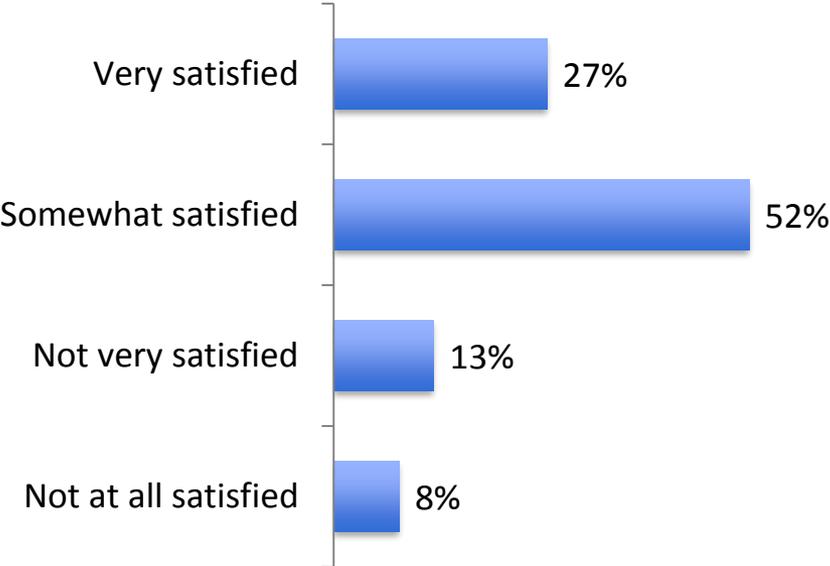
Q12B-RANGE. What is the advertised Internet download speed that you are paying for at home? *Internet Service Subscribers (n=367)*
 Q12C-RANGE. What is your actual download Internet download speed? *Internet Service Subscribers (n=367)*

Eight out of ten (79%) Internet subscribers are at least somewhat satisfied with their Internet speed.

The biggest issues relate to long download times and poor connectivity.

Those who had a choice of service provider are more satisfied with their Internet speeds than those who did not have a choice. Wave and Comcast subscribers are more satisfied. Downtown Seattle MDU residents are less satisfied than other areas, especially compared to NW Seattle.

Satisfaction With Internet Speed



Q12D. How satisfied are you with the Internet speeds you have today at your home? Internet Service Subscribers (n=367)

Problems Caused by Slow Internet Speeds

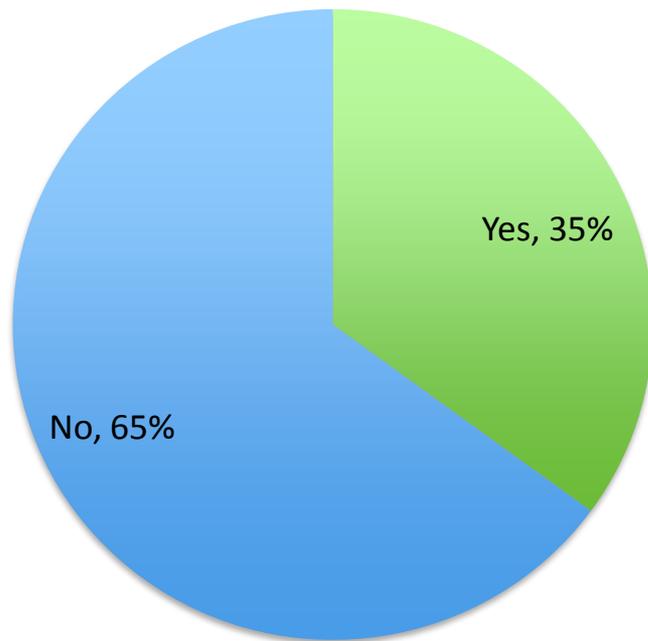
Wastes my time slow downloading/wait time too long (General)	32%
Streaming interruptions/signal disruption /buffering/poor connectivity	26%
Drops connection/Can't connect	10%
Inconsistent speeds/slow during peak times	9%
Hard to work from home with poor internet service/ Work from home is too slow	8%
Doesn't function with multiple devices/Slow if multiple devices connected	4%
Not getting speed advertised/Too expensive for actual speed	3%
Don't like the lack of providers/Need more provider option/Better options	3%
Other	6%
Don't know/No Answer	28%

Q12E. What problems are slow speeds causing you? Internet Service Subscribers who are not "Very Satisfied" with Internet speeds (n=269)

Only one-third (35%) of MDU residents have a landline telephone in their home. Top providers are CenturyLink and Comcast.

