



How About Trying The Low-Carb Private Cable?

By Bryan Rader ■ *MediaWorks*

Everything is low-carb these days. From beer to ice cream to spaghetti sauce. You can't read a magazine and or see a TV commercial without hearing about a new product that has a "low carb" version.

Low-carb diets became all the craze a few years ago when the Atkins diet developed into the latest nutrition trend. And it was taken to the next level when the South Beach diet was introduced in 2003, as it sat at the top of the Best Seller's list.

According to recent research, almost one in ten Americans say they are following some sort of low-carb regimen. A few years ago, I bet it was 1 in 500. And as low-carb has become a popular trend, our eating habits have changed—more eggs, more vegetables, less potatoes, less pasta.

Did you know that the large grocery chains are now dedicating more shelf space to low-carb foods? In the first half of 2004 alone, food companies launched 1,863 low-carb products, up nearly three times from all the new low-carb offerings in 2003.

Sales of low-carb foods were \$336 million in first quarter of this year, and \$478 million in the most recent quarter. This nutritional trend has really

answer. What is interesting about the shift in consumer behavior to low-carb eating is that so many food manufacturers are just now figuring out this trend. They didn't realize that millions of people were buying Atkins products and following his diet plan, and that millions more were getting on Sugar Busters or the South Beach diet. And these companies watch consumers so closely with tracking of grocery store checkout line purchasing.

Many companies are just now coming out with "low-carb" versions. It surprises me how many of them are so late to the market with a product that appeals to today's healthy low-carb eaters. And it's the leaders who were first.

Michelob Ultra was the first low-carb beer and they were extremely successful. Who was the second one? I don't know, which is exactly the point. Successful companies must be able to spot the trends and "act quickly." Those that are slow, or deliver a low-carb product after the trend has peaked run the risk of losing market share, or being taken off the shelves.

Look at the fast-developing trends in our space. We know that HDTV is still a small market segment, but it has an alarming growth rate. We know that

steam quickly. (Kind of like the Atkins diet a few years ago.) And PCOs need to be able to respond to these consumer trends now, rather than be the "me-too" answer, long after everyone else has delivered a solution.

PCOs are in a great position to act quickly. If the demographics of one of our buildings begins to change, alter the channel line-up. If our broadband buy rates are lower than we expected at a particular site, we should lower the price or bundle it with a premium movie channel to gain acceptance. We can act and move rapidly, much more so than the local franchise provider.

What questions are property owners asking you in meetings? What do you hear from property managers during your site visits? When you listen to your subscribers in the call-center, what types of services or products do they request? These are great clues about the next low-carb craze coming in our business.

And we are in the best position to beat our competition to meet these changing consumer demands quickly. So don't be like some of the food manufacturers who are the last ones to slap a "low-carb" label on their brands.

Let's be quick, and be first. Low-carb cable is healthy for all of us. ■

"Successful companies must be able to spot the trends and act quickly."

gone mainstream, and is having a huge impact on the menus at restaurants, snacks in the grocery aisle, and the stock price of Krispy Kremes (Hard to make a low-carb doughnut, I guess).

Why is this trend so important to PCOs? Should we all go on the South Beach diet? I don't think that is the

VOIP is in its infancy right now, but it is catching on quickly, and gaining consumer acceptance and significant momentum. And look at DVRs, such as TiVo, which are jumping off the shelves at Circuit City and Best Buy.

All three of these services have small bases today, but they sure are gathering

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