

# Providing free Wi-Fi gets tricky for businesses

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In Madison, Wis., where Wi-Fi hot spots often are easier to find than a parking space, you wouldn't think that a cafe would turn off its wireless Internet connection.

But that's the case at Madison Sourdough cafe and bakery on Williamson St., where owner David Lehrentz has pulled the plug on Wi-Fi Saturday and Sunday mornings because some customers occupied tables for hours while sipping a latte and surfing the Web - keeping others from getting a table for the cafe's brunch.

"It's a tricky thing because you want everyone to feel welcome, but at the same time people should be able to get a place to sit promptly when they come in to spend \$50 for a meal for a family of four," Lehrentz said.

Wisconsin has thousands of Wi-Fi hot spots at businesses from coffee shops to campgrounds, where anyone can get online with a laptop computer, tablet or other mobile device, often for free.

Worldwide, mobile data growth has boosted the number of hot spots into the millions, with Brazil alone adding about 500,000 wireless access points for the World Cup soccer tournament.

As ubiquitous as free Wi-Fi has become, though, many business owners still don't offer it, for a variety of reasons, including worries that it encourages some people to hang out at their location for the Internet access while not spending much money.

Time Warner Cable recently commissioned a survey that revealed gaps between the technologies that businesses knew would improve their customer experience, and what they were actually doing. The biggest gap was with Wi-Fi, where 80 percent of the businesses surveyed said they believed their customers expected free Internet access - and that it was a top way to attract new customers - but only 43 percent offered it.

"We were surprised by the results of the survey," said Satya Parimi, a vice president with Time Warner Cable's division that provides communications services to businesses.

The Wi-Fi gap exists because businesses often are discouraged by the challenges of managing it, sometimes for technical reasons.

"They just don't want to take on situations where things could go wrong," Parimi said.

For its business customers, Time Warner Cable recently started offering a free Wi-Fi access point installed and managed by the company. The access point comes with its own Internet connection to ensure that public use is kept separate from a business's private Internet traffic.

How businesses use the Wi-Fi hot spot is up to them, according to Parimi.

"We are not looking to target the end customer directly. Our strategy is to equip the business to make that call," he said.

Some businesses use hot spots to send advertisements and electronic coupons to customers while they're hooked up to the wireless connection. They also use the technology to gather data about customers for marketing purposes.

"There's no such thing as a free lunch, so if you are getting a free service from someone, you're probably agreeing to something in return," said Thad Nation, executive director of Wired Wisconsin, a nonprofit group focused on telecommunications issues.

"For a large retailer, information is as valuable as anything else," Nation said. "Businesses wouldn't offer free Wi-Fi if people didn't spend money there and keep coming back. They make sure you're comfortable and have electrical outlets because a happy customer is a repeat customer."

Wi-Fi hot spots can ease boredom while waiting for a service, such as a dentist appointment, and sometimes they help keep customers at a business longer so they can spend more money.

Some of the growth in hot spot locations has been fueled by more people working in nontraditional settings, including freelance contractors who hang out at [coffee shops](#) with a laptop computer and mobile phone as their office tools.

If you can work like that, it might as well be in a place with good coffee and food, said Barry Orton, a telecommunications professor at the University of Wisconsin-Madison.

You can only work from home for so long, Orton said, before you have to get dressed, get away from the dog, and step away from other domestic distractions.

With the changes, however, come the hot spot management issues.

Madison Sourdough keeps its free hot spot turned on Monday through Friday, when the cafe isn't serving a special brunch and there's not as much competition for tables.

Also, Lehrentz says he's creating a conference room where customers can have business meetings.

He's not going to charge customers for Wi-Fi access, even if it could keep some people from occupying a table for several hours while they watch videos on their laptop or tablet.

Asking people to pay for what's become a free service at most places would send the wrong message to customers, Lehrentz said.

"As a customer, I was always annoyed by that, and I avoided those places," he added.

AT&T, Verizon and other telecom providers have set up thousands of hot spots for their customers, partly because it takes some of the pressure off their cellular phone networks.

Comcast Corp., which has some cable and Internet presence in Wisconsin, recently launched a system that will turn millions of its customers' home wireless routers - units provided by the company - into a big network of Wi-Fi hot spots. The hot spots are designed primarily to provide visitors to a Comcast customer's home the ability to access the Internet without having to use that customer's password.

If the visitors are Comcast customers, they'll be able to connect to the network free. Non-customers will be able to use the [hot spots](#) as well, getting a limited amount of time for free before they'll have to pay a fee.

Customers can opt out of having their home router in the network, but otherwise they're included by default.

Comcast did not return calls, but industry experts say it's an attempt by the company - which is seeking federal regulators' permission to acquire

Time Warner Cable - to compete better with AT&T and other wireless carriers.

Plans for blanketing Milwaukee and other cities with municipal Wi-Fi have largely been dropped, not because the service wasn't wanted, but because it was too expensive for local governments to establish and operate.

Some telecom experts say businesses are more likely to make Wi-Fi systems a success because they have a financial incentive to offer the service. New systems could include hot spot zones where multiple businesses share costs and operations decisions.

As the technology and systems improve, Wi-Fi users could someday go from one hot spot to another without having to log in again.

"Today, it's still tough to move seamlessly between them ... but we think the ubiquitous coverage that Wi-Fi can offer will be pretty compelling," said Parimi of Time Warner Cable.

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