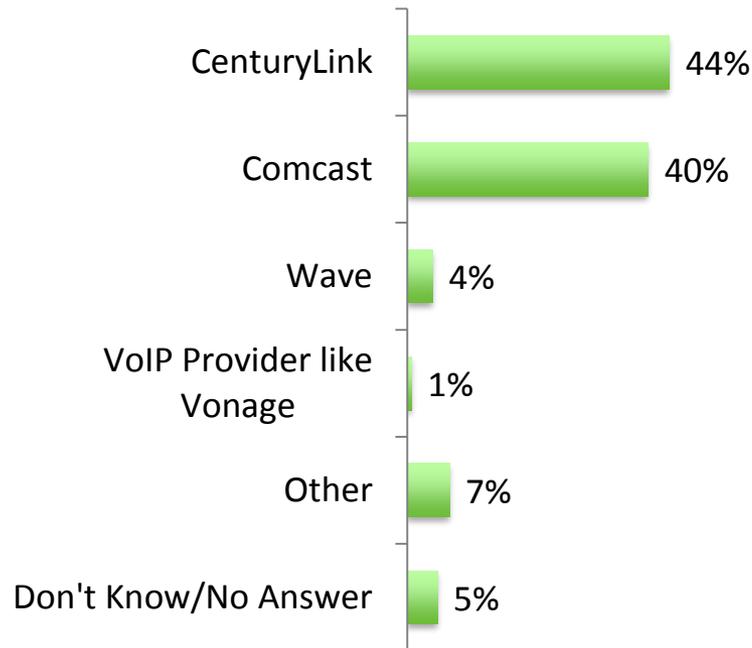
Compared to males (30%), females are more likely to have a landline (41%), as are older residents. In particular, three-quarters (73%) of those aged 65 or older have a landline compared to only 5 percent of residents aged 18 to 34. Finally, those in the lowest income range (HHI under \$30,000; 54%) are more likely to have a landline than those with a higher income (54%).

Landline Telephone



Q13. Do you have a landline telephone in your home?
All respondents (n=405)

