

The Broadband Wars: How Cable Can Stay on Top

BSS/OSS vendors like Netcracker are developing solutions to help operators counter revenue declines and avert mounting competition from fiber providers and other rivals.

Publication date: December 3, 2024

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Sponsor: Netcracker

As 2024 draws to a close, US cable operators find themselves at a critical crossroads: How can they recharge their broadband and video growth in the face of mounting competition from fiber, fixed wireless access (FWA), 5G, and low Earth orbit (LEO) satellite providers?

The task certainly seems daunting, given the latest broadband market trends:

- Fiber lines now pass nearly 78 million unique homes, or slightly more than half of all US residences, according to the latest figures compiled by the Fiber Broadband Association (FBA). That number is up 13% from just a year earlier.
- FWA providers added more than 900,000 subscribers again in 3Q24, boosting their total customer count to nearly 11 million.
- At the same time, the biggest cable operators shed another 260,000 broadband subscribers in 3Q24, one of their worst showings ever.

US cable broadband results, 3Q24

US cable operator (public)	Subscribers at end of 3Q24	Net subscriber adds in 3Q24
Comcast	31,981,000	(87,000)
Charter	30,257,000	(110,000)
Altice USA	4,387,000	(50,400)
Cable One	1,059,400	(3,400)
Breezeline	643,599	(8,731)
Total top US cablecos (public)	68,327,999	(259,531)

Source: Company earnings reports

So, is cable's broadband heyday over? Not necessarily. Cablecos have some promising growth strategies they can pursue to stay competitive. While some of these strategies are already in the works, operators need to accelerate their efforts due to the growing competition they face.

These strategies include the following:

- Upgrading their legacy hybrid fiber-coax (HFC) infrastructure for next-gen DOCSIS and/or PON technologies.
- Offering both DOCSIS-based and PON-based services over hybrid multi-platform networks.
- Delivering mobile, FWA, and fixed-mobile convergence (FMC) services, either by adopting an MVNO strategy to benefit from FMC or by engaging in mergers and acquisitions with fixed operators to become full mobile operators.
- Integrating all these services into easily understandable bundles for consumers.
- Developing new services for the commercial sector.
- Expanding their overall offerings for consumers.

More measures are needed, though. Cable operators must develop new ways of conducting business and become full broadband providers with a multi-access strategy.

Operators need to react faster to market needs and conditions, resolve service issues more quickly and effectively, and make it easier for subscribers to buy new products and services. Cablecos also must craft the right service offerings to attract customers and make it simpler for them to get the support they need.

To achieve these goals, cablecos should take a number of specific steps, both short term and long term:

- Evolve their networks away from legacy IT to support the networks' expanding needs now and in the future.
- Converge legacy and new cloud networks to deliver innovative FMC services and any bundled service to subscribers.
- Break down the cumbersome data silos so they can gather all the necessary information on subscribers and networks to deliver more personalized services and support to them.
- Leverage new technologies like artificial intelligence (AI), machine learning, and generative AI (GenAI) to react faster to market needs and achieve greater cost efficiencies.
- Resolve thorny security issues as cyberattacks proliferate, especially as services continue migrating to the cloud and the business becomes more digital.

Taking these steps is critical for the industry to move forward. Otherwise, cablecos could eventually be relegated to the dustbin of technological history.

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