

# BLANDIN FOUNDATION GRANT REPORT

## Incredible Ely

### Business Development/Broadband Survey

Submitted July 19, 2018

Research has demonstrated that bringing broadband to rural communities has the potential for significant increases in economic viability and growth. However, it's also been demonstrated that just connecting businesses to broadband, is not enough. Success depends upon how businesses actually utilize the broadband services.

This research project is in response to the Blandin Foundation's findings in its 2014 White Paper: "The Return from Investment in Broadband Infrastructure and Utilization Initiatives". Results from the business surveys provide initial internet usage information to set the groundwork for "implementing a process for measuring broadband adoption and utilization", as well as having engaged Ely businesses as "stakeholders to own the process of economic development through broadband". (Two recommendations from the Blandin White Paper.)

#### I. Grant Goals and Outcomes:

- **Goal:** Develop baseline information for the future implementation of "a process for measuring broadband adoption and utilization"
- **Outcome:** This goal has been achieved (please see Summary of Findings). The Incredible Ely Executive Director conducted sixty (60) face-to-face surveys with businesses located on Sheridan and Chapman Streets in Ely, Minnesota. All of the survey respondents (except for one business that has fiber) reported that their businesses used either DSL or Cable internet services (not fiber). This "pre-broadband" information provides a "baseline" for those businesses interviewed on Sheridan and Chapman streets that do not presently have broadband internet services. The City of Ely is hoping to implement a "pilot broadband project" on Sheridan Street, as well as on Shagwa and Burntside lakes. If this project is implemented, the present survey could be utilized as the "before" baseline data, and the same businesses on Sheridan could be surveyed concerning their internet usage at the conclusion of the pilot broadband project. Dependent upon the results, this data could be utilized in further support of bringing broadband services to Ely, the surrounding area and other rural communities.

- **Goal:** Broaden the number of business owner “champions” to promote broadband coverage and usage in Ely
- **Outcome:** It has been demonstrated that developing “stakeholders to own the process of economic development through broadband” leads to greater success. (Blandin, 2014) Within this project, there has been no direct measurement of this goal to determine whether or not it was reached. However, during each face-to-face survey it was explained to respondents, that the ten (10) internet applications (e-solutions) had been demonstrated by Blandin Foundation research, to increase business revenues and customers, if used regularly. In addition, the Incredible Ely Executive Director, spoke in front of several groups, and there were several newspaper articles about Ely businesses involvement in this survey process. It would be hoped that, as the City moves ahead with its goals to bring broadband to Ely, that an increased number of Ely businesses will be supportive and involved in this effort.
- **Goal:** Develop business owner’s/ managers’ understanding of business “e-solutions” identified by Blandin research as resulting in business: “revenue expansion through increased market reach, lower cost, 24/7 customer access to sales product information, online purchases, measurable cost savings through more efficient transaction speeds, better management of inventory and sales...”
- **Outcome:** This outcome is also difficult to measure without having done a “pre-test and post-test” of the survey respondents’ understanding of the “e-solutions”. However as noted earlier, during the surveys, respondents received information about the benefits of businesses utilizing these internet applications (e-solutions) on a regular basis.
- **Goal:** Identify potential areas of need for future broadband business training
- **Outcome:** This outcome was achieved. One question on the survey specifically asks businesses if their employees would benefit from any of the internet applications identified earlier in the survey. These responses are included in the attached Survey Findings Report.
- **Goal:** Make survey results publically available on the Incredible Ely website, to provide valuable and useful information to further the positive economic impact of Broadband for Ely and other rural communities
- **Outcome:** Later in the summer of 2018, the summary of survey results will be posted on the Incredible Ely website.
- **Additional outcome:** A secondary benefit resulting from this research will be the development of a current and comprehensive (as much as possible) list of contact information for Sheridan and Chapman street businesses. At present, there is no such listing available. Some additional work will be needed to add

those businesses that were not surveyed. When completed this business contact information will be made publicly available on the Incredible Ely website, help promote local businesses and to assist other Ely organizations in their economic development efforts.

## **II. Lessons Learned:**

### **A. What lessons learned have you drawn from this effort and have you make any revisions to your initial goals / methodologies as a consequence.**

1. Originally the plan was to solicit mail and online business survey responses in addition to the face-to-face interviews. However, during the initial “pilot” phase I found for example, that a number of respondents were asking clarifying questions, and/or needed some encouragement to answer the questions completely. I determined that the survey responses would be much more robust and complete, and the final data would be most valuable, if all interviews were conducted face-to-face. As a result I adjusted my total sample size from 100 (face-to-face, mail, and online) surveys, to 60 face-to-face survey interviews.

2. During this Business Development / Broadband Survey Project, I learned that there was no current / comprehensive listing of businesses on Sheridan and Chapman Streets in Ely. I also learned that this type of business listing would be of great value to other nonprofits, city government, potential customers of the businesses etc. As a result I’ll be further developing the business contact information into a more comprehensive listing of Sheridan and Chapman Street businesses. This listing will be made available to the public on the Incredible Ely website.

### **B. Additional Information that Influenced this Project:**

1. During this Business Development / Broadband Survey Project, I learned that the City of Ely is planning to launch a pilot test of broadband (fiber optic) in the Sheridan Street business corridor, and in the Shagwa and Burntside lakes areas. As a result I decided to interview an increased percentage of businesses on Sheridan Street (as compared to those interviewed on Chapman Street). This will better position the research from this Survey as a base-line for pre- broadband business usage, and then for post – broadband usage measurements when the broadband pilot project is implemented with Sheridan Street businesses.

### III. Vibrant Community Outcomes

**A. Expand Opportunity:** (How has your work addressed the foundation's strategic priorities and outcomes as originally envisioned in the proposal?)

- **Greater educational and economic opportunities for people of all backgrounds:** Research has demonstrated that bringing broadband to rural communities has the potential for significant increases in economic viability and growth. This survey provides internet usage information to set the groundwork for “implementing a process for measuring broadband adoption and utilization” (One of the recommendations from the Blandin 2014 White Paper: The Return from Investment in Broadband Infrastructure and Utilization Initiatives.”). Our goal is that this information will help to further the implementation of broadband in Ely and other rural communities.
- **Community members collaborate to develop systems approaches to workforce development and educational attainment:** Sixty (60) Ely businesses were surveyed during this project. It has been demonstrated that developing “stakeholders to own the process of economic development through broadband” leads to greater success. It is expected that this project will broaden the number of business “champions” to further promote broadband coverage and usage in Ely. Ely businesses were engaged as “stakeholders to own the process of economic development through broadband”. (Also a Blanding White Paper recommendation.)
- **Accelerated innovation driven by interaction of more diverse perspectives:** The survey results will be made publically available on the Incredible Ely website later this summer, and provides a variety of both internet usage and economic development perspectives. This valuable and useful information will be available to further positive economic development in Ely and other rural communities.

### IV. Resources Leveraged from Sources Other than Blandin Foundation

**In-kind: 38% match**

Staff to “pilot” the survey = 8 x 90 min. = 12 x \$20/hr = \$240

Printing surveys = \$ 40

Office Materials = \$ 35

Questionnaire Development Consultant = \$1,025

Statistician Consultant = \$2,360

Travel Expenses for Business Interviews = \$ 175

Space = \$100

**Total In-kind Contributions = \$3,975.00**