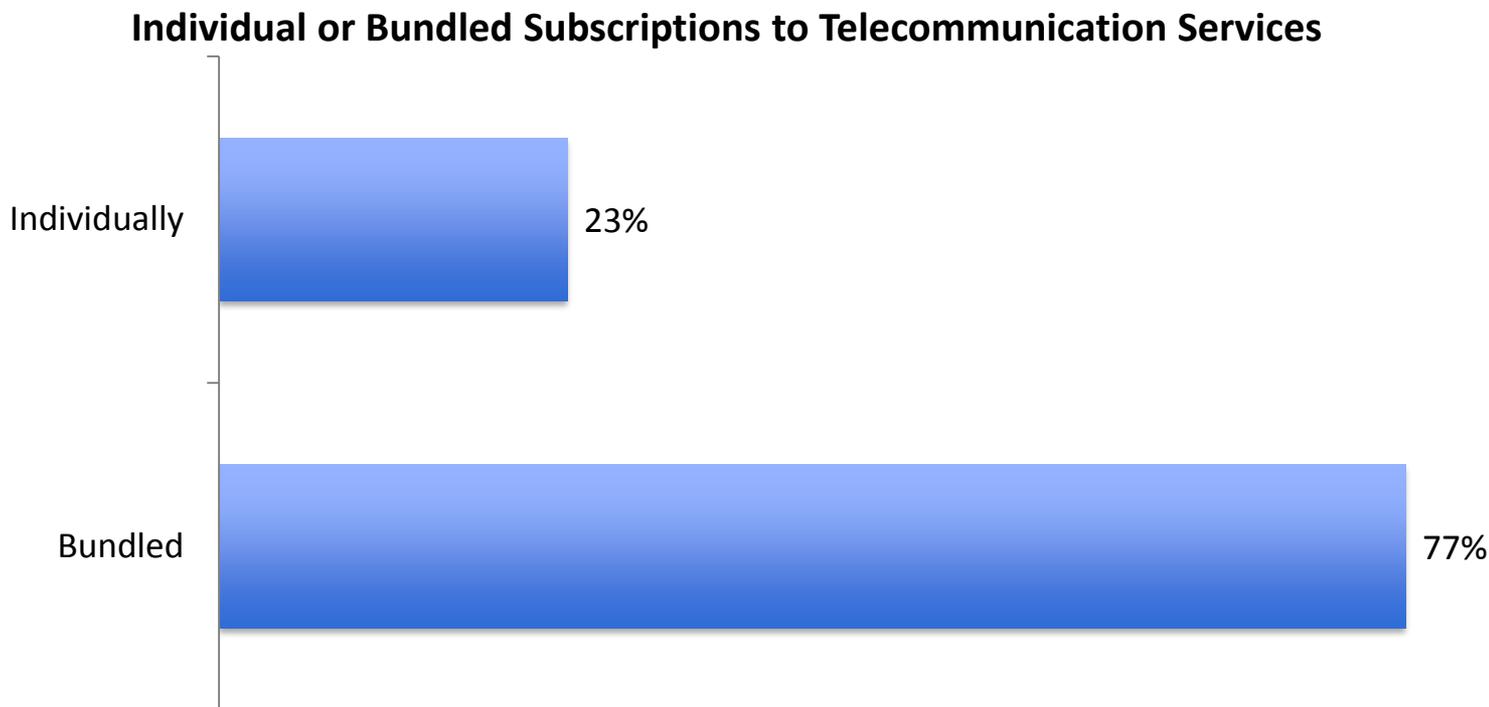
Landline Telephone Provider



Q13A. What is the name of your landline telephone service provider?
Landline Telephone Subscribers (n=142)

Among those who have more than one telecom service, three-quarters (77%) have a bundled subscription.

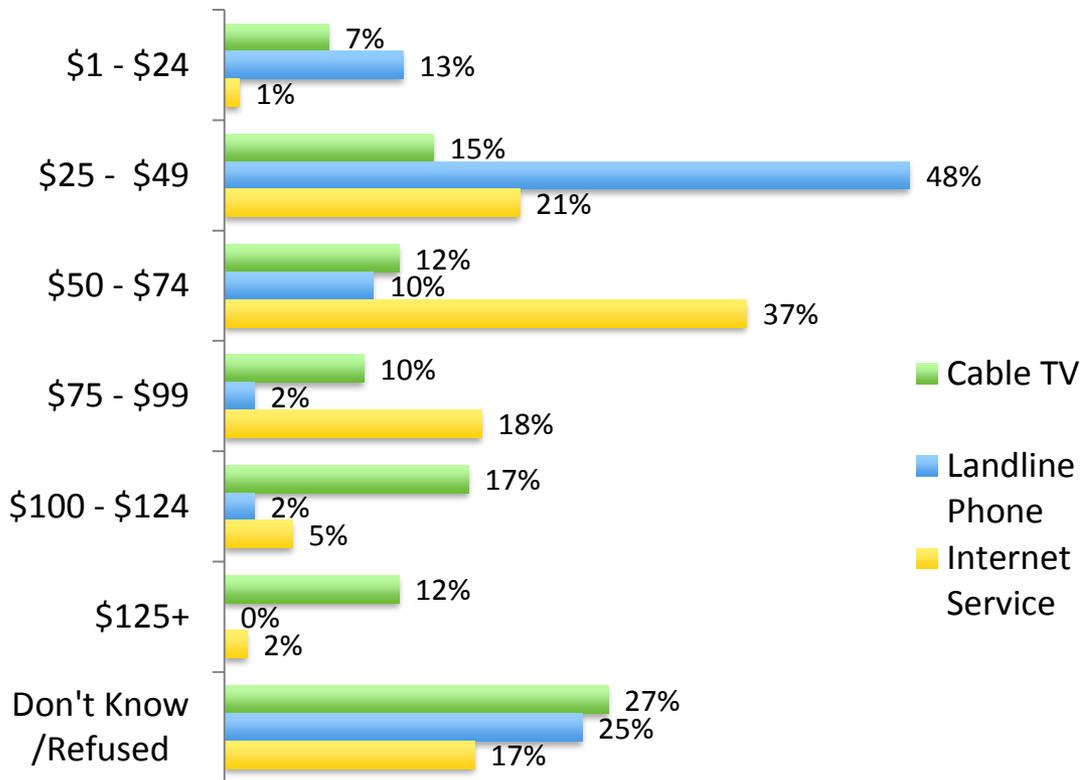
Comcast subscribers (85%) are more likely to bundle than Wave subscribers (61%). Residents aged 18 to 34 (91%) are more likely to bundle than those aged 35 and older (74%).



Q14. Do you pay individually for cable TV, landline telephone, and Internet service, or do you pay one bundled price?
Subscribers to multiple telecommunication services (n=231)

Among residents paying for standalone telecom services, pay TV costs the most, followed by Internet.

