

## **Net Neutrality: Impacts on New Hampshire Small Businesses**

Zach Luse  
Founder and CEO  
Paragon Digital Marketing

Dear Senate Committee Members,

Thank you for allowing me to share my perspective regarding net neutrality as it relates to small businesses. I'm strongly opposed to the recent decision to repeal net neutrality protections. The lack of net neutrality tips the scales in favor of large enterprises and puts small businesses and startups at a severe disadvantage if large enterprises are able to purchase fast lanes to speed up the delivery of their websites to consumers.

My company, Paragon Digital Marketing, is an internet marketing and website development company that helps startups and small to midsize businesses succeed and grow online. I founded Paragon in 2012 in Keene, New Hampshire and we've grown from a startup of one to a team of 13 employees in 6 short years with clients around the country in a wide array of industries.

At Paragon, we've spent a lot of time over the past few years making our clients' websites load faster and the amount of time we've spent optimizing websites has increased substantially over the last couple years. Website speed or load times have a major impact on our clients' sales and leads. The issue is two-fold, the number of visitors finding a business's website declines when the site is slow and the rate at which people sign up or buy something, also known as the conversion rate, declines as well.

Data from Google, Amazon, industry experts as well as our own data and results from working with our clients confirms that website speeds do have a big impact on the ability to attract visitors to a website and keep them there long enough to make a purchase or sign up for a service.

The speed of a website directly impacts its rankings in search engines. The slower a website is the less likely it is to appear at the top of search results. Free traffic from search engines can be extremely important for a startup or small business. Receiving less free traffic from search engines makes it harder for startups to gain traction and small businesses to compete if they don't have deep pockets to pay for ads.

In addition, there is a direct correlation between the speed of a website, commonly measured as page speed, and the rate at which people make a purchase on a website, the conversation rate. The conversion rate declines rapidly as a website's load times increase. A study by industry experts, Kissmetrics, shows that a 1 second delay in page speed can result in a 7% decrease in conversions.

An internal Amazon study showed that for every 100ms, or 1/10 of a second their website slowed down it would cause a loss of 1% in sales, which could cost the company 1.7 billion dollars in sales a year. Amazon is a very well-known and trusted brand, the impact on a lesser known small business or startup would likely be greater.

Consumers expect, fast and frictionless experiences online and are becoming more impatient all the time. This means that the speed of websites will likely become more crucial in the coming years. The internet was a great equalizer allowing small startups to innovate and disrupt industries long controlled by large corporations. America's small businesses and startups should not be put at a disadvantage and the next YouTube, Google, Facebook or Amazon should have the same level playing field that was afforded these very successful internet companies that were once startups too.

I strongly urge the committee to work to put net neutrality protections back in place so small businesses in our country can continue to compete on a fair and level playing field, continue to innovate and grow and continue to create jobs.

I appreciate the opportunity to testify today. Your interest and action on this issue is so important to the future success of small businesses across the country. Thank you for standing up for small businesses like mine and my clients.

Sincerely,



Zach Luse  
Founder and CEO  
Paragon Digital Marketing