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”
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.
Our Review of Evaluations

- Large national plans
- State level plans
- Local level plans
- Subsidy programs
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.
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