Monthly Cost of Standalone Services



Homeowners (\$51) and females (\$45) pay more for their landline on average than renters (\$32) and males (\$30).

Comcast and Wave subscribers pay more for their Internet (\$60 and \$68 respectively) than CenturyLink subscribers (\$49). Residents of small buildings with 6-15 units (\$68) pay more on average than those residing in larger buildings of 50+ units (\$56).

Standalone Service	Average Cost
Pay TV	\$ 77
Landline	\$ 39
Internet	\$ 62

Q14A1_RANGE. What do you pay per month for standalone cable TV? *Pay TV Subscribers Standalone Price (n=41)*

Q14A2_RANGE. What do you pay per month for standalone landline telephone? *Landline Telephone Subscribers Standalone Price (n=48)*

Q14A3_RANGE. What do you pay per month for standalone Internet? *Internet Service Subscribers Standalone Price (n=189)*

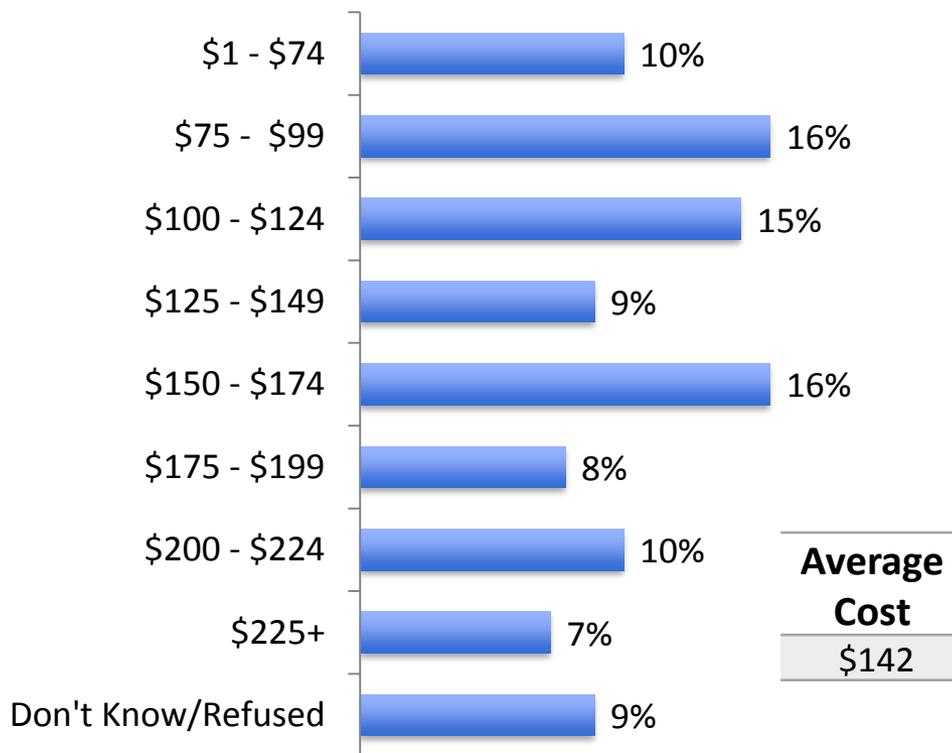
Those with subscription bundles most often have pay TV and Internet.

Non-white ethnicities (\$120) pay less on average for bundled services than white (\$147), with significantly more paying under \$75 (non-white 28% vs. white (7%).

Bundled Telecommunication Services

Services	Percent
Pay TV + Internet + Landline	21%
Pay TV + Internet	24%
Pay TV + Landline	2%
Internet + Landline	10%
Pay TV	1%
Internet	35%
Landline	2%
None	4%

Monthly Cost of Bundled Subscription



Q14B. What does the bundle include?

Subscribers to multiple telecommunication services with bundled services (n=177)

