

Demand-Side Programs to Stimulate Adoption of Broadband: What Works?


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Introduction

- ◆ Purpose: examine the evidence on demand-side programs intended to stimulate broadband adoption
 - ◆ Focus: the causal impact of a program on the adoption of broadband
 - ◆ We ask: “what works”
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Types of programs

Organize programs by the barrier they attack:


- ◆ Barrier #1: The price of BB service
- ◆ Barrier #2: Lack of computer ownership
- ◆ Barrier #3: Lack of digital literacy
- ◆ Barrier #4: Lack of perceived value of BB
- ◆ Tackling Multiple Barriers: Comprehensive Programs

Our Review of Evaluations

General comments on what we found:

- ◆ Not much.
 - ◆ Many (most) good programs have not been adequately evaluated.
 - ◆ Lots of *assumed* causation between the program and outcomes
 - ◆ Biggest pitfall: assuming causation (ad hoc fallacy) instead of proving it.
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Our Review of Evaluations


- ◆ Large national plans
 - ◆ State level plans
 - ◆ Local level plans
 - ◆ Subsidy programs
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Overall Findings


- ◆ A successful program must tackle many goals.
- ◆ Encouraging broadband adoption is only part of a larger digital literacy effort
- ◆ Programs work when they
 - make non-users want to connect
 - make the Internet cheaper and easier to use,
 - adjust to users' preferences.

Overall Findings

On the spectrum from national to local programs:

- ◆ Nationally funded programs with inadequate oversight can lead to waste, fraud, and abuse.
 - ◆ Local programs have more complete knowledge of the barriers to adoption in the community.
 - ◆ Local efforts can better ensure that programs are utilized by the intended recipients.
 - ◆ Local efforts may have limited capability to collect and evaluate data.
 - ◆ National efforts may have more capability to collect and evaluate data.
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Suggestions

- ◆ Cost-benefit analysis as a standard part of program review
 - ◆ Rigorous program evaluation
 - ◆ Collect appropriate data from which conclusions can be drawn
 - ◆ Use appropriate statistical methods to determine the causal impact of a program
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