

Should Wi-Fi Be Free?

The following is a rejoinder to Dalton Conley, "[The Free Lane in the Information Highway](#)", New York Times, 19 March 2004, op-ed, page A19.

There are, as Mr. Conley reports from his laptop forays throughout the neighborhoods of New York, some interesting developments in Wi-Fi use behavior. And just today, In-Stat MDR deflated its previously inflated projections of the Wi-Fi services market. Should we conclude from these correlated reports that a) Wi-Fi access to the internet should be viewed as a social right (Conley) and b) that there really is dimming evidence that any private interest could build a business around the provision of this service (In-Stat MDR)?

Considering the industry's confusion in its commercialization of Wi-Fi service, it would not be surprising if public policy makers, taxpayers, and users were confused to think that we should all face a stark choice: free or pay. This is a false choice. What industry should be doing is presenting Wi-Fi service in a way that expands choice, encompassing free alternatives for some and priced alternatives for others!

After looking in the rearview mirror, In-Stat MDR is correct to record evidence of poorly priced Wi-Fi service offerings, lack of ubiquity, and rising deployment of free Wi-Fi access points. Does this really mean that an industry cannot evolve around this service? So long as those who provide the service refuse to think carefully about the different ways that users could enjoy its benefits, then not only would In-Stat MDR be justified in rejecting the technology as a foundation for building business, but Mr. Conley would be right to argue that the state might as well insist that Wi-Fi be treated as a public service.

So, how different are the potential paying users? They vary from the harried investment banker on the run who needs, urgently, to get a critical electronic file from his firm's IT infrastructure, at one extreme, to the exasperated employee, at the other extreme, who escapes to a coffee shop to accomplish her work because people constantly interrupt her in her office. Each of these stereotypes, conceivably, would pay a premium not only for the access to the service; one would pay for reliability (the harried investment banker), and the other would pay for peace (the escapist). These are only two stereotypes that represent numerous instances of pent up demand. If representatives of the industry would commit to more careful thought of the demand that they could serve, then they could easily accommodate Mr. Conley (sell their services and equipment to public libraries) and to the legions of frustrated individuals who are willing to pay someone to help make it easier for them to do what they need or want to do. This means that the industry should consciously differentiate what it offers to satisfy different potential and manifest demands in the market.

Mr. Conley has a compelling point that one could view internet access (via Wi-Fi, for instance) as a public service, much as public libraries provide access to information services (primarily derived from reading books and periodicals in their collections) at no direct out-of-pocket cost to the user. Fortunately, not all of us who seek access to the information in books and periodicals are obliged to gain access only through public libraries. In fact, most people who seek such information willingly pay certain private enterprises (e.g. Amazon.com, Barnes and Noble, Powell's Books, and small independent bookstores) for the right to add such information assets to their private libraries.

Free public access to the information highway for all! That means that we would all pay for it. If it is only going to be 'free', then we shall all pay for it through taxes (a choice we shall have to vote on) AND we shall all 'pay' the opportunity cost of an undifferentiated offering (a choice that marketers of soap and even salt long ago realized was not entirely in the public interest).

Melissa Cantrelle, Mary Ellen Cremer, David Gautschi
CCG Group, LLC