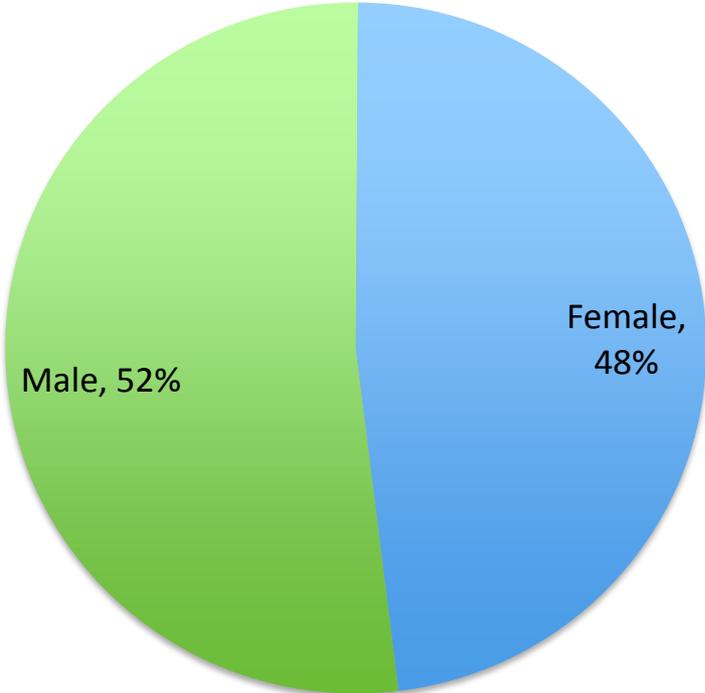
Q14C_RANGE. What do you pay per month for these bundled services?

Subscribers to multiple telecommunication services with bundled services (n=177)

Demographics

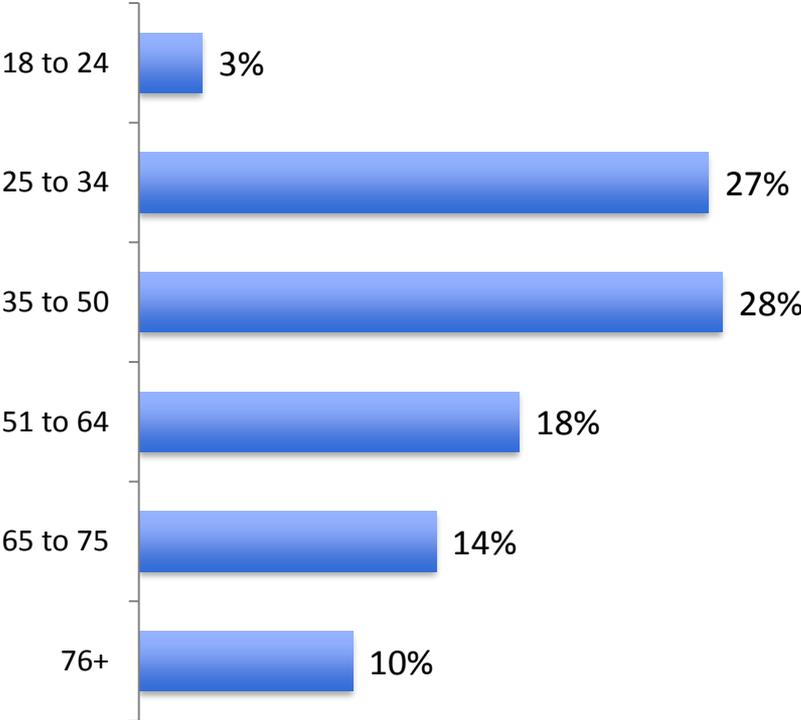
Gender and Age

Gender



Q15. Gender All respondents (n=405)

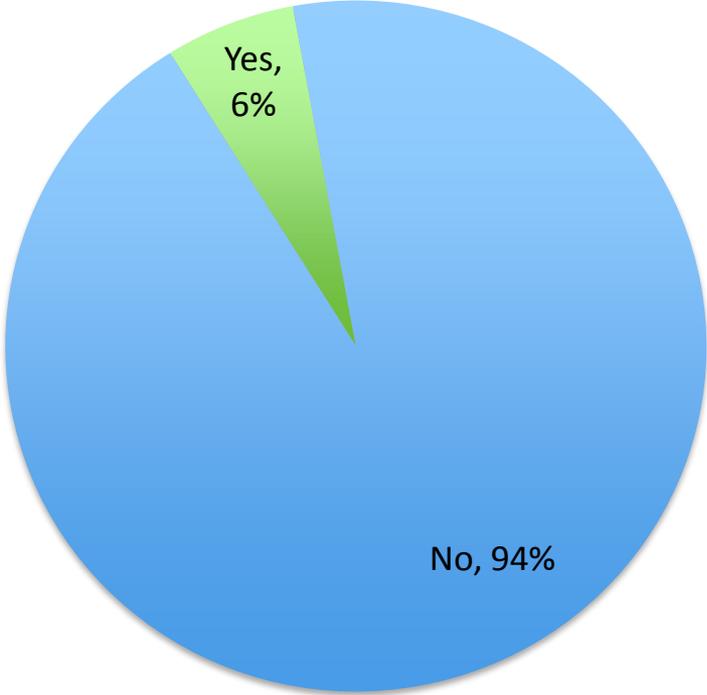
Age Range



Q16. Which of the following ranges includes your age? All respondents (n=405)

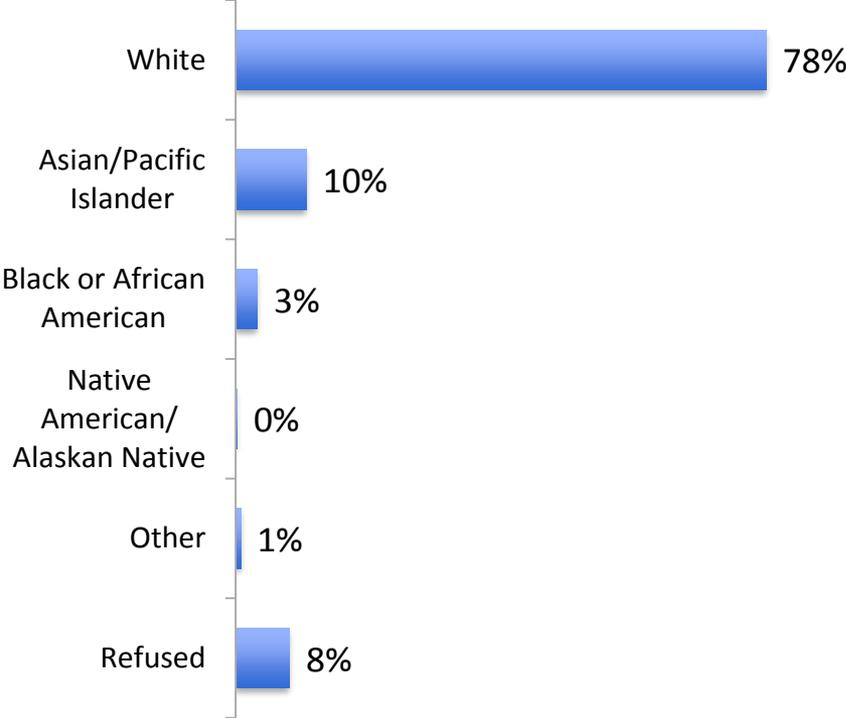
Ethnicity

Hispanic or Latino/Latina



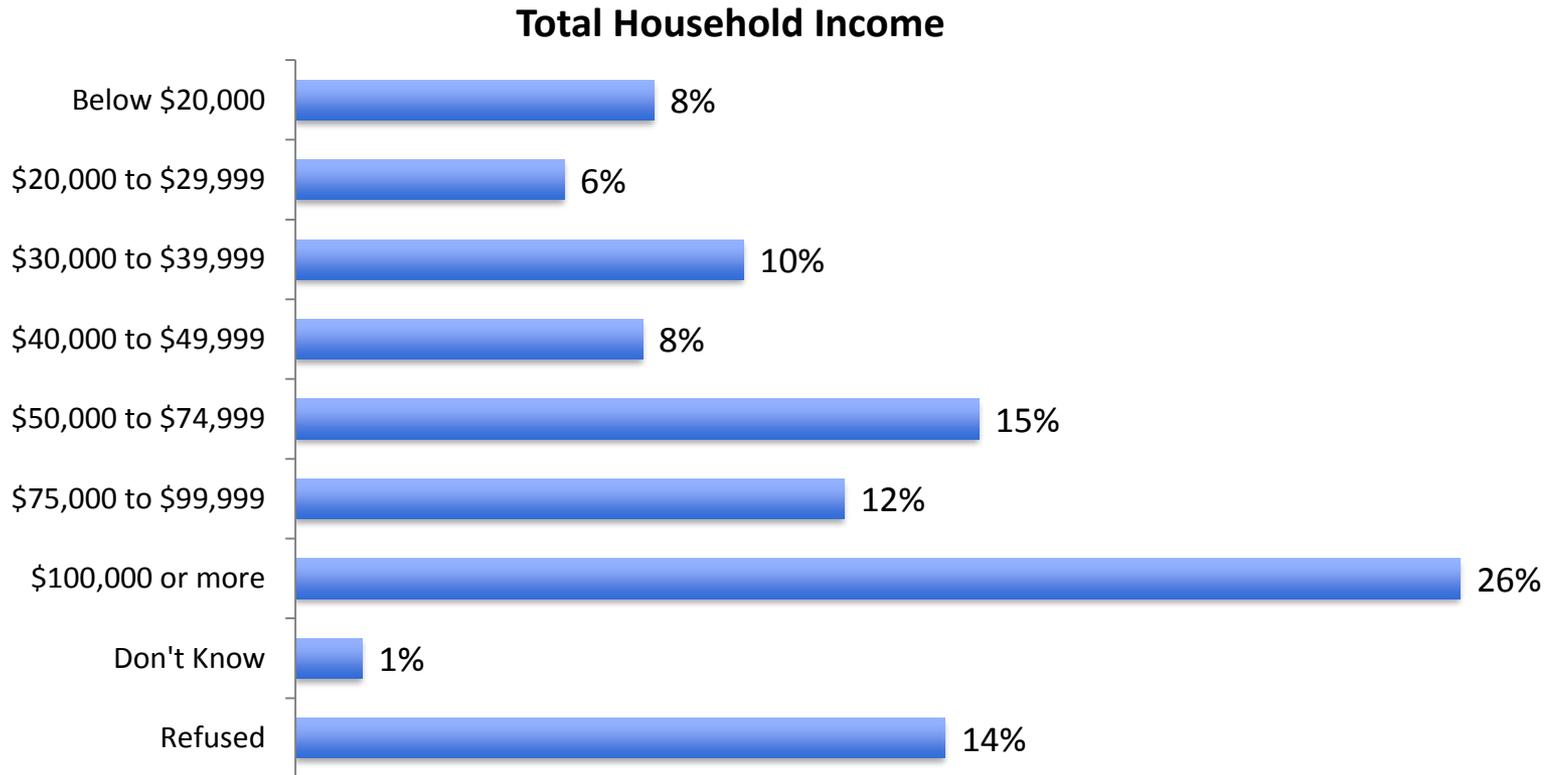
Q17. Are you of Hispanic, Latino/Latina, or Spanish origin? All respondents (n=405)

Primary Race/Ethnicity



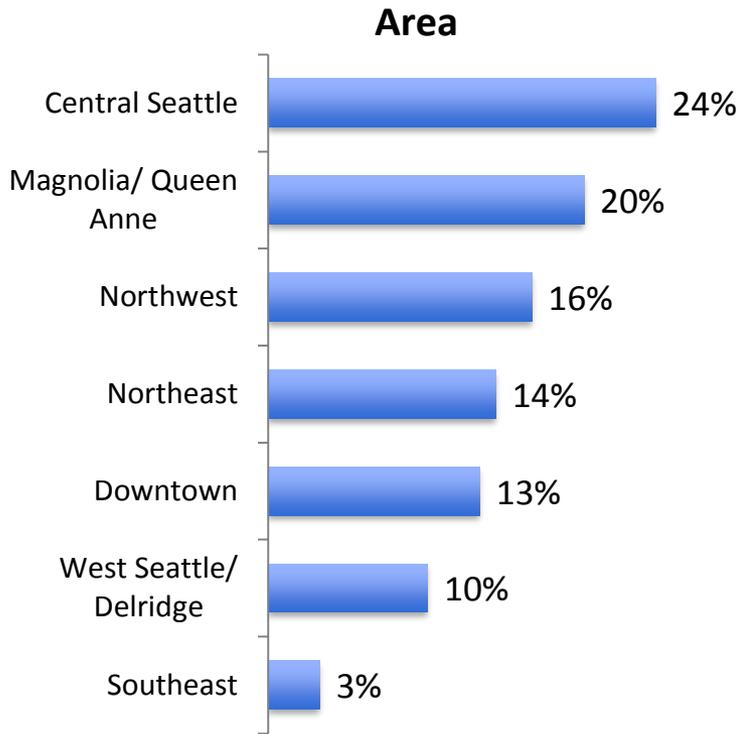
Q18. What is your primary race or ethnicity? All respondents (n=405)

Annual Household Income



Q19. What is your approximate total household income? *All respondents (n=405)*

Area of Seattle



Zip code All respondents (n=405)



Appendix

Questionnaire



Seattle
Information Technology

Your opinions are important to the City. Please select the option (by checking the box) that best represents your response. Please return the completed survey in the enclosed postage-paid envelope.

The City is surveying people in the Seattle area about their experiences with cable TV and Internet services, and would like to include your opinions. All information provided will be kept strictly confidential.

Your Home

1. First, do you live in the City of Seattle? Yes No
2. Thinking about your home, what type of building is it? *(Please check one)*
 - Apartment building with **six or more** units
 - Condominium or townhome with **six or more** units
 - Apartment, Condominium or townhome building with **five or fewer** units
 - Duplex or triplex
 - Single family home
 - Other _____
3. Do you own or rent your home? Owner Renter
4. How would you describe the building where you live? *(Please check one)*
 - High-rise (**Nine** or more floors with an elevator)
 - Mid-rise (2-8 floors building **with** an elevator)
 - Low-rise (2-5 floors building with **NO** elevator)
 - Garden-style (1-3 floor building in a multi-building development)
 - Other _____
5. Approximately how many units are in your complex? _____
6. What are the cross streets of your building? _____ and _____
(Please include N, S, NE, NW, SE, SW, S and Street, Avenue, Blvd, Circle etc.)

→ *Continue to Q3*

→ *Go to Q11*

Questionnaire - Continued

7. Which, if any, of the following telecommunication services are included in your rent or homeowner's association dues? Landline telephone Cable TV Internet access Other _____ None
8. Do you have a choice between different cable TV providers for buying cable TV service where you live? (Such as Comcast, Century Link, Wave) Yes No
9. Do you have a choice between different telecommunications providers for Internet access where you live? (Such as Comcast, Century Link, Wave, Wave G) Yes No
10. How important is it to you to have a choice in providers when it comes to telecommunication services such as cable TV and Internet service providers where you live? (Please check one)
 Not at all important Not very important Somewhat important Very important

Telecommunications Services

11. If you currently subscribe to pay TV, what is the name of your provider? (Please check one)
- Don't have Pay TV (cable, satellite etc.) ⇒ Go to Q12
- Comcast CenturyLink
- Wave Broadband Satellite Dish
- I don't know provider it is included in my rent/dues Other _____
- 11b. Are you happy with the pay TV service you have today at your home? Yes No ⇒ Q11c
- 11c. If the answer is **no**, what problems are you having?
- _____

Questionnaire - Continued

12. If you have access to the Internet service at home, what is the name of your service provider? *(Please check one)*

- Don't have Internet ⇒ **Go to Q13**
- Use **only** my cell phone data at home ⇒ **Go to Q13**
- Wave Broadband
- Wave G
- Cable modem from Comcast
- DSL from CenturyLink
- Fiber from CenturyLink
- Satellite
- I don't know the provider; it is included in my rent/dues
- Other _____

12b. What is the **advertised** Internet download speed that you are paying for at home?

Speed _____ (Mbps) 1,000 Megabits (Mbps) = 1 gigabit (gig). Don't Know

12c. What is your **actual** download Internet speed? *(Just an estimate is fine.)*

Speed _____ (Mbps) 1,000 Megabits (Mbps) = 1 gigabit (gig). Don't Know

12d. How satisfied are you with the Internet speeds you have today at your home?

- Not at all satisfied
- Not very satisfied
- Somewhat satisfied
- Very satisfied

12e. **IF LESS THAN VERY SATISFIED**, What problems are slow speeds causing you?

13. If you have a **landline** telephone, who provides your telephone service?

- Don't have a landline
- Comcast
- CenturyLink
- Wave
- VoIP Provider like Vonage
- Other _____

14. What do you pay per month for these services today? *(Just an estimate is fine.)*

Standalone cable TV \$ _____

Standalone landline telephone \$ _____

Standalone Internet \$ _____

or Q14b. **Bundled** \$ _____ Bundle includes: TV Internet Telephone Other _____

Questionnaire - Continued

Demographic Questions

These questions are for statistical purposes only to ensure that we heard from a broad cross-section of Seattle residents.

15. Gender Male Female Other _____
16. Which of the following ranges includes your age?
 18 to 24 35 to 50 65 to 75
 25 to 34 51 to 64 76+ Decline to answer
17. Are you of Hispanic, Latino, or Spanish origin? Yes No Decline to answer
18. What is your primary race or ethnicity? *(Please check one primary)*
 White Asian/Pacific Islander
 Black or African American Native American/Alaskan Native
 Other (please specify): _____ Decline to answer
19. What is your approximate total household income? *(Please check one)*
 Below \$20,000 \$50,000 - \$74,999
 \$20,000 - \$29,999 \$75,000 - \$99,999
 \$30,000 - \$39,999 100,000 or more Decline to answer
 \$40,000 - \$49,999

Thank you for your thoughtful responses.